



Solid Oak Insurance PCC Limited and its Subsidiaries
(Registration number 8417764-4)
(Non Domestic Insurance number NDI 011)
Consolidated and Separate Financial Statements
for the year ended 31 December 2022

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

General Information

Country of incorporation and domicile	Seychelles
Nature of business and principal activities	Non-domestic, linked long term insurance business
Directors	EJ Tuohy JN Ackermann NJ Ackermann
Registered office	104, First Floor Waterside Property Eden Island Seychelles
Business address	106, First Floor Waterside Property Eden Island Seychelles
Holding company	PKF Capital Markets (Seychelles) Limited incorporated in Seychelles
Ultimate holding company	Turquoise Holdings Limited incorporated in Seychelles
Auditors	Baker Tilly Chartered Accountants Seychelles
Actuaries	Independent Actuaries & Consultants (Pty) Ltd
Company registration number	8417764-4
Non Domestic Insurance number	NDI 011
Level of assurance	These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Seychelles Companies Ordinance 1972.
Preparer	These annual financial statements were compiled by: CC Turner Chartered Accountant (SA)

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

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The reports and statements set out below comprise the consolidated and separate financial statements presented to the shareholders:

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Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Directors' Responsibilities and Approval

The directors are required by the Seychelles Companies Ordinance 1972, to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the consolidated and separate financial statements.

The consolidated and separate financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

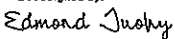
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

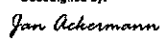
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

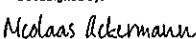
The directors have reviewed the group's cash flow forecast for the year to 31 December 2023 and, in the light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the group's external auditors and their report is presented on page 4.

The consolidated and separate financial statements set out on pages 23 to 39, which have been prepared on the going concern basis, were approved by the directors on 25 April 2023 and were signed on its behalf by:

DocuSigned by:

328C8E8E5E7E43D
EJ Tuohy

DocuSigned by:

783AE7B7CF1F4F1
JN Ackermann

DocuSigned by:

D72318D2A26C14E7
NJ Ackermann

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URL: www.bakertillymkm.com

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED**

This report is made solely to the shareholders of Solid Oak Insurance PCC Limited (the "Company") and its subsidiary (together the "Group"), as a body, in terms of our engagement to conduct the audit on their behalf. Our audit work has been undertaken so that we might state to the members those matters which we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated and separate financial statements of Solid Oak Insurance Limited set out on pages 23 to 39 which comprise the consolidated and separate statements of financial position at December 31, 2022, the related consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of cash flows and consolidated and separate statements changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group as at December 31, 2022, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") for Small and Medium-sized Entities and comply with the Seychelles Companies Act, 1972.

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), together with the other ethical requirements that are relevant to our audit of the financial statements in Seychelles, and we have fulfilled our other ethical responsibilities.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED *Continued*

Other Information

The Directors are responsible for the other information.

The other information comprises the Directors' Report, which we obtained prior to the date of this Auditor's Report. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards ('IFRS') for Small and Medium-sized Entities and in compliance with the Seychelles Companies Act, 1972 and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

INDEPENDENT AUDITOR'S REPORT**TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED** *Continued***Auditor's Responsibilities for the Audit of the Financial Statements** *Continued*

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED *Continued*

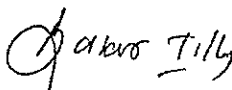
Report on Other Legal Regulatory Requirements

Companies Act, 1972

We have no relationship with, or interests, in the Company other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records and comply with the provisions of the Seychelles Companies Act, 1972.


BAKER TILLY
Chartered Accountants



Dated: April 25, 2023
Mahé, Seychelles

Strictly confidential

Solid Oak Insurance PCC LTD (Solid Oak)

Financial Condition Report at 31 December 2022

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Status	Final
Prepared by:	Independent Actuaries & Consultants (IAC)
Date:	31 March 2023

SECTION 1 Executive summary

Overview

- 1.1 Solid Oak, domiciled in the Seychelles, is an authorised Non-Domestic Long-Term Insurance company. It offers long-term savings policies to individuals.
- 1.2 Solid Oak appointed IAC to perform the annual actuarial review at 31 December 2022.

Solvency statement, key recommendations and sign-off

- 1.3 The amount of Solid Oak's insurance contract liabilities does not exceed its long-term insurance fund. Therefore, Solid Oak is solvent at 31 December 2022. Excess assets have reduced slightly from some US\$ 400,000 to some US\$ 381,000 over the year.
- 1.4 Investment risk is limited as policyholders have investment freedom. To limit the risk of reputational damage, Solid Oak should continue with suitable due diligence in respect of new investments made on behalf of policyholders.
- 1.5 Solid Oak should continue to monitor any changes in the regulatory environment to ensure full compliance.



