



B U S I N E S S
R E P O R T
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REPORT OF THE BOARD OF DIRECTORS

for the year ended 31 december 2015



BOARD OF DIRECTORS

Wolfgang Felser - Chairman
Michael Richter - Resigned on 31st December 2015
Petros Petrides
Christos Michael
Aristodemos Aristodemou
Daniela Uhlmann
Peter Hronovsky - Appointed on 1st October 2015

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2015.

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 6 of the financial statements. The Company shows profits before taxation charge in the amount 10,5 Mio USD in 2015 (2014: 2,7 Mio USD).

DIVIDENDS

The directors recommend the payment of a 30% (2014: 12%) dividend for the year ended 31 December 2015 amounting to 4 500 000 USD (2014: 1 802 186 USD). The rest of the profits will be carried forward.

BOARD OF DIRECTORS

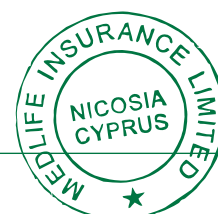
The members of the Board of Directors as at 31 December 2015 and at the date of this report are presented on page 1. Mr. Peter Hronovsky was appointed member of the Board of Directors on 1st October 2015. All the others were members of the Board of Directors throughout the year ended 31 December 2015. Mr. Michael Richter resigned on 31st of December 2015. All members of the Board of Directors will continue in office. There were no significant changes in the assignment of responsibilities and remuneration of the members of the Board of Directors.

INDEPENDENT AUDITORS

The independent auditors, Deloitte Limited, have expressed their willingness to continue in office and a resolution authorising the Board of Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Wolfgang Felser
Chairman



Nicosia, 17 February 2016

2015

MEDLIFE BUSINESS REPORT

FINANCIAL POSITION AND RESULTS



The information included in the summarized financial position and results of Medlife Insurance Ltd. for 2015 have been extracted from the Financial Statements of Medlife Insurance Ltd. for 2015 which were audited by Delloite Limited, Certified Public Accountants and registered Auditors in Cyprus, 24 Spyrou Kyprianou Avenue, 1075 Nicosia, Cyprus. A clean (unqualified) audit report has been rendered on the financial statements.

2015

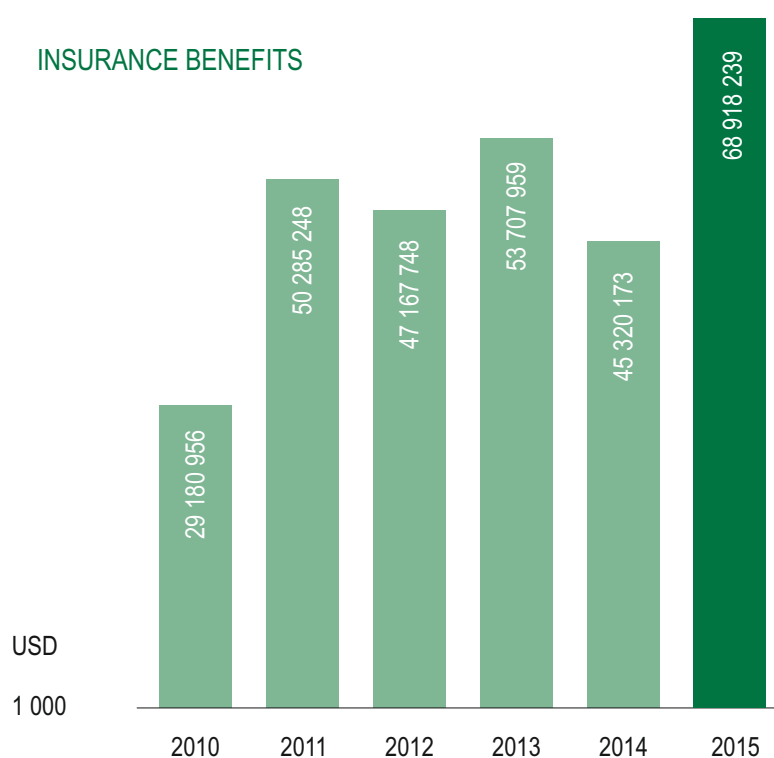
MEDLIFE BUSINESS REPORT

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

2015	2014	USD
51 508 090	60 923 451	Gross premiums written
4 459 191	3 517 400	Movement in gross unearned premium reserve
55 967 281	64 440 851	Gross earned premiums
(1 987 600)	(2 729 386)	Reinsurance premiums ceded
(303 717)	(238 518)	Reinsurance share of movement in gross unearned premium reserve
53 675 964	61 472 947	Net earned premiums
18 961 023	30 788 700	Net investment income
755 695	978 870	Commissions received
155 842	185 383	Other income
73 548 524	93 425 900	Total income

INSURANCE BENEFITS





INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

USD	2015	2014
Surrenders paid	41 226 749	22 620 490
Maturities paid	26 158 605	27 083 249
Other claims paid	1 198 477	1 099 155
R/I share on claims paid	(166 412)	(265 604)
Net claims paid	68 417 419	50 537 290
Movement in net outstanding claims reserve	500 820	(5 217 117)
Net claims incurred	68 918 239	45 320 173
Aquisition expenses	10 100 215	12 528 964
Transfer to Life assurance funds	(19 644 214)	28 491 093
Impairment loss on PPE	-	142 047
Administration expenses	4 679 243	4 951 428
Foreign exchange loss/(gain)	(1 053 867)	(667 457)
Total expenses	62 999 616	90 766 248
Profit before taxation	10 548 908	2 659 652
Taxation charge	(27)	(47)
Profit of the year	10 548 881	2 659 605

