

**SUMMARY
FINANCIAL
REPORT
2018**



**Singapore Reinsurance
Corporation Limited**



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CORPORATE PROFILE

Established in 1973 as a co-operative effort by all the insurance companies then operating in the Republic, Singapore Reinsurance Corporation Limited (**Singapore Re**) serves the domestic (re)insurance industry as well as those in the Asian region and beyond.

It leverages on the symbiotic ties with business partners to offer value-added services and products directly, and also through its subsidiaries which serve the financial services sector in the following areas:

- Publishing and conferencing services; and
- Property management service.

Listed on the main board of the Singapore stock exchange since 1987, Singapore Re has grown steadily since its formative years, with the Group's shareholders' funds and total assets amounting to S\$263 million and S\$818 million, respectively as at 31 December 2018. The Corporation's A- (Excellent) rating from A.M. Best, the world's oldest and authoritative source of insurance ratings, demonstrates Singapore Re's financial strength.

The mission of Singapore Re is to be a professional reinsurer of high repute committed to offering business partners innovative reinsurance solutions and value-added support services, while at the same time striving to generate consistent returns and enhanced value for shareholders.

CHAIRMAN'S STATEMENT

Extreme weather patterns continued to plague 2018 with the likes of the wildfires in California, hurricanes in the east coast of USA, dry spells in Europe, droughts and flooding in various parts of India and China, typhoon losses in Hong Kong, Japan and the Philippines, as well as earthquakes in Indonesia and Japan. All in all, there was close to 400 natural catastrophe events and the total insured loss of USD90 billion made 2018 the fourth costliest year ever recorded. Vis-à-vis the economic loss of USD225 billion, easily 40% of the losses was insured.

The largest single natural peril loss was the Camp Fire wildfire in northern California which would cost the insurance industry USD12.5 billion, a rather mind boggling sum. This was closely followed by Hurricane Michael which hit the Florida coast wherein the insured loss was USD10 billion.

Unfortunately, the Asian region was not spared the onslaught of natural peril losses. Typhoon Jebi hit western Japan in the month of September and the latest estimated insured loss of USD8.5 billion could climb further. Typhoon Trami also made landfall in Japan in September although luckily the insured loss of USD2 billion was relatively small by comparison. In other parts of Asia, there was extensive flooding in China and India, Typhoon Mangkhut which affected the Philippines, southern China and Hong Kong, to name but a few.

Within two years, the (re)insurance industry absorbed more than USD200 billion of losses from natural peril events so the loss impact to market players was not inconsequential yet the losses did not dent the industry's capital to any great extent. The market remained highly competitive with incessant premium rate cutting.

On the investment front, volatility of the equity markets was the order of the day as depicted by the 16.5% decline in the MSCI Asia Pacific (ex Japan) Index in 2018, in contrast to the 34.6% increase a year earlier. With global economic outlook somewhat subdued, amidst a rising interest rate environment, corporate bond failure was a concern.

Against this backdrop, the Group's gross written premium although rising 13.9% to S\$208 million in 2018, growth was largely observed in offshore higher risk markets. Gross written premium from Singapore, a relatively low risk market, continued to decline and now represented 30% of total premium revenue. The remaining 70% emanated from cedants primarily from other parts of Asia (including the Middle East). Fire was the predominant class contributing 51.2% of premium revenue, followed by Accident (including Casualty), 40.7% and Marine, 8.1%. Unfortunately, given the high natural peril losses in Asian markets during the second half of year, the Group reported S\$4.8 million underwriting loss in 2018, compared to the S\$1.3 million surplus in 2017.

CHAIRMAN'S STATEMENT

Your Group's investment profile did not materially change from the preceding year. Bonds and government securities represented 48.4% of total investment funds, followed by 19.5% in properties and 12.1% in equities. For 2018, the net investment income rose 30.3% to S\$16 million (2017: S\$12.3 million) on account of higher revaluation surplus for the Singapore properties, thereby improving net investment yield to 3.7% (on market value). In comparison, 2.8% investment yield was recorded a year ago. Overall, your Group's pre-tax profit fell 19.6% to S\$11.3 million (2017: S\$14.1 million) mainly due to the underwriting loss but partly offset by higher investment income. The Group's total assets, which comprised the sum of shareholders' and insurance funds, amounted to a credible S\$817.7 million, a 6% increase compared to a year earlier. Therefore, the NAV rose to 43.5 cents per share, up from 42.8 cents per share in 2017.

Notwithstanding the lower operating profit achieved in 2018, your Board is recommending a final dividend of 0.8 cent (2017: 0.8 cent) per share. Added to the interim dividend of 0.5 cent per share, the total dividend of 1.3 cents (2017: 1.3 cents) was equivalent to 4.6% dividend yield (2017: 4.1%) and represented a 88% pay-out ratio (as a percentage of Net Profit After Tax).

During the year under review, independent international rating agency A.M. Best once again affirmed your Company's financial strength rating of A- (Excellent) with Stable outlook.

Looking Ahead

In spite of 2017 and 2018 being the most expensive 2 consecutive years on record in terms of economic losses of USD653 billion, of which USD230 billion was insured, traditional reinsurers remained well-capitalised. Even the alternative capital segment managed to reload with fresh capital injection within a relatively short period of time. On the back of supply of (re)insurance capacity far outstripping demand, it would appear that any hope for an upturn in the market cycle in the foreseeable future is unrealistic.

The danger posed by climate change is a reality that threatens the entire mankind in general and will continue to impact your Company's sustainability of profitability in particular. This leaves us with little if no choice but to remain highly vigilant in facing up to the unknown challenges that lie ahead. Recognising that everyone has a role to play in the global efforts to save Mother Earth, your Company is strongly encouraging our employees to do what we can to save Mother Earth and some initiatives would be elaborated on in the Sustainability Report.

