

Condensed Unaudited Financial Statements - Quarter Ended March 31, 2022

The Directors are pleased to present the condensed unaudited financial statements of the Group and the Company for the quarter ended March 31, 2022.

(a) Basis of accounting

The condensed financial statements of the Group and the Company are unaudited and have been prepared using the same accounting policies as the audited financial statements for the year ended December 31, 2021, except for the adoption of new International Financial Reporting Standards issued which are now effective.

(b) Operations

Short Term

The gross and net earned premium have increased well above expectations, demonstrating the attractiveness of our product offerings. However, the operational results have been severely impacted by high severity claims in relation to weather-related perils and other significant material damage claims across several lines of business.

We expect a much quieter claims activity in the 2nd quarter with improvement in results. The outlook for the remaining period remains optimistic.

Long Term

The gross premium income for the first quarter of 2022 is comparable to the same period last year, in line with expectations.

(c) Investments

Our investment fund posted lackluster returns for the first quarter of 2022 mainly due to weaker international equity markets. The local stock market maintained its momentum driven by improving earnings reports and the resumption of dividend payments. On the other hand, global equity indices closed lower on the back of investor worries about high inflation rates, rising interest rates, and the Russia-Ukraine war. On the fixed income side, our portfolio continued to deliver attractive returns, despite the low interest rate environment.

For and on behalf of the Board of Directors

Swan Corporate Affairs Ltd
Company Secretary
May 13, 2022

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Unaudited as at Mar 31, 2022	Audited as at Dec 31, 2021	Unaudited as at Mar 31, 2022	Audited as at Dec 31, 2021
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Non-current assets				
Property and equipment	367,553	377,448	66,603	68,461
Investment properties	420,232	422,105	-	-
Investments in subsidiary companies	-	-	565,874	565,874
Investments in associated companies and joint venture	247,742	226,430	104,489	104,489
Available-for-sale financial assets	29,874,793	31,987,893	2,677,434	2,771,104
Held-to-maturity financial assets	16,841,663	15,415,648	214,409	218,151
Loans and receivables	5,713,435	5,530,075	66,533	73,365
Non-current receivables	4,895	4,895	-	-
Other non-current assets	198,774	206,127	87,023	92,431
Total non-current assets	53,669,087	54,170,621	3,782,365	3,893,875
Current assets	10,014,730	9,146,759	2,510,982	2,468,199
Total assets	63,683,817	63,317,380	6,293,347	6,362,074
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	41,379	41,379	41,379	41,379
Reserves	4,910,624	4,888,445	3,000,934	3,069,728
Attributable to owners of the parent	4,952,003	4,929,824	3,042,313	3,111,107
Non-controlling interests	631,067	601,041	-	-
Total equity	5,583,070	5,530,865	3,042,313	3,111,107
Life Assurance Fund	53,144,682	52,790,703	-	-
Technical provisions	3,241,293	2,958,331	2,444,390	2,294,813
Non-current liabilities	597,226	607,473	345,502	355,852
	56,983,201	56,356,507	2,789,892	2,650,665
Current liabilities	1,117,546	1,430,008	461,142	600,302
Total equity and liabilities	63,683,817	63,317,380	6,293,347	6,362,074
Net assets per share (Rs/cs)	598.37	595.69	367.62	375.93
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769

2. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP		THE COMPANY	
	Quarter Ended Mar 31, 2022	Quarter Ended Mar 31, 2021	Quarter Ended Mar 31, 2022	Quarter Ended Mar 31, 2021
	Rs'000	Rs'000	Rs'000	Rs'000
Gross written premiums	2,626,901	2,150,599	943,791	645,312
Net earned premiums	1,879,748	1,772,930	652,368	548,195
Share of results of associated companies and joint venture	6,772	11,529	-	-
Profit before taxation	143,190	162,948	29,027	67,018
Income tax expense	(14,425)	(19,178)	(4,142)	(7,214)
Profit for the period	128,765	143,770	24,885	59,804
Other comprehensive income for the period, net of tax	(76,560)	103,010	(93,679)	82,007
Total comprehensive income for the period	52,205	246,780	(68,794)	141,811
Profit for the period attributable to:				
Owners of the parent	99,449	124,045	24,885	59,804
Non-controlling interests	29,316	19,725	-	-
	128,765	143,770	24,885	59,804
Total comprehensive income for the period attributable to:				
Owners of the parent	22,179	227,247	(68,794)	141,811
Non-controlling interests	30,026	19,533	-	-
	52,205	246,780	(68,794)	141,811
Basic and diluted earnings per share (Rs/cs)	12.02	14.99	3.01	7.23
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769