Louis van As – FASSA, FIA
Appointed Actuary: Solid Oak
For and on behalf of Independent Actuaries & Consultants

SECTION 2 Confidentiality, reliance and scope

- 2.1 Solid Oak appointed IAC to conduct an actuarial review covering the 2022 financial year. The 2021 actuarial review was also performed by IAC.
- 2.2 This report has been prepared in accordance with the Insurance Act¹ (Act 11 of 2008) of the Seychelles. The report also complies with the Codes of Actuarial Reporting Requirements issued by the FSA² on 1 October 2018.
- 2.3 This report is addressed to the management and Board of Directors of Solid Oak. The report should also be provided to shareholders, the FSA and the Seychelles Revenue Commission.
- 2.4 This report assumes knowledge of the business of Solid Oak and of actuarial issues. The report should be read as a whole, since conclusions based on parts of the report taken out of context, could be misleading or provide the wrong overall impression. The results are subject to the methodology and assumptions used, as explained in this report. The results should therefore be read in the context of the calculation basis.
- 2.5 We relied on policy data provided, and on written and oral explanations from Solid Oak. We assumed that the information provided was correct unless otherwise indicated. However, we conducted consistency and reasonability checks. In addition, we relied on:
- the annual financial statements for the year ended 31 December 2022; and
 - a schedule of policy data.
- 2.6 Our views and conclusions are solely contained in the final report, and no reliance should be placed on previous draft versions.

¹ Insurance Act = Insurance Act (Act 11 of 2008) of the Seychelles

² FSA = Financial Services Authority of Seychelles

SECTION 3 Valuation results

Financial position

- 3.1 A non-domestic insurer carrying on long term insurance business has the margin of solvency required by the Insurance Act if the amount of its liabilities under contracts of insurance entered into does not exceed the amount of its long-term insurance fund.
- 3.2 We were advised that insurance fund assets are held in approved investments and securities as per the FSA's requirements. The following table sets out the valuation results at 31 December 2022.

Valuation results - US\$ '000	31-Dec-2022	31-Dec-2021
Value of assets	1 029 500	676 039
Value of liabilities	1 029 397	675 639
Policy liabilities	1 029 023	674 965
Other liabilities	242	524
Value of excess assets	103	400

Policyholder liabilities

- 3.3 The table on the following page shows a breakdown of the liabilities by product. Please refer APPENDIX 2 for details of the valuation method and assumptions.

Policyholder liabilities (US\$ '000)	2022		2021	
	Reinsured	Invested	Reinsured	Invested
Endowments - \$100 guarantee		54 676		56 104
Endowments - asset insurance		9 603		6 160
Single Premium Annuity	469 809		469 809	
Life Pay Non-participating Assurance policy		352 481		134 377
Critical Illness policy		8 514		8 514
Private Placement Life Insurance (PPLI)		133 939		-
Total	1 029 023		674 965	

Profit statement

3.4 Based on the financial statements, Solid Oak reported an after-tax profit of some US\$ 429,000 for 2022. This compares with after-tax profit of US\$ 765,000 for 2021.

3.5 In summary:

- Premium income increased by some 102%. However, fee revenue declined by 39% in 2022. Combined with expense increases of some 146% for the year, it resulted in pre-tax profits declining by 53%.
- The operating expense ratio – as a portion of fee revenue – increased from 13% recorded in 2021 to 69% in 2022. The 2022 expenses were 23% above budget set at the start of the year. Consulting costs contributed 51% of operating expenses.
- Dividends totalling US\$ 725,000 were declared for 2022.

3.6 The details are shown in the table on the following page.

Profit statement - US\$ '000	2022	2021	Change
Revenue	717	1 183	-39%
<i>Insurance premium income</i>	328 685	162 516	102%
<i>Reinsurance & policyholder investments</i>	-328 605	-161 332	104%
<i>Ceding Commissions</i>	557	-	
<i>Wrapper Fees</i>	81	-	
Claims incurred	-	-	
<i>Gross claims</i>	12 542	30	
<i>Reinsurance/ investment recoveries</i>	-12 542	-30	
Expenses	-718	-292	146%
<i>Commission paid</i>	-223	-143	56%
<i>Operating expenses</i>	-495	-149	231%
Underwriting result	-1	891	
Investment returns	427	-	
Finance costs	-	-3	
Other income	4	21	
Profit before tax	429	909	-53%
Tax	-	-145	0%
Profit after tax	429	765	-44%
Dividends paid	-725	-500	
Increase in retained income	-297	265	

SECTION 4 Business and risk review

Business overview and strategy

- 4.1 Solid Oak offers tax-efficient investment options to individuals. These are provided via long-term insurance policy contracts that provides investment choice to individuals. Further product details are provided in APPENDIX 1.
- 4.2 After being established in 2016, Solid Oak listed in December of 2020 on the MERJ. Solid Oak is now well-positioned to source additional business.
- 4.3 We were provided with the 2023 budget, as well as a five-year financial projection.

Key business units and risk management

- 4.4 The core business units are:
- operations;
 - sales; and
 - financial, risk and compliance management.
- 4.5 We were advised that Solid Oak's management systems remain lean and focused, with appointed individuals in place to head up the relevant control functions. The control function heads are supported by management.

Pricing

- 4.6 Given the nature of Solid Oak's products, there is currently no need to allow for contingencies (e.g., mortality). We are happy to assist Solid Oak with pricing work – as may be required – for future product development.

Asset-liability management and capital management

- 4.7 Given the investment choice, policyholders select the suitable investment vehicles. As these investments are made on behalf of policyholders, liabilities are fully matched or reinsured.
- 4.8 Solid Oak should continue to strengthen its solvency position to support new business growth.

