



BUSINESS REPORT 2019



MANAGEMENT REPORT 2019

for the year ended 31 december 2019

BOARD OF DIRECTORS

Wolfgang Felser - Chairman
Petros Petrides
Aristodemos Aristodemou
Daniela Uhlmann
Peter Hronovsky
Christos Michael - Resigned on 2 December 2019

The Board of Directors of Medlife Insurance Limited presents to the members its management report and audited financial statements of the Company for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activity of Medlife Insurance Ltd. (the Company) is the sale of life assurance policies.

RESULTS

The income statement of the year is presented on page 11 of the financial statements. The Company shows profits before taxation charge in the amount 8.8 Mio USD in 2019 (2018: 7.9 Mio USD).

DIVIDENDS

On 1st December 2019, the Board of Directors approved the payment of an interim dividend from the profits of 2018 and 2019 of USD 1.01695 per share (2018: USD 0.79096 per share), amounting to USD 9 000 000 (2018: USD 7 000 000) in total.

BOARD OF DIRECTORS

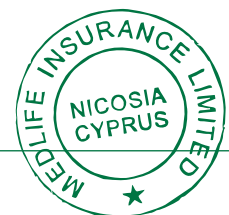
The members of the Board of Directors as at 31 December 2019 and at the date of this report are presented on page 2. All of them were members of the Board of Directors throughout the year ended 31 December 2019, except Mr. Christos Michael, who resigned on the 2nd December 2019.

INDEPENDENT AUDITOR'S REPORT

The independent auditors, KPMG Limited, state in their report a clean audit opinion for the year 31 December 2019.

BY ORDER OF THE BOARD OF DIRECTORS

Aristodemos Aristodemou
Director



Nicosia, 24 April 2020



MEDLIFE BUSINESS REPORT 2019

FINANCIAL POSITIONS AND RESULTS



The information included in the summarized financial position and results of Medlife Insurance Ltd. for 2019 have been extracted from the Financial Statements of Medlife Insurance Ltd. for 2019 which were audited by KPMG Limited, Certified Public Accountants and registered Auditors in Cyprus, 14 Esperidon Street, 1087 Nicosia, Cyprus. A clean (unmodified) audit report dated 24 April 2020 has been rendered to the Financial Statements.

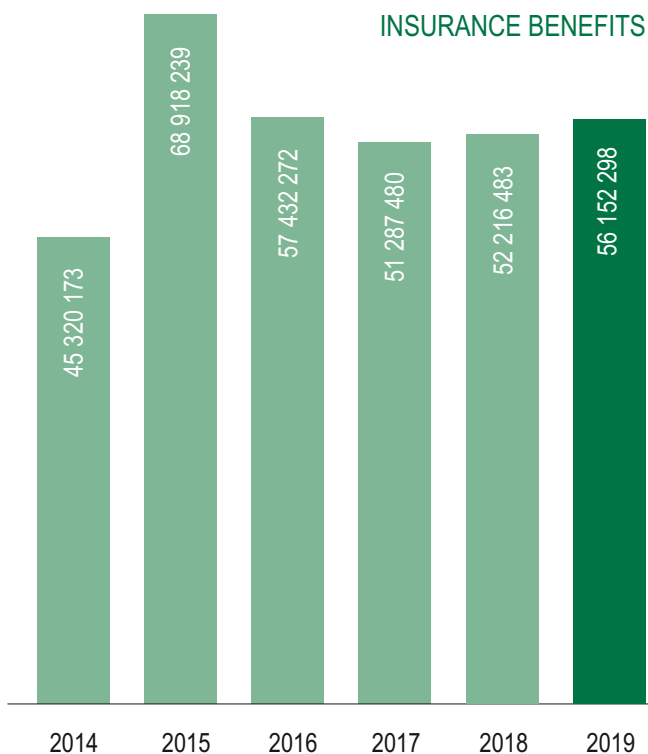


INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

2019	2018	USD
34 347 438	37 283 966	Gross written premiums
2 329 627	2 186 806	Change in gross unearned premium reserve
36 677 065	39 470 772	Gross change earned premiums
(738 396)	(634 606)	Reinsurance premiums
(0)	(657 456)	Change in reinsurance share in gross unearned premium reserve
35 938 669	38 178 710	Net earned premiums
16 898 601	14 259 268	Net investment income
243 259	426 184	Commission income
167 269	129 030	Other income
53 247 798	52 993 192	Total income