(Re)insurance companies are getting bigger in size via mergers and acquisitions, and even the intermediaries are pursuing this path to achieve growth. Despite our small size, we strongly believe that the way forward is to continue to plod steadily in pursuit of excellence in service and be niche focused in our effort to grow your Company amidst an operating environment that will always be challenging.

Investment returns continue to be vulnerable to the many imponderables including but not limited to geopolitical tensions regionally and globally, US-China trade war and BREXIT. Your Company has traditionally managed its investments with great prudence and we believe the defensive but judicious strategy adopted all this while is the right one to counter-balance the volatility on the underwriting side.

Keeping a tight rein on expenses is an increasingly uphill task with new compliance requirements in the areas of new accounting standards and corporate disclosure guidelines due to be implemented in the medium term. Whilst your Company continues to look at how information technology (IT) can be better leveraged to improve operational efficiency, some additional IT spend cannot be avoided in order to improve security measures especially in an era where cyber risk is mounting.

At this juncture, it is with a heavy heart that I wish to mention that Mr Hwang Soo Jin has communicated his intent to step down as a director of the Board after the Annual General Meeting for personal reasons. I have asked him to continue in his role as Senior Advisor and guide Management in the day-to-day investment-related activities and also be available from time to time to the Board for consultation as and when the need arises. I am glad to report he has agreed. Your Company has survived the ups-and-downs of many market cycles in its 45 years' history and without the wise counsel and watchful eye of our founding director Mr Hwang, it would have been quite impossible. The Board would like to seize this opportunity to record our formal thanks to Mr Hwang for his dedication and passion for the Company since its formation.

On behalf of the Board, I would like to express our gratitude to Mr Ravi Menon, Managing Director of the Monetary Authority of Singapore and his team for their sound leadership as they pave the way forward for the financial sector as a whole. Also, we thank our stakeholders including but not limited to our shareholders, cedants, brokers, reinsurers, other business partners and our management and staff for their long-standing support.

Ramaswamy Athappan
Chairman

Singapore
1 March 2019

CORPORATE DATA

Board of Directors

Ramaswamy Athappan (Chairman) *B Eng, AFII*
David Chan Mun Wai (Deputy Chairman) *BBA, Chartered Insurer (FCII)*
Hwang Soo Jin *JP, Chartered Insurer (ACII)*
Dileep Nair *B Eng, MPA*
Peter Sim Swee Yam *LLB*
Ong Eng Yaw *LLB (2nd Class Upper Division), M Sc (Investment Management), MBA*

Audit Committee

Dileep Nair (Chairman)
Ramaswamy Athappan
David Chan Mun Wai
Peter Sim Swee Yam
Ong Eng Yaw

Executive Committee

Ramaswamy Athappan (Chairman)
David Chan Mun Wai (Deputy Chairman)
Hwang Soo Jin
Dileep Nair
Peter Sim Swee Yam
Ong Eng Yaw

Remuneration Committee

Peter Sim Swee Yam (Chairman)
Ramaswamy Athappan
David Chan Mun Wai
Dileep Nair
Ong Eng Yaw

Nominating Committee

Ong Eng Yaw (Chairman)
Ramaswamy Athappan
David Chan Mun Wai
Dileep Nair
Peter Sim Swee Yam

Investment Committee

Hwang Soo Jin (Chairman)
Ramaswamy Athappan
David Chan Mun Wai
Dileep Nair
Peter Sim Swee Yam
Ong Eng Yaw
Theresa Wee Sui Ling
Carlene Lim Lay Hoon

Joint Company Secretaries

Ong Beng Hong
Tan Swee Gek

Auditors

KPMG LLP
Public Accountants and Chartered Accountants
Partner: Goh Kim Chuah
(since Financial Year Ended 31 December 2016)

Share Registrar

M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

Independent Scrutineers

DrewCorp Services Pte Ltd
10 Collyer Quay #10-10
Ocean Financial Centre
Singapore 049315

Bankers

Citibank, N.A.
DBS Bank Ltd
CIMB Bank Berhad, Singapore Branch

Registered Office and Correspondence Address

85 Amoy Street, Singapore 069904
Tel: (65) 6324 7388 Fax: (65) 6224 8910
Email: enquiry@singre.com.sg
Company Registration No. 197300016C

Labuan Branch

Level 11(B), Block 4 Office Tower
Financial Park Labuan Complex
Jalan Merdeka
87000 Labuan Federal Territory, Malaysia
Tel: (087) 412 389 Fax: (087) 422 389
Email: labuan@singre.com.sg

Subsidiaries

Singapore-Re Management Services Private Limited
INS Communications Private Limited
SR-China Advisory Services Co Ltd

Corporate Website

www.singre.com.sg

MANAGEMENT DATA

SINGAPORE REINSURANCE CORPORATION LIMITED

Theresa Wee Sui Ling *B Soc Sc (Hons), Chartered Insurer, GDFM*
Chief General Manager/Chief Executive

Carlene Lim Lay Hoon *BBA, CA*
Financial Controller
Finance, Investment, Administration and Human Resource

Mervyn Low Cheng Chwee *BA, Dip CII*
General Manager
Operations

Cheng Yiina *B Sc (Hons)*
Assistant General Manager
Systems

Ho Wing Hoong *LLB (Hons)*
Assistant General Manager
Operations

Yap Sock Cheen Dip *BA, Dip Admin Mgmt*
Assistant General Manager
Operations

Lee Fon Yin *BB (Acc), CRMA, Dip Banking & Finance*
Head, Internal Audit
Internal Audit and Compliance