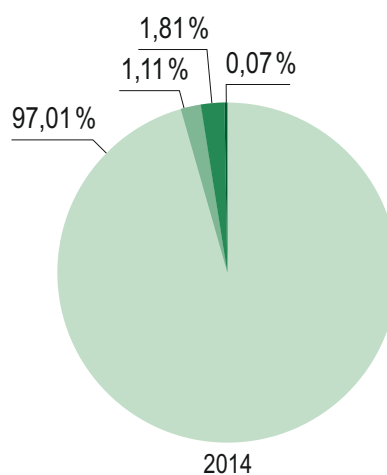
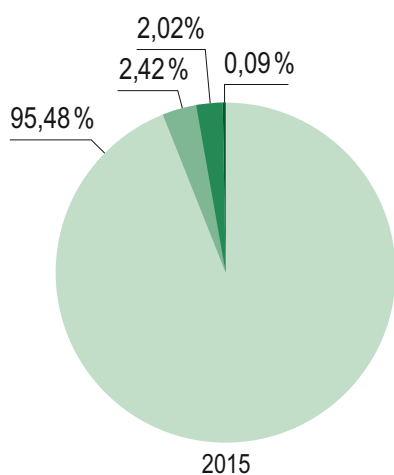
2015

MEDLIFE BUSINESS REPORT

BALANCE SHEET

ASSETS

2015	2014	USD
		CURRENT ASSETS
13 590 665	6 570 051	Cash and cash equivalents
8 118 250	13 947 148	Investments held at fair value through profit or loss
11 336 760	10 742 271	Amounts receivables
33 045 675	31 259 470	Total current assets
		NON-CURRENT ASSETS
470 650 669	502 924 080	Investments available for sale
58 064 197	58 649 515	Held-to-maturity investments
369 771	392 546	Property, plant and equipment
125 201	-	Taxation
-	14 485	Investment in bank deposits
529 209 838	561 980 626	Total non-current assets
562 255 513	593 240 096	Total assets



- Investments
- Cash and bank deposits
- Debtors
- Others

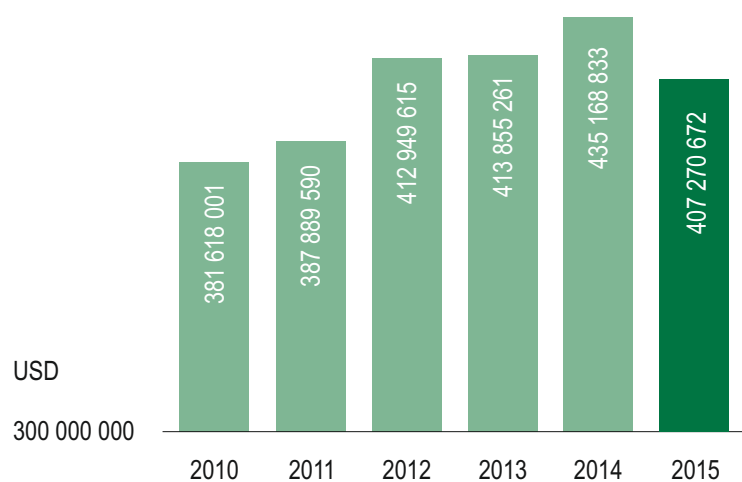


BALANCE SHEET

LIABILITIES AND EQUITY

USD	2015	2014
CURRENT LIABILITIES		
Outstanding claims	25 952 719	25 449 593
Amounts due to reinsurers	1 065 494	1 484 912
Creditors and accrued liabilities	7 605 176	2 668 161
Prepaid premiums	32 794 366	37 778 419
Total current liabilities	67 417 755	67 381 085
NON-CURRENT LIABILITIES		
Life insurance reserves	407 270 672	435 168 833
Total non-current liabilities	474 688 427	502 549 918
EQUITY		
Share capital	15 018 221	15 018 221
Reserves	72 548 865	75 671 957
Total equity	87 567 086	90 690 178
Total liabilities and equity	562 255 513	593 240 096

LIFE INSURANCE RESERVES



NOTES TO THE FINANCIAL STATEMENT

31 december 2015



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 11 Florinis Street, City Forum, 1065 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.

The Company also has an excess of loss re occurrence reinsurance treaty with Grazer Wechselseitige Versicherung AG (GRAWE) which covers general accident insurance riders in life insurance policies. According to the principles of excess loss reinsurance, the reinsurer indemnifies the ceding company for a portion of the final net loss in excess of the stipulated primary retention.

CREDITS AND ACCRUED LIABILITIES (USD)

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

2015	2014	
5 874 904	1 422 264	Amounts due to related companies
169 079	171 260	Other creditors
196 737	235 256	Accrued expenses
1 364 456	893 381	Amounts due to brokers
7 605 176	2 668 161	

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 at least enough to cover the liabilities to the insured persons at 31 December 2015.

SHARE CAPITAL (USD)

2015	2014
15 018 221	15 018 221

Authorized, issued and fully paid 8 850 000 shares of EUR 1,71 each (2014: EUR 1,71 each).



HEAD OFFICE:

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