Currency risk, credit risk and liquidity risk

- 4.9 All Solid Oak's products and underlying investments are denominated in US dollar. Therefore, exposure to currency movements is limited.
- 4.10 Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments, trade and other receivables as well as reinsurer default under the new Single Premium Annuity (SPA) product.
- 4.11 Solid Oak only deposits cash with major banks of high-quality credit standing and limits exposure to any one counterparty. Funds received for the purchase of the SPA product are always kept in the bank account of the reinsurer and are kept as security for claims.
- 4.12 The financing requirements are met through a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements.

International Insurance accounting (IFRS17)

- 4.13 IFRS 17 was published in May of 2017. Full implementation of the revised standards – dealing with insurance contracts – is set for 2023. Solid Oak should consider the IFRS 17 provisions that may be applicable to its business.

APPENDIX 1 Product summary and data

All products are distributed to individuals by regulated intermediaries. Policies are administered as segregated investment portfolios and individually housed. The core products are:

Endowment policy

Through this 99-year policy, Solid Oak offers a tax-efficient investment alternative. If terminated earlier, the proceeds are equal to the value of the underlying investments. Two options are available: a wrapper with a \$100 guarantee or a wrapper with asset insurance provided via an additional premium.

Single Premium Annuity

Solid Oak reinsures the full proceeds with Advantage Life & Annuity Company SPC (Advantage) and pays the proceeds to an Advantage trust account – with monies retained as security for the loan.

Policy details

Other product offerings are variations of the endowment and SPA offerings. Policy movements over the past year are shown below.

Number of Policies	Start of year	Entrants	Cancelled	Converted	End of year
Endowments - \$100 guarantee	39	-	6	1	32
Endowments - asset insurance	18	14	8	-	24
Single Premium Annuity	6	-	-	-	6
Life Pay Non-participating Assurance policy	2	4	-	-	6
Critical Illness policy	1	1	1	-	1
Private Placement Life Insurance (PPLI)	-	9	-	-	9
Total	66	28	15	1	78

APPENDIX 2 Valuation method and assumptions

Policyholder liability valuation basis

The statutory valuation was carried out in accordance with the requirements of the Insurance Act of Seychelles. We have also followed the Financial Soundness Valuation principles³ set out in the professional guidance issued by the Actuarial Society of South Africa, notably Advisory Practice Note 103 and Standard of Actuarial Practice Note 104.

However, in following the guidance, we have allowed for considerations specific to the Solid Oak product context. Given the nature of the business, the policyholder liabilities have been set equal to the value of the underlying policy assets – as provided by Solid Oak.

Further, we considered the following:

1. Guarantees provided on single premium annuity policies are minimal, with the guarantee of \$100 only available at maturity. Therefore, no additional reserves for policy guarantees are required.
2. On an aggregate level, current and budgeted fee income exceed the policy maintenance costs. Therefore, an additional reserve to meet excess future expenses is not needed at this time.

Asset valuation basis

All asset values used are per the financial statements at 31 December 2022, as provided by Solid Oak.

³ In essence, a realistic assessment (allowing for a suitable margin of prudence) of the assets and liabilities of an insurer is made.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate financial statements of Solid Oak Insurance PCC Limited and its Subsidiaries for the year ended 31 December 2022.

1. Incorporation

The company was incorporated on 16 May 2016 and was granted a license by the Financial Services Authority of Seychelles on 8 September 2016 to conduct linked long-term non-domestic insurance business.

2. Nature of business

Solid Oak Insurance PCC Limited was incorporated in Seychelles with interests in the insurance industry. The company operates worldwide.

There have been no material changes to the nature of the group's business from the prior year.

The group expanded operations during the year via the following subsidiary:

Solid Oak (Mauritius) Ltd was acquired on 21 June 2022 for \$ 25,000. Solid Oak (Mauritius) Ltd is a global business company that will provide administrative services to various service providers.

3. Listing on MERJ Exchange

The entire issued share capital of the group is listed on the Main Board of MERJ Exchange under the abbreviated name and share code "SOL" and ISIN SC79431AAH22.

4. Consolidated financial statements

The company is not required to produce consolidated financial statements in relation to the cells of the company as it does not control the boards of directors of any special purpose vehicle companies in which Solid Oak Insurance PCC Limited owns the majority of the share capital.

The investments wrapped in the housed policies are accounted for in joint or separate cells. Financial statements are prepared for the owner cell and the policyholder cell in aggregate.

The cell invests in shares that are for the benefit of that policy only and it does not form part of the company's business activities. The company has no control over the activities in the company invested in by a policy.

5. Review of financial results and activities

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Seychelles Companies Ordinance 1972. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated and separate financial statements.

6. Share capital

Authorised			2022	2021
			Number of shares	
Ordinary shares			50 000 000	50 000 000
Issued	2022	2021	2022	2021
	\$	\$	Number of shares	
Ordinary shares	1 000	1 000	5 000 000	5 000 000

There have been no changes to the authorised or issued share capital during the year under review.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Directors' Report

7. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year totaling at least 85% of the annual profits after tax, after providing for budgeted capital expenditure and subject to available cash. At their discretion, the directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the directors may pass on the payment of dividends.

A dividend of \$ 0.09 per share was declared in US Dollars on 8 July 2022. Additionally, a dividend of \$ 0.055 per share was declared in US Dollars on 6 March 2023. These dividends equated to a total of \$ 725 000 (2021: \$ 500 000).

8. Directors

The directors in office at the date of this report are as follows:

Directors	Nationality
EJ Tuohy	Australian
JN Ackermann	South African
NJ Ackermann	South African / British

There have been no changes to the directorate for the period under review.

9. Directors interests in shares

As at 31 December 2022, the directors of the company held indirect beneficial interests in 24% (2021: 11%) and indirect non-beneficial interests in 40% (2021: 53%) of its issued ordinary shares, as set out below.

Interest in shares - number of shares held

The register of interests of directors and others in shares of the company is available to the shareholders on request.

Interest in shares - number of shares held	2022 Direct	2021 Direct	2022 Indirect Beneficial	2021 Indirect Beneficial	2022 Indirect Non-Beneficial	2021 Indirect Non-Beneficial
Directors						
EJ Tuohy	-	-	292 933	292 956	1 038 581	1 038 661
JN Ackermann	10 446	-	240 000	240 000	260 000	260 000
NJ Ackermann	-	-	652 442	-	679 072	1 331 617
	10 446	-	1 185 375	532 956	1 977 653	2 630 278

10. Holding company

The group's holding company is PKF Capital Markets (Seychelles) Limited which holds 80% (2021: 80%) of the group's equity. PKF Capital Markets (Seychelles) Limited is incorporated in Seychelles.

11. Ultimate holding company

The group's ultimate holding company is Turquoise Holdings Limited which is incorporated in Seychelles.

12. Events after the reporting period

On 13 January 2023, Solid Oak Insurance (Barbados) Limited was registered as a wholly owned subsidiary of the company.

The directors are not aware of any material event or circumstance arising since the reporting date, not otherwise dealt with in this report or the financial statements, which significantly affects the financial position of the group to the date of this report.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Directors' Report

13. Going concern

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated and separate financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material noncompliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group's ability to continue as a going concern.

14. Auditors

Baker Tilly, Chartered Accountants, Seychelles continued in office as auditors for the company for the period ended 31 December 2022.

15. Cells authorised and used

The company increased the number of cells by 70. The cells have no share capital but house the different insurance assets. The Financial Services Authority of Seychelles confirmed the names of these new cells.

16. Property, plant and equipment

At 31 December 2022 the group's investment in property, plant and equipment amounted to \$ 7 219 (2021:\$ 966). Additions of \$ 7 327 (2021: \$ 1 391) were added in the current year. There were no disposals during the year (2021: \$-).

Property, plant and equipment is stated at cost less accumulated depreciation. The directors estimate that the carrying amount of property, plant and equipment at 31 December 2022 approximates its fair value.



Non-Domestic Insurer Licence no: NDI011
Company Licence no: 8417764-4

Chairman's and Managing Director's address 2022 year.

Dear Shareholders,

I am pleased to welcome you to the Seventh Annual General Meeting of our company, and to present to you the financial statements and reports for the year ended 31 December 2022.

The year under review

Solid Oak Insurance PCC Ltd ("Solid Oak") has had a successful trading year ending 31 December 2022.

Solid Oak paid an interim Dividend on 18 July 2022 of USD 0.09 Cents to shareholders and a final dividend of USD 0.055 to shareholders on 13 March 2023.

As I mentioned in last year's report, we strive to increase our product range, and this has been achieved by the introduction of a Private Placement Life Insurance policy during the Year under review.

Solid Oak acquired Solid Oak (Mauritius) Ltd as a 100% subsidiary during the year. During the year we also decided to establish an insurance company in Barbados, and I am happy to announce that Solid Oak Insurance (Barbados) Limited a 100% subsidiary was registered on 13 January 2023. We have great plans for this company, as it will give us easier access to the Americas.

I am very pleased how Solid Oak has performed since it was listed, and I have prepared a table of performance highlights to show how we have grown.

Solid Oak Insurance PCC Limited company only.

	2022	2021	2020
Dividend per share in USD	14.5 Cents	10 Cents	6.2 Cents
Increase in dividend	145%	161%	
Assets Under Management	USD 1 029 022 916	USD 674 993 727	USD 366 506 285
Increase Assets Under Management	152%	184%	
Type of Policies	6	5	2
Closing Share Price	USD 6.00	USD 4.00	USD 1.95

Vision for 2023

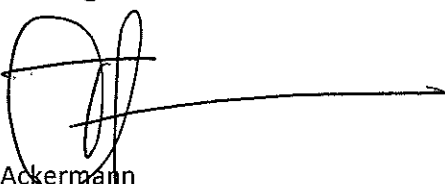
Solid Oak will strive to grow the company in 2023 through maintaining our principle to concentrate on low volumes but High value policies and to increasing our product range and to maintain a healthy dividend policy. This will assist in making the Company more attractive for investors to invest in Solid Oak.

Office staff

Our office staff is still small, and we will continue to monitor the workload of the staff and when the need arises, we will appoint suitable staff. During the year we appointed Jakes van Niekerk as Chief Operations Officer and Laurika van Niekerk as Financial Manager.

Capital needed to fund the growth.

Solid Oak generates sufficient income to fund the growth that is envisaged.