Grace Loh Chit Hiang
Senior Manager
Operations Administration and Corporate Secretarial

Cheah Sooi Ping *B Sc (Comp Sc)*
Senior Manager
Systems

INS COMMUNICATIONS PRIVATE LIMITED

Mokanasivam Subramaniam *LLB (Hons)*
Managing Director

Sheela Suppiah-Raj *MA*
General Manager
Business Development

Koh Earn Chor *B Econ*
Senior Manager
Business Development

Chau Bee Pen *BA, BA (Multimedia Design)*
Manager
Publishing

Paul McNamara *BA (Hons), Politics, Philosophy, Economics*
Manager
Editor

Jennifer Chee
Manager
Administration

SR-CHINA ADVISORY SERVICES CO LTD

Chin Tsu-Kuang *MA, Marine Law (Wales)*
Director

DIRECTORS' STATEMENT

Important note

The "Summary Financial Statements" contains only a summary of the information in the directors' report and a summary of the full financial statements of Singapore Reinsurance Corporation Limited for the year ended 31 December 2018. It also includes the information provided in compliance with the requirements of Section 203A of the Companies Act, Chapter 50 (the Act) and regulations made thereunder, applicable to the Summary Financial Statements. This Summary Financial Statements do not contain sufficient information to allow for a full understanding of the financial position and performance of the Group and of the Company.

For further information, the full financial statements, the auditors' report on those financial statements and the directors' statement in the Annual Report 2018 should be consulted. Shareholders may request a copy of the Annual Report 2018 at no cost. Please use the request slip at the end of the Summary Financial Report. Alternatively, the Annual Report 2018 can also be downloaded from our website at www.singre.com.sg.

Directors

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

Ramaswamy Athappan
David Chan Mun Wai
Hwang Soo Jin
Dileep Nair
Peter Sim Swee Yam
Ong Eng Yaw

Principal activities

The Company is a reinsurance company licensed to carry on the business of general reinsurance. The principal activities of the Company, including its Labuan Branch, during the year are those of a general reinsurer.

The principal activities of its subsidiaries include:

- Management, computer advisory and consultancy services;
- Publishing and conferencing services; and
- Property management service.

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Act, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options of the Company are as follows:

Number of ordinary shares	Holdings in the name of the directors, spouse or infant children		Other holdings in which directors are deemed to have an interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Ramaswamy Athappan	178,732	178,732	—	—
David Chan Mun Wai	73,205	73,205	—	—
Hwang Soo Jin	1,360,000	1,360,000	—	—

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 January 2019.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Except for remuneration that are disclosed in this report, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Directors' emoluments

Directors' emoluments have been disclosed in the notes to the Summary Financial Statements.

Share options

During the financial year:

- there were no options granted to any person to take up unissued shares in the Company or its subsidiaries and there were no shares issued by virtue of the exercise of any option to take up unissued shares of the Company or its subsidiaries; and

DIRECTORS' STATEMENT

- b) no options have been granted to controlling shareholders, their associates, or employees of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option granted by the Company or its subsidiaries as at the end of the financial year.

Audit committee

The members of the Audit Committee during the year and at the date of this report are:

Dileep Nair (Chairman)
Ramaswamy Athappan
David Chan Mun Wai
Peter Sim Swee Yam
Ong Eng Yaw

Ability to meet obligations

No contingent liability or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet its obligations as and when they fall due.

Other circumstances affecting the financial statements

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group or of the Company misleading.

Unusual items during and after the financial year

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen during the financial year or in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made; or render any items in the financial statements of the Group or of the Company for the current financial year misleading, and/or affect the ability of the Group or of the Company in meeting the obligations as and when they fall due.

The Summary Financial Statements on pages 15 to 25 was approved by the Board of Directors on 1 March 2019.

On behalf of the Board of Directors

Ramaswamy Athappan

Director

David Chan Mun Wai

Director

1 March 2019

INDEPENDENT AUDITORS' REPORT

ON THE SUMMARY FINANCIAL STATEMENTS

Members of the Company
Singapore Reinsurance Corporation Limited

The summary financial statements of Singapore Reinsurance Corporation Limited (the Company) and its subsidiaries (the Group), set out on pages 15 to 25, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2018, the consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of changes in equity of the Group, and the statement of profit or loss, statement of comprehensive income and statement of changes in equity of the Company for the year then ended, and related notes, are derived from the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements and the Directors' Statement of the Company and its subsidiaries for the year ended 31 December 2018 from which they are derived and comply with the requirements of Section 203A of the Companies Act, Chapter 50 (the Act) and the regulations made thereunder applicable to summary financial statements.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the Financial Reporting Standards in Singapore. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 1 March 2019. The audited financial statements are included in the 2018 Annual Report. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Management's responsibility for the summary financial statements

Management is responsible for the preparation of the summary financial statements in accordance with Section 203A of the Act. In preparing the summary financial statements, Section 203A of the Act requires that the summary financial statements be derived from the annual financial statements and the Directors' Statement for the year ended 31 December 2018 and be in such form and contain such information as may be specified by regulations made thereunder applicable to summary financial statements.

Auditors' responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects with the audited financial statements based on our procedures, which were conducted in accordance with Singapore Standard on Auditing 810 (Revised), Engagements to Report on Summary Financial Statements.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore
1 March 2019

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2018

	Group			Company		
	31 Dec	31 Dec	1 Jan	31 Dec	31 Dec	1 Jan
	2018	2017	2017	2018	2017	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets						
Property, plant and equipment	51,755	42,408	38,485	51,662	42,320	38,382
Investment properties	33,767	29,405	27,329	33,767	29,405	27,329
Interest in subsidiaries	–	–	–	1,091	1,110	1,123
Reinsurers' share of insurance contract provisions for:						
– outstanding claims	232,994	220,710	198,382	232,994	220,710	198,382
– unexpired risks	55,407	46,153	40,687	55,407	46,153	40,687
Financial assets	263,392	269,061	259,127	263,392	269,061	258,579
Club membership	15	15	15	–	–	–
Insurance receivables	90,173	59,842	47,966	90,173	59,842	47,966
Other receivables	3,089	3,076	4,433	2,727	2,574	3,664
Cash and cash equivalents	87,141	100,739	86,822	84,779	97,890	84,507
Total assets	817,733	771,409	703,246	815,992	769,065	700,619
Equity attributable to equity holders of the Company						
Share capital	123,300	123,300	123,300	123,300	123,300	123,300
Reserves	47,261	43,843	30,313	47,261	43,843	30,342
Accumulated profits	92,934	92,010	87,223	92,707	91,662	86,819
	263,495	259,153	240,836	263,268	258,805	240,461
Non-controlling interests	232	252	264	–	–	–
Total equity	263,727	259,405	241,100	263,268	258,805	240,461
Liabilities						
Insurance contract provisions for:						
– outstanding claims	386,268	368,999	350,831	386,268	368,999	350,831
– unexpired risks	73,729	64,645	59,761	73,729	64,645	59,761
Deferred taxation	3,407	3,263	1,440	3,407	3,263	1,449
Insurance payables	86,396	69,611	45,423	86,396	69,611	45,423
Other payables	3,143	4,170	4,056	1,899	2,548	2,172
Current tax payable	1,063	1,316	635	1,025	1,194	522
Total liabilities	554,006	512,004	462,146	552,724	510,260	460,158
Total equity and liabilities	817,733	771,409	703,246	815,992	769,065	700,619

STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2018

	Group		Company	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Reinsurance operations:				
Gross written premiums	207,802	182,447	207,802	182,447
Reinsurance premiums	(157,121)	(131,921)	(157,121)	(131,921)
Net written premiums	50,681	50,526	50,681	50,526
Gross transfer to provision for unexpired risks	(9,084)	(4,884)	(9,084)	(4,884)
Reinsurance transfer from provision for unexpired risks	9,254	5,466	9,254	5,466
Net earned premiums	50,851	51,108	50,851	51,108
Gross claims incurred	(122,143)	(100,459)	(122,143)	(100,459)
Reinsurers' share of claims incurred	86,182	72,588	86,182	72,588
Net claims incurred	(35,961)	(27,871)	(35,961)	(27,871)
Commission expense	(60,857)	(52,754)	(60,857)	(52,754)
Commission income	48,854	38,925	48,854	38,925
Net commission expense	(12,003)	(13,829)	(12,003)	(13,829)
Management expenses	(7,656)	(8,099)	(7,656)	(8,099)
Underwriting results	(4,769)	1,309	(4,769)	1,309
Net investment income	8,012	6,874	8,012	6,874
Net income from reinsurance operations (I)	3,243	8,183	3,243	8,183
Non-reinsurance operations:				
Net investment income	8,024	5,435	8,590	6,084
Other operating income	5,915	6,332	13	50
Management expenses	(5,885)	(5,894)	(458)	(430)
Net income from non-reinsurance operations (II)	8,054	5,873	8,145	5,704
Profit before income tax (I) + (II)	11,297	14,056	11,388	13,887
Income tax expense	(2,436)	(1,284)	(2,476)	(1,177)
Profit for the year	8,861	12,772	8,912	12,710
Attributable to:				
Equity holders of the Company	8,791	12,654	8,912	12,710
Non-controlling interests	70	118	—	—
Profit for the year	8,861	12,772	8,912	12,710
Basic and diluted earnings per share (cents)	1.45	2.09		

STATEMENTS OF COMPREHENSIVE INCOME

Year ended 31 December 2018

	Group		Company	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Profit for the year	8,861	12,772	8,912	12,710
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Revaluation of property, plant and equipment	9,618	4,118	9,618	4,118
Tax on items that will not be reclassified to profit or loss	–	–	–	–
	9,618	4,118	9,618	4,118
Items that are or may be reclassified subsequently to profit or loss:				
Available-for-sale financial assets:				
– Reclassification of gain on sale of investments to profit or loss	(1,210)	(2,334)	(1,210)	(2,237)
– Reclassification of impairment on investments to profit or loss	1,094	2,154	1,094	2,154
– Change in fair value of investments	(7,320)	11,448	(7,320)	11,317
Tax on items that are or may be reclassified subsequently to profit or loss	1,236	(1,851)	1,236	(1,851)
	(6,200)	9,417	(6,200)	9,383
Other comprehensive income for the year, net of income tax	3,418	13,535	3,418	13,501
Total comprehensive income for the year	12,279	26,307	12,330	26,211
Attributable to:				
Equity holders of the Company	12,209	26,184	12,330	26,211
Non-controlling interests	70	123	–	–
Total comprehensive income for the year	12,279	26,307	12,330	26,211

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

Group	Share Capital \$'000	Fair value Reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000	Total attributable to equity holders of the Company \$'000	Non- controlling interests \$'000	Total equity \$'000
At 1 January 2017	123,300	3,395	26,918	87,223	240,836	264	241,100
Total comprehensive income for the year							
Profit for the year	–	–	–	12,654	12,654	118	12,772
Other comprehensive income:							
Revaluation of property, plant and equipment	–	–	4,118	–	4,118	–	4,118
Available-for-sale financial assets:							
– Reclassification of gain on sale of investments to profit or loss	–	(2,319)	–	–	(2,319)	(15)	(2,334)
– Reclassification of impairment on investments to profit or loss	–	2,154	–	–	2,154	–	2,154
– Change in fair value of investments	–	11,428	–	–	11,428	20	11,448
Income tax relating to components of other comprehensive income	–	(1,851)	–	–	(1,851)	–	(1,851)
Total other comprehensive income, net of income tax	–	9,412	4,118	–	13,530	5	13,535
Total comprehensive income for the year	–	9,412	4,118	12,654	26,184	123	26,307
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Final dividend of 0.6 cent per share tax exempt (one-tier) paid in respect of year 2016	–	–	–	(3,631)	(3,631)	–	(3,631)
Special dividend of 0.2 cent per share tax exempt (one-tier) paid in respect of year 2016	–	–	–	(1,210)	(1,210)	–	(1,210)
Interim dividend of 0.5 cent per share tax exempt (one-tier) paid in respect of year 2017	–	–	–	(3,026)	(3,026)	–	(3,026)
Dividend paid to non- controlling interests	–	–	–	–	–	(135)	(135)
Total contributions by and distributions to owners	–	–	–	(7,867)	(7,867)	(135)	(8,002)
31 December 2017	123,300	12,807	31,036	92,010	259,153	252	259,405

Group	Share Capital \$'000	Fair value Reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000	Total attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2018	123,300	12,807	31,036	92,010	259,153	252	259,405
Total comprehensive income for the year							
Profit for the year	–	–	–	8,791	8,791	70	8,861
Other comprehensive income:							
Revaluation of property, plant and equipment	–	–	9,618	–	9,618	–	9,618
Available-for-sale financial assets:							
– Reclassification of gain on sale of investments to profit or loss	–	(1,210)	–	–	(1,210)	–	(1,210)
– Reclassification of impairment on investments to profit or loss	–	1,094	–	–	1,094	–	1,094
– Change in fair value of investments	–	(7,320)	–	–	(7,320)	–	(7,320)
Income tax relating to components of other comprehensive income	–	1,236	–	–	1,236	–	1,236
Total other comprehensive income, net of income tax	–	(6,200)	9,618	–	3,418	–	3,418
Total comprehensive income for the year	–	(6,200)	9,618	8,791	12,209	70	12,279
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Final dividend of 0.8 cent per share tax exempt (one-tier) paid in respect of year 2017	–	–	–	(4,841)	(4,841)	–	(4,841)
Interim dividend of 0.5 cent per share tax exempt (one-tier) paid in respect of year 2018	–	–	–	(3,026)	(3,026)	–	(3,026)
Dividend paid to non-controlling interests	–	–	–	–	–	(90)	(90)
Total contributions by and distributions to owners	–	–	–	(7,867)	(7,867)	(90)	(7,957)
31 December 2018	123,300	6,607	40,654	92,934	263,495	232	263,727

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

Company	Share capital \$'000	Fair value reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000	Total \$'000
At 1 January 2017	123,300	3,424	26,918	86,819	240,461
Total comprehensive income for the year					
Profit for the year	–	–	–	12,710	12,710
Other comprehensive income:					
Revaluation of property, plant and equipment	–	–	4,118	–	4,118
Available-for-sale financial assets:					
– Reclassification of gain on sale of investments to profit or loss	–	(2,237)	–	–	(2,237)
– Reclassification of impairment on investments to profit or loss	–	2,154	–	–	2,154
– Change in fair value of investments	–	11,317	–	–	11,317
Income tax relating to components of other comprehensive income	–	(1,851)	–	–	(1,851)
Total other comprehensive income, net of income tax	–	9,383	4,118	–	13,501
Total comprehensive income for the year	–	9,383	4,118	12,710	26,211
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Final dividend of 0.6 cent per share tax exempt (one-tier) paid in respect of year 2016	–	–	–	(3,631)	(3,631)
Special dividend of 0.2 cent per share tax exempt (one-tier) paid in respect of year 2016	–	–	–	(1,210)	(1,210)
Interim dividend of 0.5 cent per share tax exempt (one-tier) paid in respect of year 2017	–	–	–	(3,026)	(3,026)
Total contributions by and distributions to owners	–	–	–	(7,867)	(7,867)
At 31 December 2017	123,300	12,807	31,036	91,662	258,805

Company	Share capital \$'000	Fair value reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000	Total \$'000
At 1 January 2018	123,300	12,807	31,036	91,662	258,805
Total comprehensive income for the year					
Profit for the year	–	–	–	8,912	8,912
Other comprehensive income:					
Revaluation of property, plant and equipment	–	–	9,618	–	9,618
Available-for-sale financial assets:					
– Reclassification of gain on sale of investments to profit or loss	–	(1,210)	–	–	(1,210)
– Reclassification of impairment on investments to profit or loss	–	1,094	–	–	1,094
– Change in fair value of investments	–	(7,320)	–	–	(7,320)
Income tax relating to components of other comprehensive income	–	1,236	–	–	1,236
Total other comprehensive income, net of income tax	–	(6,200)	9,618	–	3,418
Total comprehensive income for the year	–	(6,200)	9,618	8,912	12,330
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Final dividend of 0.8 cent per share tax exempt (one-tier) paid in respect of year 2017	–	–	–	(4,841)	(4,841)
Interim dividend of 0.5 cent per share tax exempt (one-tier) paid in respect of year 2018	–	–	–	(3,026)	(3,026)
Total contributions by and distributions to owners	–	–	–	(7,867)	(7,867)
At 31 December 2018	123,300	6,607	40,654	92,707	263,268

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). These are the Group's first financial statements prepared in accordance with SFRS(I) and SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International) has been applied. In the previous financial years, the financial statements were prepared in accordance with Financial Reporting Standards in Singapore (FRS).