INSURANCE BENEFITS





INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

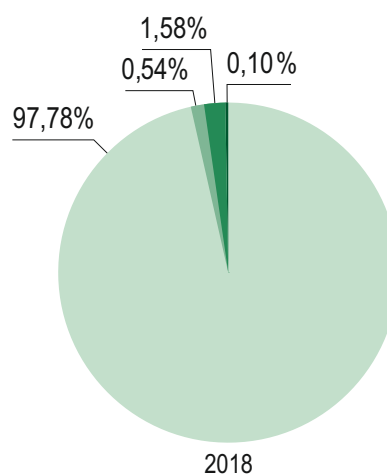
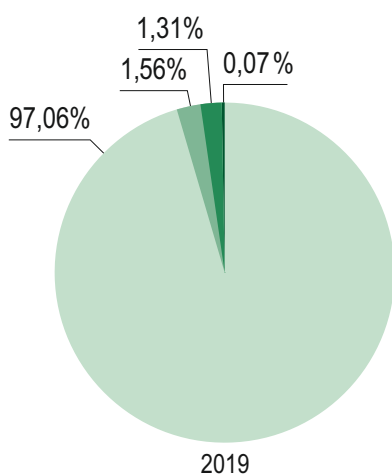
USD	2019	2018
Surrenders paid	(19 023 392)	(17 001 939)
Maturities paid	(37 094 488)	(34 222 140)
Other claims paid	(749 365)	(833 170)
R/I share on claims paid	73 388	156 747
Net claims paid	(56 793 857)	(51 900 502)
Net change in outstanding claims reserve	641 559	315 981
Net claims incurred	(56 152 298)	(52 216 483)
Aquisition expenses	(4 939 066)	(5 158 073)
Change in Life assurance funds - net	19 593 286	14 594 713
Administration expenses	(3 096 290)	(2 943 105)
Interest on policyholders prepayments	(229 721)	(257 693)
Foreign exchange (loss) / gain	404 157	873 185
Total expenses	(44 419 932)	(45 107 456)
Profit before taxation	8 827 866	7 885 736
Taxation charge	(277 574)	(295 171)
Profit of the year	8 550 292	7 590 565



STATEMENT OF FINANCIAL POSITION

ASSETS

2019	2018	USD
		ASSETS
7 795 059	2 664 533	Cash and cash equivalents
11 503 566	7 274 549	Investments held at fair value through profit or loss
6 539 044	7 834 779	Amounts receivables
467 197 849	471 179 933	Investments available for sale
5 831 714	5 968 837	Held-to-maturity investments
349 195	360 322	Property, plant and equipment
0	152 993	Taxation
499 216 427	495 435 946	Total assets



- Investments
- Cash and bank deposits
- Debtors
- Others

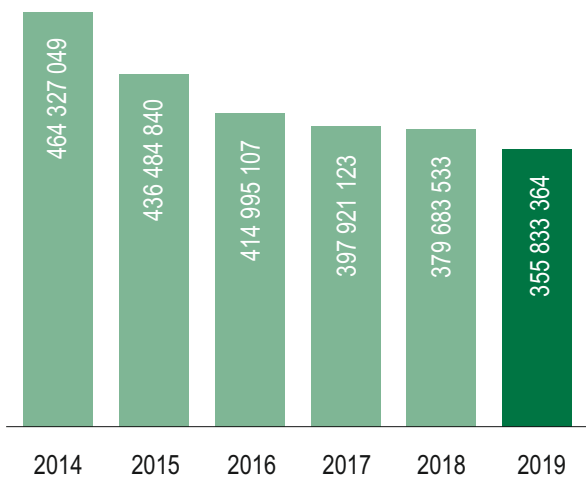


STATEMENT OF FINANCIAL POSITION

LIABILITIES AND EQUITY

USD	2019	2018
LIABILITIES		
Amounts due to reinsurers	0	0
Creditors and accrued liabilities	9 890 771	7 842 978
Prepaid premiums	27 536 810	28 103 341
Taxation	42 623	4 329
Insurance contract liabilities	355 833 364	379 683 533
Total liabilities	393 303 568	415 634 181
EQUITY		
Issued Capital	15 018 221	15 018 221
Retained Earnings	41 856 792	42 463 893
Other Reserves	49 037 846	22 319 651
Total equity	105 912 859	79 801 765
Total liabilities and equity	499 216 427	495 435 946

INSURANCE CONTRACT LIABILITIES





NOTES TO THE FINANCIAL STATEMENT

31 December 2019

INCORPORATION AND PRINCIPAL ACTIVITIES

Medlife Insurance Ltd. was incorporated in Cyprus on 2 December 1994 as a private company with shares in accordance with the provisions of the Companies Law, Cap 113. The principal activity of the Company is the sale of life assurance policies.

The Company's registered office is at 27 Pindarou Street, Alpha Business Centre, 1060 Nicosia, Cyprus.

AMOUNTS DUE TO REINSURERS

The Company has a reinsurance treaty with Grazer Wechselseitige Versicherung AG (GRAWE) of Austria and a reinsurance treaty with Grawe Reinsurance Limited covering all risk policies.

CREDITS AND ACCRUED LIABILITIES (USD)

The following amounts are included in creditors. Creditors and accrued liabilities (USD)

2019	2018	
9 176 360	7 096 808	Amounts due to related companies
69 143	85 730	Other creditors
156 814	162 616	Accrued expenses
488 454	497 823	Amounts due to insurance brokers
<u>9 890 771</u>	<u>7 842 977</u>	

LIFE ASSURANCE RESERVES

A valuation of the liabilities of the life reserve of the Company is carried out every year by the Company's actuary. The Directors of the Company have been informed by the Company's actuary that the assets of the life fund are enough to cover the liabilities to the insured persons at 31 December 2019.

SHARE CAPITAL (USD)

2019	2018
<u>15 018 221</u>	<u>15 018 221</u>

Authorized, issued and fully paid 8 850 000 shares of EUR 1.71 each (2018: EUR 1.71 each).



HEAD OFFICE:
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