JN Ackermann
Chairman and Managing Director
Date: 25 April 2023


Solid Oak Insurance PCC Limited and its Subsidiaries


(Registration number: B417764-4)

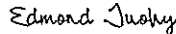
Consolidated And Separate Financial Statements for the year ended 31 December 2022

Consolidated and Separate Statement of Financial Position as at 31 December 2022

Figures in US Dollar	Notes	Group		Company	
		2022	2021	2022	2021
Assets					
Non-Current Assets					
Property, plant and equipment	2	7 219	966	7 219	966
Goodwill	3	-	-	-	-
Investments in subsidiaries	4	-	-	11 000	-
Investments in favour of policyholders	5	540 498 764	186 579 592	540 498 764	186 579 592
Reinsurance assets	6	488 524 152	488 524 152	488 524 152	488 524 152
		1 029 030 135	675 104 710	1 029 041 135	675 104 710
Current Assets					
Trade and other receivables	7	174 079	419 980	147 621	419 980
Cash and cash equivalents	8	311 230	514 369	311 230	514 369
		485 309	934 349	458 851	934 349
Total Assets		1 029 515 444	676 039 059	1 029 499 986	676 039 059
Equity and Liabilities					
Equity					
Share capital	9	100 000	100 000	100 000	100 000
Reserves		3 200	4 304	3 200	4 304
Retained income		1 912	295 292	57	295 292
		105 112	399 596	103 257	399 596
Liabilities					
Non-Current Liabilities					
Policyholder liability	10	1 029 022 916	675 103 744	1 029 022 916	675 103 744
Current Liabilities					
Trade and other payables	11	9 820	112 074	8 900	112 074
Loans from group companies	12	-	-	60 517	-
Loans from shareholders	13	29 396	29 016	29 396	29 016
Current tax payable		73 200	144 629	-	144 629
Dividend payable		275 000	250 000	275 000	250 000
		387 416	535 719	373 813	535 719
Total Liabilities		1 029 410 332	675 639 463	1 029 396 729	675 639 463
Total Equity and Liabilities		1 029 515 444	676 039 059	1 029 499 986	676 039 059

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Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Consolidated and Separate Statement of Comprehensive Income

Figures in US Dollar	Notes	Group		Company	
		2022	2021	2022	2021
Revenue	14	1 210 665	162 515 767	716 974	162 515 767
Cost of sales	15	(223 456)	(161 475 272)	(223 456)	(161 475 272)
Gross profit		987 209	1 040 495	493 518	1 040 495
Other income	16	3 900	21 362	3 900	21 362
Operating expenses		(528 971)	(149 393)	(516 241)	(149 393)
Operating profit (loss)	17	462 138	912 464	(18 823)	912 464
Investment revenue	18	12 841	-	426 587	-
Finance costs		(1 052)	(2 988)	(1 052)	(2 988)
Profit before taxation		473 927	909 476	406 712	909 476
Taxation	19	(51 251)	(144 629)	21 949	(144 629)
Profit for the year		422 676	764 847	428 661	764 847
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		422 676	764 847	428 661	764 847

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Statement of Changes in Equity

Figures in US Dollar

Group	Share capital	Share premium	Total share capital	Maturity insurance reserve	Maturity guarantee reserve	Total reserves	Retained income	Total equity
Balance at 01 January 2021	1 000	99 000	100 000	-	4 400	4 400	30 349	134 749
Profit for the year	-	-	-	-	-	-	764 847	764 847
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	764 847	764 847
Transfer between reserves	-	-	-	404	(500)	(96)	96	-
Dividends	-	-	-	-	-	-	(500 000)	(500 000)
Total changes	-	-	-	404	(500)	(96)	(499 904)	(500 000)
Balance at 01 January 2022	1 000	99 000	100 000	404	3 900	4 304	295 292	399 596
Profit for the year	-	-	-	-	-	-	422 676	422 676
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	422 676	422 676
Transfer between reserves	-	-	-	(404)	(700)	(1 104)	1 104	-
Dividends	-	-	-	-	-	-	(725 000)	(725 000)
Business combinations	-	-	-	-	-	-	7 840	7 840
Total changes	-	-	-	(404)	(700)	(1 104)	(716 056)	(717 160)
Balance at 31 December 2022	1 000	99 000	100 000	-	3 200	3 200	1 912	105 112
Notes	9	9	9					

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Statement of Changes in Equity

Figures in US Dollar	Share capital	Share premium	Total share capital	Maturity insurance reserve	Maturity guarantee reserve	Total reserves	Retained income	Total equity
Company								
Balance at 01 January 2021	1 000	99 000	100 000	-	4 400	4 400	30 349	134 749
Profit for the year	-	-	-	-	-	-	764 847	764 847
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	764 847	764 847
Transfer between reserves	-	-	-	404	(500)	(96)	96	-
Dividends	-	-	-	-	-	-	(500 000)	(500 000)
Total changes	-	-	-	404	(500)	(96)	(499 904)	(500 000)
Balance at 01 January 2022	1 000	99 000	100 000	404	3 900	4 304	295 292	399 596
Profit for the year	-	-	-	-	-	-	428 661	428 661
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	428 661	428 661
Transfer between reserves	-	-	-	(404)	(700)	(1 104)	1 104	-
Dividends	-	-	-	-	-	-	(725 000)	(725 000)
Total changes	-	-	-	(404)	(700)	(1 104)	(723 896)	(725 000)
Balance at 31 December 2022	1 000	99 000	100 000	-	3 200	3 200	57	103 257
Notes	9	9	9					

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Consolidated and Separate Statement of Cash Flows

Figures in US Dollar	Notes	Group		Company	
		2022	2021	2022	2021
Cash flows from operating activities					
Cash generated from operations	20	625 699	789 310	151 436	789 310
Interest income		12 841	-	12 841	-
Dividends received		-	-	413 746	-
Finance costs		(1 052)	(2 988)	(1 052)	(2 988)
Tax paid		(122 680)	-	(122 680)	-
Net cash from operating activities		514 808	786 322	454 291	786 322
Cash flows from investing activities					
Purchase of property, plant and equipment	2	(7 327)	(1 391)	(7 327)	(1 391)
Acquisition of subsidiary	22	(11 000)	-	(11 000)	-
Reinsurance asset purchased		-	(179 982 632)	-	(179 982 632)
Net cash from investing activities		(18 327)	(179 984 023)	(18 327)	(179 984 023)
Cash flows from financing activities					
Annuity premiums received		-	179 982 632	-	179 982 632
Movement in loans from group companies		-	-	60 517	-
Movement in shareholder loans		380	(88 040)	380	(88 040)
Dividends paid		(700 000)	(250 000)	(700 000)	(250 000)
Net cash from financing activities		(699 620)	179 644 592	(639 103)	179 644 592
Total cash movement for the year		(203 139)	446 891	(203 139)	446 891
Cash at the beginning of the year		514 369	67 478	514 369	67 478
Total cash at end of the year	8	311 230	514 369	311 230	514 369

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The consolidated and separate financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Seychelles Companies Ordinance 1972. The consolidated and separate financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in US Dollar.

The cells presently measure their assets at carrying value which are either fair value or approximate fair value, as permitted by the International Financial Reporting Standard for Small and Medium-sized Entities.

1.1 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the separate financial statements of the company and all of its subsidiaries.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal. All intragroup transactions, balances, income and expenses are eliminated.

Investments in subsidiaries are accounted for at cost less any accumulated impairment losses, in the company's separate financial statements.

1.2 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the consolidated and separate financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.3 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Accounting Policies

1.3 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Computer equipment	Straight line	3 years
Furniture and fixtures	Straight line	5 years

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Goodwill

Goodwill is initially measured at cost, being the excess of the cost of the business combination over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Subsequently goodwill is carried at cost less accumulated amortisation and any accumulated impairment. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life of 1 year.

The group assesses at each reporting date whether there is any indication that goodwill may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.5 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Accounting Policies

1.5 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables, trade payables, investments in favour of policyholders, reinsurance assets and policyholder liabilities. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Accounting Policies

1.8 Share capital and equity

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year to which they relate.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.10 Revenue

Revenue is recognised to the extent that the group has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the group. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

The company recognises revenue from the following major sources:

- Premium income from insurance contracts (investment wrappers)
- Premium income from annuity insurance policies
- Premium income from life pay non-participating life assurance policies
- Premium income from critical illness policies
- Premium income from wrappers with asset insurance policies (investment wrappers)
- Premium income from private placement life insurance policies (PPLI)

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it renders a service to a customer.

1.11 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.12 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in US Dollar, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

Figures in US Dollar

2. Property, plant and equipment

Group	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	7 718	(1 482)	6 236	1 391	(425)	966
Furniture and fixtures	1 000	(17)	983	-	-	-
Total	8 718	(1 499)	7 219	1 391	(425)	966

Company	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	7 718	(1 482)	6 236	1 391	(425)	966
Furniture and fixtures	1 000	(17)	983	-	-	-
Total	8 718	(1 499)	7 219	1 391	(425)	966

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	966	6 327	(1 057)	6 236
Furniture and fixtures	-	1 000	(17)	983
	966	7 327	(1 074)	7 219

Reconciliation of property, plant and equipment - Group - 2021

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	-	1 391	(425)	966

Reconciliation of property, plant and equipment - Company - 2022

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	966	6 327	(1 057)	6 236
Furniture and fixtures	-	1 000	(17)	983
	966	7 327	(1 074)	7 219

Reconciliation of property, plant and equipment - Company - 2021

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	-	1 391	(425)	966

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

Figures in US Dollar	Group		Company	
	2022	2021	2022	2021

3. Goodwill

Group	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Goodwill	8 840	(8 840)	-	-	-	-

Reconciliation of goodwill - Group - 2022

	Opening balance	Additions through business combinations	Amortisation	Total
Goodwill	-	8 840	(8 840)	-

4. Investments in subsidiaries

Name of subsidiary	% holding 2022	% holding 2021	Carrying amount 2022	Carrying amount 2021
Solid Oak (Mauritius) Ltd	100.00 %	- %	11 000	-

The carrying amounts of subsidiaries are shown net of impairment losses.

Solid Oak (Mauritius) Ltd was incorporated on 6 May 2022 and was acquired on 21 June 2022, refer to note 22 for further information in this respect.

