



BUSINESS REPORT 2020

MANAGEMENT REPORT

for the year ended 31 december 2020



BOARD OF DIRECTORS

Wolfgang Felser – Chairman
Peter Hronovsky
Petros Petrides
Aristodemos Aristodemou
Daniela Uhlmann

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 2020.

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 12 of the financial statements. The Company shows profits before taxation charge in the amount 7.08 Mio USD in 2020 (2019: 8.8 Mio USD).

DIVIDENDS

On 21st December 2020, the Board of Directors approved the payment of an interim dividend from the profits of 2019 and 2020 of USD 0.79096 per share (2019: USD 1.01695 per share), amounting to USD 7 000 000 (2019: USD 9 000 000) in total.

BOARD OF DIRECTORS

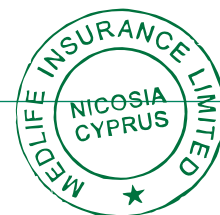
The members of the Board of Directors as at 31 December 2020 and at the date of this report are presented on page 2. All of them were members of the Board of Directors throughout the year ended 31 December 2020.

INDEPENDENT AUDITOR'S REPORT

The independent auditors, KPMG Limited, state in their report a clean audit opinion for the year 31 December 2020.

BY ORDER OF THE BOARD OF DIRECTORS

Wolfgang Felser
Chairman



Nicosia, 6 April 2021



FINANCIAL POSITIONS AND RESULTS

The information included in the summarized financial position and results of Medlife Insurance Ltd. for 2020 have been extracted from the Financial Statements of Medlife Insurance Ltd. for 2020 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 6 April 2021 has been rendered to the Financial Statements.

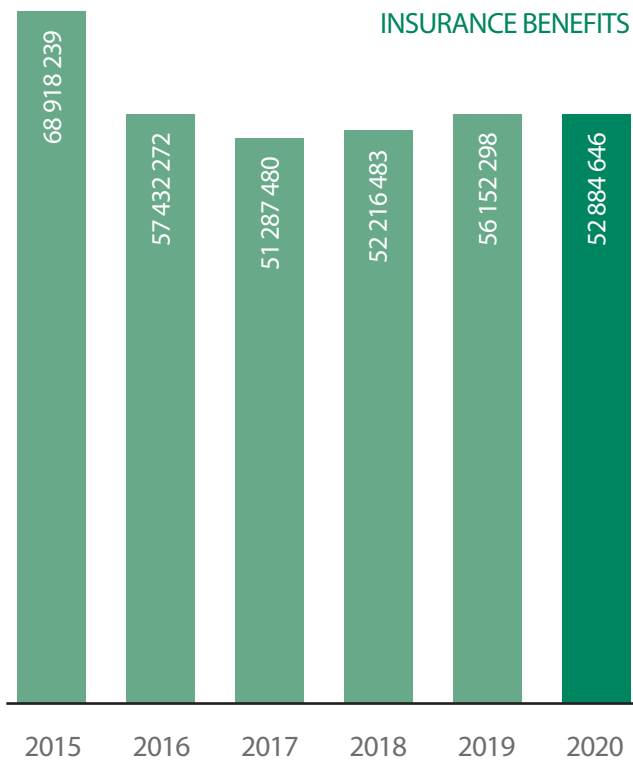


INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

USD	2020	2019
Gross written premiums	36 581 648	34 347 438
Change in gross unearned premium reserve	2 458 391	2 329 627
Gross change earned premiums	39 040 039	36 677 065
Reinsurance premiums	-2 147	-738 396
Net earned premiums	39 037 892	35 938 669
Net investment income	15 265 514	16 898 601
Commissions received	0,00	243 259
Other income	116 601	167 269
Total income	54 420 008	53 247 798

