

# Lombard Insurance Company Limited

(Registration number 1990/001253/06)

Quarterly Financial Results for the period ended 31 December 2021

## Statements of Financial Position as at 31 December 2021

|  | 31 December<br>2021 | 30 June<br>2021  |
|--|---------------------|------------------|
|  | R '000              | R '000           |
| <b>Assets</b>  |                     |                  |
| Deferred tax   | 18 857              | 18 857           |
| Intangible assets  | 13 440              | 17 252           |
| Equipment and right-of-use asset                           | 23 423              | 27 232           |
| Reinsurance assets   | 2 085 402           | 1 588 046        |
| Financial assets at amortised cost                         | 1 145 885           | 1 071 684        |
| Receivables including reinsurance receivables              | 407 712             | 358 981          |
| Current tax receivable                                     | -                   | 7 634            |
| Financial assets at fair value through profit or loss      | 1 542 138           | 1 550 534        |
| Cash and cash equivalents                                  | 464 114             | 659 089          |
| <b>Total assets</b>  | <b>5 700 971</b>    | <b>5 299 309</b> |
| <b>Equity and Liabilities</b>                              |                     |                  |
| <b>Equity</b>  |                     |                  |
| Share capital  | 189 050             | 189 050          |
| Retained income  | 704 586             | 648 998          |
|  | <b>893 636</b>      | <b>838 048</b>   |
| <b>Liabilities</b>   |                     |                  |
| Unsecured borrowings                                       | 302 848             | 302 853          |
| Lease liabilities  | 18 841              | 21 582           |
| Insurance liabilities                                      | 2 907 269           | 2 341 402        |
| Employee benefit provisions                                | 58 284              | 87 946           |
| Payables including reinsurance payables                    | 1 516 341           | 1 703 325        |
| Financial liabilities at fair value through profit or loss | 386                 | 4 153            |
| Current tax payable  | 3 366               | -                |
|  | <b>4 807 335</b>    | <b>4 461 261</b> |
| <b>Total Equity and Liabilities</b>                        | <b>5 700 971</b>    | <b>5 299 309</b> |

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## Statement of Profit or Loss and Other Comprehensive Income

|   | 6 months<br>ended<br>31 December<br>2021<br>R '000 | 12 months<br>ended<br>30 June<br>2021<br>R '000 |
|---|--|---|
| Insurance premium revenue   | 1 455 554  | 2 543 554                                       |
| Insurance premium revenue ceded to reinsurers                               | (908 187)  | (1 591 858)                                     |
| <b>Net insurance premium revenue</b>  | <b>547 367</b>                                     | <b>951 696</b>                                  |
| Investment income   | 35 168   | 57 858  |
| Interest income using the effective interest rate method                    | 28 968   | 59 463  |
| Reinsurance commission  | 305 128  | 556 136   |
| Net realised gains on financial assets at fair value through profit or loss | 1 197  | 28 660  |
| Revenue from contracts with customers                                       | 10 257   | 14 859  |
| Other income  | 2 239  | 1 923   |
| <b>Total other income</b>   | <b>382 957</b>                                     | <b>718 899</b>                                  |
| Insurance claims incurred   | (901 769)  | (364 390)                                       |
| Insurance claims recovered from reinsurers                                  | 724 816  | 69 788  |
| <b>Net Insurance claims</b>   | <b>(176 953)</b>                                   | <b>(294 602)</b>                                |
| Impairment of financial assets  | (4 206)  | (17 863)  |
| Expenses for marketing and administration                                   | (1 580)  | (1 660)   |
| Expenses for the acquisition of insurance contracts                         | (356 683)  | (617 205)                                       |
| Other operating expenses  | (243 947)  | (607 135)                                       |
| <b>Expenses</b>   | <b>(606 416)</b>                                   | <b>(1 243 863)</b>                              |
| <b>Operating profit</b>   | <b>146 955</b>                                     | <b>132 130</b>                                  |
| Finance costs   | (12 933)   | (25 375)  |
| <b>Profit before taxation</b>   | <b>134 022</b>                                     | <b>106 755</b>                                  |
| Taxation  | (38 434)   | (34 669)  |
| <b>Profit for the period</b>  | <b>95 588</b>                                      | <b>72 086</b>                                   |
| Other comprehensive income  | -  | -   |
| <b>Total comprehensive income for the period</b>                            | <b>95 588</b>                                      | <b>72 086</b>                                   |

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## Statement of Changes in Equity

|  | Share<br>capital<br>R '000 | Share<br>premium<br>R '000 | Total share<br>capital<br>R '000 | Retained<br>income<br>R '000 | Total<br>equity<br>R '000 |
|--|----------------------------|----------------------------|----------------------------------|------------------------------|---------------------------|
| <b>Balance at 01 July 2020</b>                   | <b>47</b>                  | <b>189 003</b>             | <b>189 050</b>                   | <b>576 912</b>               | <b>765 962</b>            |
| Profit for the period                            | -                          | -                          | -                                | 72 086                       | 72 086                    |
| Other comprehensive income                       | -                          | -                          | -                                | -                            | -                         |
| <b>Total comprehensive income for the period</b> | <b>-</b>                   | <b>-</b>                   | <b>-</b>                         | <b>72 086</b>                | <b>72 086</b>             |
| <b>Balance at 01 July 2021</b>                   | <b>47</b>                  | <b>189 003</b>             | <b>189 050</b>                   | <b>648 998</b>               | <b>838 048</b>            |
| Profit for the period                            | -                          | -                          | -                                | 95 588                       | 95 588                    |
| Other comprehensive income                       | -                          | -                          | -                                | -                            | -                         |
| <b>Total comprehensive income for the period</b> | <b>-</b>                   | <b>-</b>                   | <b>-</b>                         | <b>95 588</b>                | <b>95 588</b>             |
| Dividends  | -                          | -                          | -                                | (40 000)                     | (40 000)                  |
| <b>Balance at 31 December 2021</b>               | <b>47</b>                  | <b>189 003</b>             | <b>189 050</b>                   | <b>704 586</b>               | <b>893 636</b>            |