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- available-for-sale financial assets are measured at fair value; and
- investment properties and owner occupied leasehold land and buildings are measured at fair value.

The financial statements are presented in Singapore dollars which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The assets and liabilities of the Group which relate to the reinsurance business carried on in Singapore are subject to the requirements of the Insurance Act. Such assets and liabilities are accounted for in the books of the insurance funds established under the Insurance Act. Assets held in the insurance funds may be withdrawn only if the withdrawal meets the requirements stipulated in Section 17 and the Group continues to be able to meet the solvency requirements of Section 18 of the Insurance Act and Insurance (Valuation and Capital) Regulations. All other assets and liabilities are accounted for in the books of the "non-reinsurance funds".

All income and expenses relating to the reinsurance business are reported under the "Reinsurance operations" in profit or loss. All other income and expenses are reported as "Non-reinsurance operations" in profit or loss.

The financial statements of the Group represent the combined assets and liabilities, and income and expenses of the reinsurance funds and the non-reinsurance funds.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements made by management in applying accounting policies that could have a significant effect on the amount recognised in the financial statements relate mainly to outstanding claim provisions and estimates of premium, commission and loss estimates for bilateral cessions business.

(b) Share capital

	Group and Company			
	2018	2018	2017	2017
	Number of		Number of	
	shares		shares	
	'000	\$'000	'000	\$'000
Issued and fully paid ordinary shares, with no par value				
At 1 January and 31 December	605,220	123,300	605,220	123,300

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

(c) Remuneration paid to directors

	Group		Company	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
– Directors' fees	616	616	605	605
– Consultancy fees	396	396	396	396

(d) Basic and diluted earnings per share

	Group	
	2018	2017
	\$'000	\$'000
Basic and diluted earnings per share is based on:		
Net profit attributable to ordinary shares	8,791	12,654
Number of shares ('000)	605,220	605,220

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

(e) Dividends

The dividends paid during the financial year are disclosed in the consolidated statement of changes in equity of the Group and the statement of changes in equity of the Company.

After the reporting date, the Directors proposed the following dividends for shareholders' approval at the Annual General Meeting to be held on 17 April 2019. The dividends have not been provided for in the financial statements for the year ended 31 December 2018.

	2018 \$'000	2017 \$'000
Dividend proposed:		
Final dividend		
– 0.8 cent (2017: 0.8 cent) per share tax exempt (one-tier)	4,841	4,841

(f) Significant related party transactions

The following significant transactions between the Group and related companies have been included in the profit before income tax at terms agreed between the companies:

	Group and Company	
	2018 \$'000	2017 \$'000
<i>Transactions with related companies</i>		
<i>Income/(expense):</i>		
Gross written premiums	89,488	72,239
Reinsurance premiums	(66,329)	(91,144)
Claims paid	(32,098)	(30,862)
Claims recoveries	48,497	39,908
Commission expense	(19,398)	(16,668)
Commission income	19,348	23,646

(g) Assets and liabilities

In compliance with the requirements of Section 203A of the Act and the Companies (Summary Financial Statement) Regulations, information on the assets and liabilities are as follows:

	Group			Company		
	31 Dec 2018 \$'000	31 Dec 2017 \$'000	1 Jan 2017 \$'000	31 Dec 2018 \$'000	31 Dec 2017 \$'000	1 Jan 2017 \$'000
Non-current assets						
Property, plant and equipment	51,755	42,408	38,485	51,662	42,320	38,382
Investment properties	33,767	29,405	27,329	33,767	29,405	27,329
Interest in subsidiaries	–	–	–	1,091	1,110	1,123
Reinsurers' share of insurance contract provisions	163,845	168,313	157,910	163,845	168,313	157,910
Financial assets	1,195	964	1,843	1,195	964	1,229
Club membership	15	15	15	–	–	–
Total non-current assets	250,577	241,105	225,582	251,560	242,112	225,973
Current assets						
Reinsurers' share of insurance contract provisions	124,556	98,550	81,159	124,556	98,550	81,159
Financial assets	262,197	268,097	257,284	262,197	268,097	257,350
Insurance receivables	90,173	59,842	47,966	90,173	59,842	47,966
Other receivables	3,089	3,076	4,433	2,727	2,574	3,664
Cash and cash equivalents	87,141	100,739	86,822	84,779	97,890	84,507
Total current assets	567,156	530,304	477,664	564,432	526,953	474,646
Total assets	817,733	771,409	703,246	815,992	769,065	700,619
Non-current liabilities						
Insurance contract provisions	281,779	282,845	277,735	281,779	282,845	277,735
Deferred taxation	3,407	3,263	1,440	3,407	3,263	1,449
Total non-current liabilities	285,186	286,108	279,175	285,186	286,108	279,184
Current liabilities						
Insurance contract provisions	178,218	150,799	132,857	178,218	150,799	132,857
Insurance payables	86,396	69,611	45,423	86,396	69,611	45,423
Other payables	3,143	4,170	4,056	1,899	2,548	2,172
Current tax payable	1,063	1,316	635	1,025	1,194	522
Total current liabilities	268,820	225,896	182,971	267,538	224,152	180,974
Total liabilities	554,006	512,004	462,146	552,724	510,260	460,158
Net current assets	298,336	304,408	294,693	298,894	302,801	293,672

PROFILE OF SHAREHOLDERS

AS AT 20 FEBRUARY 2019

Share Capital	Number of Issued Shares	Class of Shares	Voting Rights
\$123,300,490	605,219,785	Ordinary	One vote per share

Shareholdings held by the Public

Based on the information available to the Company on 20 February 2019, approximately 47.51% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited has been complied with.