INSURANCE BENEFITS





INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

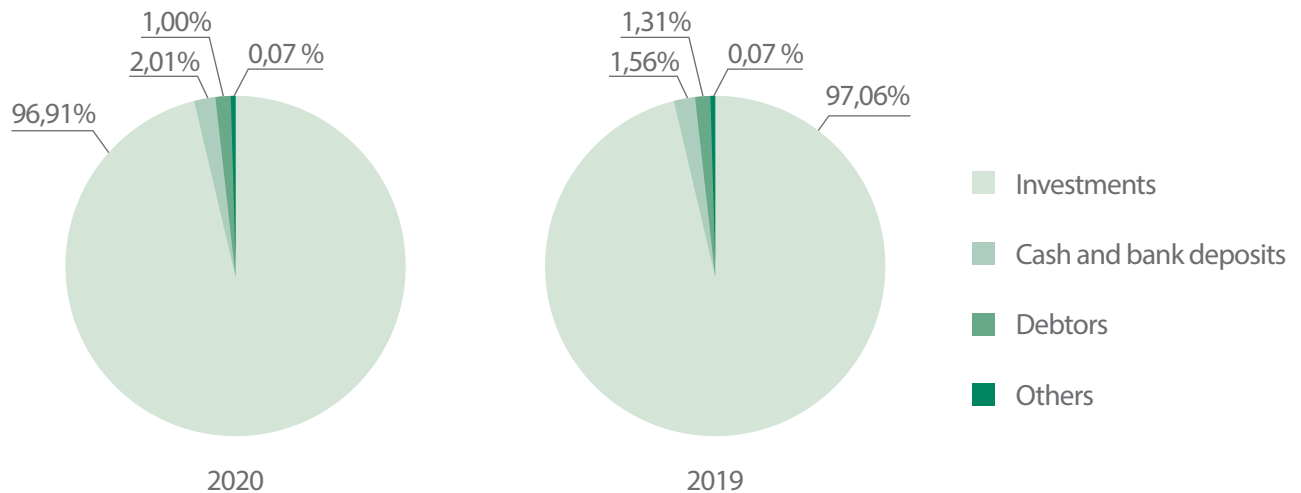
USD	2020	2019
Surrenders paid	-14 815 229	-19 023 392
Maturities paid	-36 905 352	-37 094 488
Other claims paid	-1 396 781	-749 365
R/I share on claims paid	0,00	73 388
Net claims paid	-53 117 362	-56 793 857
Net change in outstanding claims reserve	232 716	641 559
Net claims incurred	-52 884 646	-56 152 298
Aquisition expenses	-5 629 145	-4 939 066
Change in Life assurance funds - net	16 253 901	19 593 286
Administration expenses	-2 988 080	-3 096 290
Interest on policyholders prepayments	-222 368	-229 721
Foreign exchange (loss) / gain	-1 861 596	404 157
Total expenses	-47 331 935	-44 419 932
Profit before taxation	7 088 073	8 827 866
Taxation charge	-485 752	-277 574
Profit of the year	6 602 320	8 550 292



STATEMENT OF FINANCIAL POSITION

ASSETS

USD	2020	2019
ASSETS		
Cash and cash equivalents	10 147 814	7 795 058
Investments held at fair value through profit or loss	20 699 794	11 503 566
Amounts receivables	5 057 802	6 539 045
Intangible Assets	76 579	0,00
Investments available for sale	462 338 830	467 197 849
Held-to-maturity investments	5 690 116	5 831 714
Property, plant and equipment	294 850	349 196
Total assets	504 305 784	499 216 428



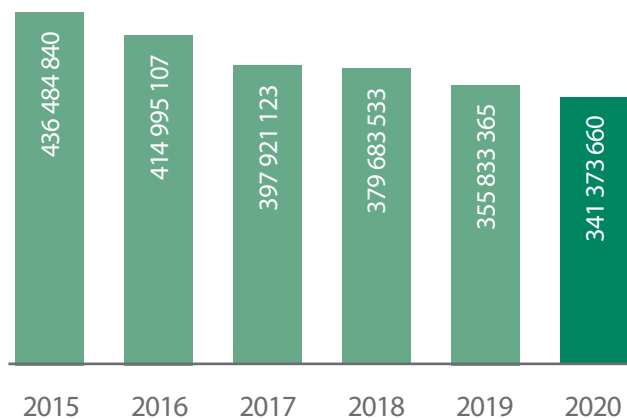


STATEMENT OF FINANCIAL POSITION

LIABILITIES AND EQUITY

USD	2020	2019
LIABILITIES		
Amounts due to reinsurers	0,00	0,00
Creditors and accrued liabilities	7 837 054	9 890 771
Prepaid premiums	27 182 262	27 536 810
Taxation	186 810	42 623
Insurance contract liabilities	341 373 660	355 833 365
Total liabilities	376 579 786	393 303 569
EQUITY		
Issued Capital	15 018 221	15 018 221
Retained Earnings	41 444 616	41 856 792
Other Reserves	71 263 161	49 037 846
Total equity	127 725 998	105 912 859
Total liabilities and equity	504 305 784	499 216 428

INSURANCE CONTRACT LIABILITIES



NOTES TO THE FINANCIAL STATEMENT

31 December 2020



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)

2020	2019	
7 296 594	9 176 360	Amounts due to related companies
62 445	69 143	Other creditors
167 633	156 814	Accrued expenses
310 383	488 454	Amounts due to insurance brokers
<u>7 837 054</u>	<u>9 890 771</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 2020.

SHARE CAPITAL (USD)

2020	2019
<u>15 018 221</u>	<u>15 018 221</u>

Authorized, issued and fully paid 8 850 000 shares of EUR 1.71 each (2019: EUR 1.71 each).



HEAD OFFICE:
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