5. Investments in favour of policyholders

At fair value

Investment in shares	64 194 258	186 579 592	64 194 258	186 579 592
Investment with asset managers	128 939 091	-	128 939 091	-
	193 133 349	186 579 592	193 133 349	186 579 592

At amortised cost

Investments with guaranteed returns	342 280 350	-	342 280 350	-
PKFPCC1 Bonds Senior debt with limited recourse, interest of 5% p.a. paid quarterly, 5 year bond with maturity date 30 June 2025.	50 300	-	50 300	-
PKFPCC2 Bonds Senior debt with limited recourse, interest of 20% p.a. paid quarterly, 5 year bond with maturity date 01 April 2026.	4 185	-	4 185	-
Policyholder receivable	5 030 580	-	5 030 580	-
	347 365 415	-	347 365 415	-
Total other financial assets	540 498 764	186 579 592	540 498 764	186 579 592

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

	Group		Company	
Figures in US Dollar	2022	2021	2022	2021
5. Investments in favour of policyholders (continued)				
Non-current assets				
At fair value	193 133 349	186 579 592	193 133 349	186 579 592
At amortised cost	347 365 415	-	347 365 415	-
	540 498 764	186 579 592	540 498 764	186 579 592
6. Reinsurance assets				
At amortised cost				
Reinsurance assets	488 524 152	488 524 152	488 524 152	488 524 152
Non-current assets				
At amortised cost	488 524 152	488 524 152	488 524 152	488 524 152
Represents the reinsurance of annuity premiums received.				
7. Trade and other receivables				
Trade receivables	132 037	417 237	132 037	417 237
Deposits	2 743	2 743	2 743	2 743
Interest receivable	12 841	-	12 841	-
Other receivable	24 000	-	-	-
Prepayments	2 458	-	-	-
	174 079	419 980	147 621	419 980
8. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Bank balances	311 230	514 369	311 230	514 369
9. Share capital				
Authorised				
50 000 000 Ordinary shares of \$ 0.0002 each	10 000	10 000	10 000	10 000
Issued				
5 000 000 Ordinary shares of \$ 0.0002 each	1 000	1 000	1 000	1 000
Share premium	99 000	99 000	99 000	99 000
	100 000	100 000	100 000	100 000

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

Figures in US Dollar	Group		Company	
	2022	2021	2022	2021
10. Policyholder liability				
At fair value				
Annuity policies	488 524 152	488 524 152	488 524 152	488 524 152
Endowment policies	406 559 674	186 579 592	406 559 674	186 579 592
	895 083 826	675 103 744	895 083 826	675 103 744
At amortised cost				
Private placement life policies	133 939 090	-	133 939 090	-
Non-current liabilities				
At fair value	895 083 826	675 103 744	895 083 826	675 103 744
At amortised cost	133 939 090	-	133 939 090	-
	1 029 022 916	675 103 744	1 029 022 916	675 103 744

The endowment policyholder liability is raised in accordance with the investment in favour of policyholders. Fair value is determined by fair value evaluation of the investment and the corresponding liability is raised.

The fair value of the annuity policyholder liability is determined based on the reinsurance value of each premium, as the premium liability is limited to the reinsurance value.

The value of the private placement life policies is determined based on the investments with guaranteed returns at amortised cost.

11. Trade and other payables

Trade payables	8 900	104 074	8 900	104 074
Amounts received in advance	-	8 000	-	8 000
Other accrued expenses	920	-	-	-
	9 820	112 074	8 900	112 074

12. Loans from group companies

Subsidiaries

Solid Oak (Mauritius) Ltd	-	-	(60 517)	-
Unsecured, interest free with no fixed terms of repayment.				

13. Loans from shareholders

PKF Capital Markets (Seychelles) Limited	(29 396)	(29 016)	(29 396)	(29 016)
Unsecured, interest free with no fixed terms of repayment.				
Bore interest at 5% p.a. until February 2022.				

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

	Group		Company	
Figures in US Dollar	2022	2021	2022	2021
14. Revenue				
Premiums received	354 636 146	471 113 226	354 636 146	471 113 226
Assets invested	(353 919 172)	(308 597 459)	(353 919 172)	(308 597 459)
Net premiums received	716 974	162 515 767	716 974	162 515 767
Commission received	493 691	-	-	-
	1 210 665	162 515 767	716 974	162 515 767
15. Cost of sales				
Rendering of services				
Annuity reinsurance cost	-	161 332 270	-	161 332 270
Commission paid	223 456	143 002	223 456	143 002
	223 456	161 475 272	223 456	161 475 272
16. Other income				
Profit on exchange differences	-	21 362	-	21 362
Other income	3 900	-	3 900	-
	3 900	21 362	3 900	21 362
17. Operating profit (loss)				
Operating profit (loss) for the year is stated after accounting for the following:				
Income from subsidiaries				
Dividends	-	-	413 746	-
Operating lease charges				
Premises				
• Contractual amounts	24 000	24 000	24 000	24 000
Other				
Loss (profit) on exchange differences	25 382	(21 362)	25 377	(21 362)
Depreciation on property, plant and equipment	1 074	425	1 074	425
Employee costs	70 187	28 586	70 187	28 586
18. Investment revenue				
Dividend revenue				
Subsidiaries	-	-	413 746	-
Interest revenue				
Other interest	12 841	-	12 841	-
	12 841	-	426 587	-