3. Statements of Changes in Equity

	Attributable to owners of the parent								
	Share Capital Rs'000	Fair Value Reserve Rs'000	Other Reserves Rs'000	Retained Earnings Rs'000	Amalgamation Reserve Rs'000	Actuarial reserve Rs'000	Total owners' interest Rs'000	Non-controlling Interests Rs'000	Total Equity Rs'000
(a) THE GROUP									
Balance at January 1, 2022	41,379	665,497	78,350	4,025,587	267,477	(148,466)	4,929,824	601,041	5,530,865
Profit for the period	-	-	-	99,449	-	-	99,449	29,316	128,765
Other comprehensive income for the period	-	(352,066)	22,279	-	-	-	(329,787)	710	(329,077)
Transfer to life assurance fund	-	252,517	-	-	-	-	252,517	-	252,517
Balance at March 31, 2022	41,379	565,948	100,629	4,125,036	267,477	(148,466)	4,952,003	631,067	5,583,070
Balance at January 1, 2021	41,379	145,401	(3,003)	3,445,647	267,477	(137,818)	3,759,083	489,496	4,248,579
- As previously stated	-	-	-	6,473	-	-	6,473	-	6,473
- Effect of prior year adjustments	-	-	-	-	-	-	-	-	-
- As restated	41,379	145,401	(3,003)	3,452,120	267,477	(137,818)	3,765,556	489,496	4,255,052
Profit for the period	-	-	-	124,045	-	-	124,045	19,725	143,770
Other comprehensive income for the period	-	367,057	12,838	-	-	-	379,895	(192)	379,703
Transfer to life assurance fund	-	(276,693)	-	-	-	-	(276,693)	-	(276,693)
Other movement	-	-	(2,797)	-	-	-	(2,797)	-	(2,797)
Balance at March 31, 2021	41,379	235,765	7,038	3,576,165	267,477	(137,818)	3,990,006	509,029	4,499,035
(b) THE COMPANY									
Balance at January 1, 2022	41,379	577,213	43,099	2,374,961	220,593	(146,138)	3,111,107		
Profit for the period	-	-	-	24,885	-	-	24,885		
Other comprehensive income for the period	-	(93,679)	-	-	-	-	(93,679)		
Balance at March 31, 2022	41,379	483,534	43,099	2,399,846	220,593	(146,138)	3,042,313		
At January 1, 2021,	41,379	121,446	43,099	2,199,963	220,593	(132,949)	2,493,531		
Profit for the period	-	-	-	59,804	-	-	59,804		
Other comprehensive income for the period	-	82,007	-	-	-	-	82,007		
Balance at March 31, 2021	41,379	203,453	43,099	2,259,767	220,593	(132,949)	2,635,342		

4. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Quarter Ended Mar 31, 2022	Quarter Ended Mar 31, 2021	Quarter Ended Mar 31, 2022	Quarter Ended Mar 31, 2021
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash generated from/ (used in) operating activities	53,922	114,939	38,726	(85,900)
Net cash generated from investing activities	843,692	245,892	145,732	55,831
Net cash used in financing activities	(148,763)	(108,485)	(170,222)	(80,105)
Increase/(decrease) in cash and cash equivalents	748,851	252,346	14,236	(110,174)
Movement in cash and cash equivalents:				
At January 1,	2,956,427	3,552,803	211,493	621,728
Increase/(decrease)	748,851	252,346	14,236	(110,174)
Effect of foreign exchange rate changes	44,066	36,198	(35)	10,943
At March 31,	3,749,344	3,841,347	225,694	522,497

5. Segment Information - The Group

	Quarter Ended March 31, 2022				Quarter Ended March 31, 2021			
	Life Rs'000	General Rs'000	Group Elimination Rs'000	Total Rs'000	Life Rs'000	General Rs'000	Group Elimination Rs'000	Total Rs'000
Gross written premiums	1,476,815	1,173,748	(23,662)	2,626,901	1,355,641	794,958	-	2,150,599
Net earned premiums	1,210,863	692,547	(23,662)	1,879,748	1,200,656	572,274	-	1,772,930
Share of results of associated companies and joint venture	(339)	-	7,111	6,772	(156)	-	11,685	11,529
Profit before taxation	100,435	35,644	7,111	143,190	79,627	68,597	14,724	162,948
Income tax expense	(5,079)	(9,346)	-	(14,425)	(11,165)	(8,013)	-	(19,178)
Profit for the period	95,356	26,298	7,111	128,765	68,462	60,584	14,724	143,770

This communiqué is issued pursuant to the Listing Rule 12.20 and the Securities Act 2005.

Copies of these condensed unaudited financial statements and the statements of officers' interests, pursuant to Rule 8 (2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 are available free of charge from the Company Secretary at the registered office of the Company at Swan Centre, 10 Intendance Street, Port Louis. The condensed unaudited financial statements can also be viewed on the Company's website.

The Board of Directors of Swan General Ltd accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements.