

**TANGERINE LIFE INSURANCE LIMITED**

**CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020**

ASSETS	Notes	Group	Parent	
		31-Dec-20 N'ooo	31-Dec-20 N'ooo	31-Dec-19 N'ooo
Cash and cash equivalents	6	8,313,229	2,289,495	6,234,492
Financial assets at amortised cost	7	2,079,970	448,735	126,063
Financial assets at fair value through profit or loss	8	46,581,813	2,381,575	4,741,275
Pledged assets	9	589,379	589,379	-
Other receivables and prepayment	10	467,016	241,897	518,861
Trade receivables	11	8,422	5,961	-
Reinsurance assets	12	551,735	256,661	510,894
Right-of-use assets	13	-	-	97,461
Investment in subsidiaries	14	-	4,708,048	-
Investment in associates	15	331,839	360,000	-
Investment properties	16	2,270,783	-	-
Property, plant and equipment	17	198,967	90,929	97,248
Intangible assets subject to amortisation	18	47,482	40,919	77
Goodwill on consolidation	19	518,676	-	-
Statutory deposit	20	400,000	200,000	200,000
<b>TOTAL ASSETS</b>		<b>62,359,311</b>	<b>11,613,599</b>	<b>12,526,371</b>
<b>LIABILITIES</b>				
Insurance contract liabilities	21	44,349,331	1,544,154	1,937,209
Investment contract liabilities	22	4,300,490	659,719	891,135
Deferred tax liabilities	23	111,478	-	-
Lease liability	24	-	-	64,183
Trade payables	25	808,738	345,635	236,087
Other payables and accruals	26	1,051,993	308,572	260,402
Current income tax liabilities	27	154,452	79,839	75,915
<b>TOTAL LIABILITIES</b>		<b>50,776,482</b>	<b>2,937,919</b>	<b>3,464,931</b>
<b>EQUITY</b>				
Share capital	28	1,724,681	1,724,681	1,724,681
Share premium	28	6,229,796	6,229,796	6,319,796
Contingency reserves	29	588,064	382,498	343,822
Retained earnings	30	1,535,398	338,705	673,141
<b>TOTAL OWNERS' EQUITY</b>		<b>10,077,939</b>	<b>8,675,680</b>	<b>9,061,440</b>
Non controlling interest	31	1,504,890	-	-
<b>TOTAL EQUITY</b>		<b>11,582,829</b>	<b>8,675,680</b>	<b>9,061,440</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>62,359,311</b>	<b>11,613,599</b>	<b>12,526,371</b>

These financial statements were authorised for issue by the board of directors on the 23 April 2021 and were signed on its behalf by:



Olawale Somuyiwa (Acting Chief Financial Officer)



Livingstone Magorimbo (Managing Director)

FRC/2012/ICAN/00000000602

FRC/2013/CIIN/000000002611



Eric Idiahi (Chairman)  
FRC/2014/IODN/000000006218

The statement of significant accounting policies and the accompanying notes form an integral part of these financial statements

**TANGERINE LIFE INSURANCE LIMITED**
**CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR  
ENDED 31 DECEMBER 2020**

		<b>Group</b>	<b>Parent</b>	
	<b>Notes</b>	<b>31-Dec-20</b>	<b>31-Dec-20</b>	<b>31-Dec-19</b>
		<b>N'ooo</b>	<b>N'ooo</b>	<b>N'ooo</b>
Gross premium income written		<u>15,440,282</u>	<u>3,867,562</u>	<u>3,401,847</u>
Gross premium income	32	15,682,764	4,052,572	3,327,574
Reinsurance expenses	33	<u>(780,010)</u>	<u>(490,128)</u>	<u>(667,300)</u>
<b>Net premium income</b>		<u>14,902,754</u>	<u>3,562,444</u>	<u>2,660,274</u>
Fess and commission income	37	70,282	-	-
Change in annuity contract liabilities	21h	(16,579,396)	-	-
Changes in individual life fund	21d	(3,036,164)	6,428	2,604
Claims expenses	34	(2,176,874)	(2,079,301)	(1,946,096)
Claims recoveries from reinsurance companies	35	468,436	321,517	535,915
Underwriting expenses	36	<u>(1,186,060)</u>	<u>(432,928)</u>	<u>(571,845)</u>
<b>Net underwriting income</b>		<u>(7,537,021)</u>	<u>1,378,161</u>	<u>680,852</u>
Investment income	38b	3,524,630	524,771	781,190
Profit on investment contracts	39	48,785	39,261	69,597
Fair value gains	40	8,883,927	94,422	76,715
Other operating income	41	88,111	773	1,455
Net expected credit loss	42	(32,786)	8,785	(12,912)
Interest expenses on lease liability		(4,002)	(4,002)	(14,544)
Management expenses	43	<u>(3,417,209)</u>	<u>(2,325,456)</u>	<u>(1,022,298)</u>
<b>Operating profit/(loss)</b>		<u>1,554,436</u>	<u>(283,285)</u>	<u>560,056</u>
Loss from Associate accounted for using equity method	15	<u>(28,161)</u>	<u>-</u>	<u>-</u>
<b>Profit/(loss) before tax</b>		<u>1,526,275</u>	<u>(283,285)</u>	<u>560,056</u>
Income tax expense	27	<u>(68,730)</u>	<u>(12,475)</u>	<u>(70,816)</u>
<b>Profit/(loss) for the year</b>		<u>1,457,545</u>	<u>(295,760)</u>	<u>489,240</u>
<b>Total comprehensive income/(loss) for the year</b>		<u>1,457,545</u>	<u>(295,760)</u>	<u>489,240</u>
<b>Profit/(loss) for the year attributable to:</b>				
Non controlling interest		348,841	-	-
Owners of parent equity		<u>1,108,704</u>	<u>(295,760)</u>	<u>489,240</u>
		<u>1,457,545</u>	<u>(295,760)</u>	<u>489,240</u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Non controlling interest	32	348,841	-	-
Owners of parent equity		<u>1,108,704</u>	<u>(295,760)</u>	<u>489,240</u>
		<u>1,457,545</u>	<u>(295,760)</u>	<u>489,240</u>
Earnings per share - basic/diluted (kobo)	44	<u>84.51</u>	<u>(17.15)</u>	<u>43.65</u>

The statement of significant accounting policies and the accompanying notes form an integral part of these financial statements

**TANGERINE LIFE INSURANCE LIMITED**
**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Group		Share capital	Share Premium	Contingency Reserve	Retained earnings	Total owners' equity	Non controlling interest	Total equity
	Notes	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2020	28b	1,724,681	6,319,796	343,822	673,141	9,061,440	-	9,061,440
Acquisition of subsidiaries	31	-	-	-	-	-	1,217,184	1,217,184
Payment to Non controlling interest	31	-	-	-	-	-	(61,135)	(61,135)
Excess of consideration paid recognised in the transactions with non-controlling interests reserve within equity					(2,205)	(2,205)	-	(2,205)
Profit for the year		-	-	-	1,108,704	1,108,704	348,841	1,457,545
Share increase expense	28c	-	(90,000)	-	-	(90,000)	-	(90,000)
Total comprehensive income for the year		1,724,681	6,229,796	343,822	1,779,640	10,077,939	1,504,890	11,582,829
Transfer to contingency reserves	29	-	-	244,242	(244,242)	-	-	-
Balance at 31 December 2020		1,724,681	6,229,796	588,064	1,535,398	10,077,939	1,504,890	11,582,829

**STATEMENT OF CHANGES IN EQUITY**

Parent		Share capital	Share Premium	Contingency Reserve	Retained earnings	Total equity
		N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2020		-	-	-	-	-
Upon acquisition	28b	1,724,681	6,319,796	343,822	673,141	9,061,440
Issue of shares		-	-	-	-	-
Profit for the year	30	-	-	-	(295,760)	(295,760)
Share increase expense	28c	-	(90,000)	-	-	(90,000)
Total comprehensive income for the year		1,724,681	6,229,796	343,822	377,381	8,675,680
Transfer to contingency reserves	29	-	-	38,676	(38,676)	-
Balance at 31 December 2020		1,724,681	6,229,796	382,498	338,705	8,675,680
Balance at 1 January 2019	28b	1,000,000	2,494,862	294,898	508,901	4,298,661
Profit for the year		-	-	-	489,241	489,241
Issue of shares	28b	724,681	3,824,934	-	-	4,549,615
Dividend paid		-	-	-	(276,077)	(276,077)
Total comprehensive income for the year		724,681	3,824,934	-	213,164	4,762,779
Transfer to contingency reserves	29	-	-	48,924	(48,924)	-
Balance at 31 December 2019		1,724,681	6,319,796	343,822	673,141	9,061,440

**CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS**

		<b>Group</b>	<b>Parent</b>	
	<b>Note</b>	<b>31-Dec-20</b>	<b>31-Dec-20</b>	<b>31-Dec-19</b>
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Cash flows from operating activities:</b>				
Premium received from policyholders	51a	14,706,195	3,657,629	3,191,619
Deposit for premium in advance	51b	706,275	327,430	203,903
Cash received from investment contract liabilities	22a	985,614	27,414	40,909
Cash withdrawals from investment contract liabilities	22a	(1,960,813)	(275,214)	(243,976)
Re-insurance premium paid		(694,831)	(414,806)	(643,449)
Underwriting expenses	36	(1,186,060)	(432,928)	(571,845)
Claims recovered from reinsurance		641,680	485,798	464,514
Claims paid	34	(3,848,449)	(2,280,918)	(1,392,503)
Payments to annuitants	21h	(2,007,549)	-	-
Payment to employees	43	(1,334,121)	(577,313)	(368,435)
Net other Operating cash payments		(1,538,992)	(1,764,620)	(609,450)
Financing cost paid on lease liability	24	(22,435)	(22,435)	(14,544)
Tax paid	27	(27,184)	(8,551)	(12,113)
<b>Net cash from/(used in) operating activities</b>		<b>4,419,331</b>	<b>(1,278,513)</b>	<b>44,630</b>
<b>Cash flows from investing activities:</b>				
Purchase of treasury bills	8c	(1,304,398)	(1,304,398)	(9,186,229)
Proceeds from liquidation of treasury bills	8c	4,003,413	4,003,413	8,631,493
Purchase of bond investment	8b	(192,466)	(192,466)	(389,859)
Purchase of equity securities	8a	(922,296)	(801,051)	(481,348)
Purchase of mutual fund	8d	(135,013)	(135,013)	-
Proceeds from bonds redemption	8b	(366,821)	366,821	800,000
Net Money market placements with banks		(3,171,274)	(311,658)	(48,292)
Purchase of Property & Equipment	17	(113,998)	(42,401)	(47,727)
Purchase of intangible assets	17	(58,037)	(58,037)	-
Rental income	38b	94,856	-	-
Acquisition of right of use assets	18	-	-	(55,729)
Deposit in Escrow for acquisition of subsidiaries	10	473,924	473,924	(473,924)
Payment for acquisition of subsidiaries net of cash acquired		(4,708,048)	(4,708,048)	-
Cash and cash equivalent on acquisition of subsidiaries	14.1	4,017,126	-	-
Acquisition of Associates	15	(253,000)	(253,000)	-
Deposit for shares	10	(104,000)	(104,000)	-
Proceeds from disposal of property and equipment	41	782	773	1,905
Interest received from investments	38	414,295	414,295	887,562
Dividend received		58,376	58,376	315
<b>Net cash from/(used in) investing activities</b>		<b>(2,266,579)</b>	<b>(2,592,469)</b>	<b>(361,833)</b>
<b>Cash flows from financing activities:</b>				
Share increase expenses	28c	(90,000)	(90,000)	-
Issue of shares	28c	-	-	4,549,615
Dividend paid		-	-	(276,077)
<b>Net cash from/(used in) financing activities</b>		<b>(90,000)</b>	<b>(90,000)</b>	<b>4,273,538</b>
Net increase/(decrease) in cash and cash equivalents	6	2,062,752	(3,960,982)	3,956,335
Cash and cash equivalents at beginning of year	6	6,250,477	6,250,477	2,294,142
<b>Cash and cash equivalents at end of year</b>		<b>8,313,229</b>	<b>2,289,495</b>	<b>6,250,477</b>

**Summary of Cash and cash equivalents**

For the purposes of the statement of cash flow, cash and cash equivalents is as follows:

		<b>Group</b>	<b>Parent</b>	
		<b>31-Dec-20</b>	<b>31-Dec-20</b>	<b>31-Dec-19</b>
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash in hand and at bank	6	2,894,230	1,836,106	231,390
Placements with financial institutions (less than 90day maturity)	6	5,418,999	453,389	5,700,214
Treasury bills of less than 90 days maturity		-	-	318,873
		<b>8,313,229</b>	<b>2,289,495</b>	<b>6,250,477</b>

The statement of significant accounting policies and the accompanying notes form an integral part of these financial statements