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 to 99	73	2.17	2,606	0.00
100 to 1,000	308	9.17	160,773	0.03
1,001 to 10,000	865	25.74	4,916,818	0.81
10,001 to 1,000,000	2,065	61.46	139,333,130	23.02
1,000,001 and above	49	1.46	460,806,458	76.14
Total	3,360	100.00	605,219,785	100.00

Twenty Largest Shareholders	No. of Shares	%
1 DBS Nominees Pte Ltd	200,631,322	33.15
2 United Overseas Insurance Limited	36,382,885	6.01
3 India International Insurance Pte Ltd	30,371,062	5.02
4 Great Eastern Life Assurance Co Ltd	28,467,478	4.70
5 Great Eastern General Insurance Ltd	21,739,465	3.59
6 Morgan Stanley Asia (Singapore) Securities Pte Ltd	17,013,200	2.81
7 Maybank Kim Eng Securities Pte Ltd	10,824,411	1.79
8 Singapore Warehouse Co Pte Ltd	9,949,974	1.64
9 Citibank Nominees Singapore Pte Ltd	9,820,176	1.62
10 DBS Vickers Securities (Singapore) Pte Ltd	8,676,905	1.43
11 Chong Chew Lim @ Chong Ah Kau	8,394,500	1.39
12 United Overseas Bank Nominees Pte Ltd	5,710,013	0.94
13 OCBC Nominees Singapore Pte Ltd	4,507,890	0.75
14 Ng Siew Cheng	3,502,613	0.58
15 Ng Poh Cheng	3,269,600	0.54
16 Tan Kay Khai	3,146,000	0.52
17 Ng Eng Chuan	3,020,460	0.50
18 Raffles Nominees (Pte) Ltd	2,971,310	0.49
19 Lai Weng Kay	2,890,700	0.48
20 Koh Susie	2,732,400	0.45
Total	414,022,364	68.40

Substantial Shareholders (as recorded in the Register of Substantial Shareholders as at 20 February 2019)

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
1. Fairfax Financial Holdings Limited ¹	–	–	168,035,957	27.76
2. Fairfax Asia Limited	115,370,835	19.06	–	–
3. Newline Corporate Name Limited	52,665,122	8.70	–	–
4. Newline Holdings UK Limited ²	–	–	52,665,122	8.70
5. Oversea-Chinese Banking Corporation Limited ³	–	–	50,948,847	8.42
6. Great Eastern Holdings Limited ³	–	–	50,948,847	8.42
7. United Overseas Bank Limited ⁴	–	–	36,382,885	6.01
8. United Overseas Insurance Limited	36,382,885	6.01	–	–
9. India International Insurance Pte Ltd	30,371,062	5.02	–	–
10. Dalton Investments LLC ⁵	–	–	30,339,700	5.01
11. James B. Rosenwald III ⁶	–	–	30,339,700	5.01
12. Steven Persky ⁶	–	–	30,339,700	5.01
13. Gifford Combs ⁶	–	–	30,339,700	5.01
14. Belita Ong ⁶	–	–	30,339,700	5.01
15. Arthur Hebert ⁶	–	–	30,339,700	5.01
16. Michelle Lynd ⁶	–	–	30,339,700	5.01

- 1 Fairfax Financial Holdings Limited is deemed to have an interest in shares held by Fairfax Asia Limited, Newline Corporate Name Limited and Newline Holdings UK Limited.
- 2 Newline Holdings UK Limited is deemed to have an interest in shares held by Newline Corporate Name Limited.
- 3 Oversea-Chinese Banking Corporation Limited and Great Eastern Holdings Limited are deemed to have an interest in shares held by Great Eastern General Insurance Limited and The Great Eastern Life Assurance Company Limited.
- 4 United Overseas Bank Limited is deemed to have an interest in shares held by United Overseas Insurance Limited.
- 5 Dalton Investments LLC and its affiliated entities (together, **Dalton**) is an investment manager based in California, United States of America. Dalton manages various client portfolios and as investment manager, Dalton has discretion and authority over the sale and purchase of the abovementioned shares. Therefore, Dalton has deemed interest in such shares.
- 6 James B. Rosenwald III, Steven Persky, Gifford Combs, Belita Ong, Arthur Hebert and Michelle Lynd are members of the management committee of Dalton, and Dalton acts in accordance with the directions and instructions of the abovementioned persons. Accordingly, each of them will be deemed to be interested in the shares which Dalton is deemed interested in.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 46th Annual General Meeting of the Company will be held at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908, on Wednesday, 17 April 2019 at 12.00 noon to transact the following business:

AS ORDINARY BUSINESS

1. **Resolution 1** To receive and adopt the directors' statement and audited accounts for the year ended 31 December 2018.
2. **Resolution 2** To declare a final dividend of 0.8 cent per share tax exempt (one-tier) for the year ended 31 December 2018 (2017: final dividend of 0.8 cent per share tax exempt (one-tier)).
3. **Resolution 3** To approve the payment of \$605,000 as directors' fees for the year ended 31 December 2018 (2017: \$605,000).
4. To re-elect each of the following directors retiring by rotation pursuant to Regulation 96 of the Company's Constitution:

Resolution 4 Mr Ramaswamy Athappan.