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

	Group		Company	
Figures in US Dollar	2022	2021	2022	2021
19. Taxation				
Major components of the tax expense (income)				
Current taxation				
Local normal tax - year	51 251	144 629	(21 949)	144 629
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting profit	473 927	909 476	406 712	909 476
Tax at the applicable tax rate of 15%	73 200	-	-	-
Tax at the applicable tax rate of 25%	17 500	16 983	17 500	16 983
Tax at the applicable tax rate of 33%	112 072	277 710	112 072	277 710
Adjusted for:				
Exempt income	(136 536)	(150 064)	(136 536)	(150 064)
Tax loss available for set off against future taxable income	6 964	-	6 964	-
Overprovision of taxation	(21 949)	-	(21 949)	-
	51 251	144 629	(21 949)	144 629
20. Cash generated from operations				
Profit before taxation	473 927	909 476	406 712	909 476
Adjustments for:				
Depreciation and amortisation	9 914	425	1 074	425
Dividends received	-	-	(413 746)	-
Interest received	(12 841)	-	(12 841)	-
Finance costs	1 052	2 988	1 052	2 988
Changes in working capital:				
Trade and other receivables	255 901	(177 609)	272 359	(177 609)
Trade and other payables	(102 254)	54 030	(103 174)	54 030
	625 699	789 310	151 436	789 310

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

	Group		Company	
Figures in US Dollar	2022	2021	2022	2021

21. Directors' emoluments

2022

Directors' emoluments	Directors' emoluments	Total
JN Ackermann	9 600	9 600

2021

Directors' emoluments	Directors' emoluments	Total
JN Ackermann	9 600	9 600

22. Acquisition of subsidiary

Fair value of assets acquired

Goodwill	8 840	-	-	-
Trade and other receivables	24 000	-	-	-
Loan	(21 840)	-	-	-
	11 000	-	-	-

Consideration paid

Cash	(11 000)	-	-	-
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Net cash outflow on acquisition

Cash consideration paid	(11 000)	-	-	-
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On 21 June 2022, the group acquired 100% Solid Oak (Mauritius) Ltd, which is a global business company that will provide administrative services to various service providers.

23. Related parties

Relationships

Holding company	PKF Capital Markets (Seychelles) Limited
Subsidiaries	Refer to note 4
Fellow subsidiaries	International Investment Services Limited PKF Business Solutions Limited PKF PCC
Directors	EJ Tuohy JN Ackermann NJ Ackermann
Other related party	DS Carter

Solid Oak Insurance PCC Limited and its Subsidiaries

(Registration number: 8417764-4)

Consolidated And Separate Financial Statements for the year ended 31 December 2022

Notes to the Consolidated and Separate Financial Statements

Figures in US Dollar	Group		Company	
	2022	2021	2022	2021
23. Related parties (continued)				
Related party balances				
Loan accounts owing (to) by related parties				
PKF Capital Markets (Seychelles) Limited	(29 396)	(29 016)	(29 396)	(29 016)
Solid Oak (Mauritius) Ltd	-	-	(60 517)	-
Trade payables owed to related parties				
PKF Capital Markets (Seychelles) Limited	-	(1 135)	-	(1 135)
Policyholder investment				
DS Carter	200 000	200 000	200 000	200 000
EJ Tuohy	100 000	100 000	100 000	100 000
JN Ackermann	1 122 764	1 122 764	1 122 764	1 122 764
NJ Ackermann	100 000	100 000	100 000	100 000
Policyholder liability				
DS Carter	(200 000)	(200 000)	(200 000)	(200 000)
EJ Tuohy	(100 000)	(100 000)	(100 000)	(100 000)
JN Ackermann	(1 122 764)	(1 122 764)	(1 122 764)	(1 122 764)
NJ Ackermann	(100 000)	(100 000)	(100 000)	(100 000)
Cash managed by related party				
PKF Capital Markets (Seychelles) Limited	2 464	269 365	2 464	269 365
Investment in bonds issued by related parties				
PKF PCC Cell 1	50 300	-	50 300	-
PKF PCC Cell 2	4 185	-	4 185	-
Related party transactions				
Rent paid to related party				
PKF Capital Markets (Seychelles) Limited	24 000	24 000	24 000	24 000
Revenue received from related party as regulated intermediary				
PKF Capital Markets (Seychelles) Limited	(80 545)	(82 000)	(80 545)	(82 000)
Accounting, administration and consulting fees paid to related parties				
International Investment Services Limited	(1 637)	-	(1 637)	-
PKF Business Solutions Limited	19 845	-	19 845	-
PKF Capital Markets (Seychelles) Limited	59 597	42 002	59 597	42 002
Dividends received from related party				
Solid Oak (Mauritius) Ltd	-	-	(413 746)	-
Interest paid to (received from) related parties				
PKF Capital Markets (Seychelles) Limited	1 052	2 988	1 052	2 988
PKF PCC Cell 1	(420)	-	(420)	-
PKF PCC Cell 2	(140)	-	(140)	-
Operating expenses recharged to related party				
PKF Capital Markets (Seychelles) Limited	-	-	(8 510)	-
Loan write off in favour of related party				
Solid Oak (Mauritius) Ltd	-	-	2 900	-