Resolution 5 Mr Ong Eng Yaw.
5. To note the retirement of Mr Hwang Soo Jin, a director retiring and who would not be seeking re-election.
6. **Resolution 6** To re-appoint Messrs KPMG LLP as auditors of the Company for the ensuing year and to authorise the directors to fix their remuneration.

AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass the following ordinary resolutions:

- Resolution 7** To approve the issue of shares pursuant to Section 161 of the Companies Act, Chapter 50 (the **Act**):

"**THAT** pursuant to Section 161 of the Act and the listing rules of the Singapore Exchange Securities Trading Limited (**SGX-ST**), authority be and is hereby given to the directors of the Company to (a) issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); (b) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, **Instruments**) including but not limited to the creation

and issue of warrants, debentures or other instruments convertible into shares; (c) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues, at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and (d) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) to issue shares in pursuance of any Instruments made or granted by the directors while this resolution was in force, provided that:

- (i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares to be issued other than on a *pro-rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 20% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings);
- (ii) for the purpose of determining the aggregate number of shares that may be issued (subject to such manner of calculation as may be prescribed by SGX-ST) under (i) above, the percentage of issued share capital shall be based on the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for (1) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards that are outstanding or subsisting when this resolution is passed; and (2) any subsequent bonus-issue, consolidation or sub-division of shares;
- (iii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the listing rules of the SGX-ST for the time being in force (unless such compliance is waived by the SGX-ST) and the Company's Constitution; and
- (iv) unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

NOTICE OF ANNUAL GENERAL MEETING

Resolution 8 To approve the renewal of the Share Buy-Back Mandate:

“THAT:

(a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the **Act**), the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company (**Shares**) not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (**SGX-ST**) through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the **Share Buy-Back Mandate**);

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the directors of the Company pursuant to the Share Buy-Back Mandate may be exercised by the directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earliest of:

- (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
- (ii) the date on which the authority contained in the Share Buy-Back Mandate is revoked or varied by the Company in general meeting; and
- (iii) the date on which the share purchases pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated.

- (c) in this resolution:

Average Closing Price means the average of the closing market prices of the Shares over the last five Market Days on which the Shares were transacted on the SGX-ST immediately preceding the date of the making of the market purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with any rules that may be prescribed by the SGX-ST, for any corporate action that occurs after the relevant five-day period;

date of the making of the offer means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

Market Day means a day on which the SGX-ST is open for trading in securities;

Maximum Percentage means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution (excluding treasury shares and subsidiary holdings as at that date);

Maximum Price in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) which shall not be more than, in the case of a market purchase of the Share and an off-market purchase of the Share, 5% above the Average Closing Price of the Shares; and

- (d) the directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution."

To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS ALSO HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 2 May 2019 for the preparation of the dividend warrants. Duly completed transfers received by the Company's Registrar, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902, up to 5.00 p.m. on 30 April 2019 will be registered before entitlements to the proposed dividend are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the capital of the Company as at 5.00 p.m. on 30 April 2019 will be entitled to the dividend. The proposed final dividend will be paid on 27 May 2019, if approved by the shareholders at the forthcoming Annual General Meeting of the Company.

BY ORDER OF THE BOARD

ONG BENG HONG/TAN SWEE GEK
Joint Company Secretaries

Singapore
20 March 2019

Note: Except for a member who is a relevant intermediary (as defined under the Act), a member of the Company entitled to attend and vote at the general meeting is entitled to appoint one or two proxies to attend and vote in his stead. A member of the Company who is a relevant intermediary may appoint more than two proxies to attend and vote at the general meeting, but such proxies must be appointed to exercise the rights attached to a specified number of shares. A proxy need not be a member of the Company. The instrument appointing a proxy or proxies shall in the case of an individual, be signed by the appointor or his attorney, and in the case of a corporation shall be either under the Common Seal or signed by its attorney or a duly authorised officer on behalf of the corporation. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Registrar, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902 not less than 72 hours before the time appointed for holding the Annual General Meeting.

Personal Data Privacy:

By attending the Annual General Meeting (**AGM**) and/or any adjournment thereof or submitting an instrument appointing a proxy or proxies and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rule, regulation and/or guidelines (collectively, the **Purposes**), (ii) warrants that where the member discloses the personal data of the member's proxy or proxies and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy or proxies and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy or proxies and/or representatives for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Explanatory Notes:

- (1) The ordinary resolution 7 in item 7 above, if passed, is to enable the directors to issue further shares in the Company and to make or grant securities convertible into ordinary shares, and to issue ordinary shares pursuant to instruments, up to an amount not exceeding 50% of the issued shares in the capital of the Company of which the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders, does not exceed 20% of the Company's issued shares. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company shall be based on the issued shares in the capital of the Company at the time this resolution is passed, after adjusting for (1) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards that are outstanding or subsisting when this resolution is passed; and (2) any subsequent consolidation or sub-division of shares. This authority will, unless revoked or varied at a General Meeting, expire at the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.
- (2) The ordinary resolution 8 proposed in item 7 above, if passed will renew, effective until the next AGM or the date by which the next AGM is required by law to be held, whichever is the earlier, the Share Buy-Back Mandate for the Company to make purchases or acquisition of its shares up to a maximum of 10% of the total number of issued ordinary shares as at the date of the passing of the resolution at the Maximum Price computed in the manner prescribed by the resolution.

The Company will use internal sources to fund purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact of the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend, inter alia, on the number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, and the price at which such Shares are purchased or acquired.

Based on the existing issued and paid-up Shares of the Company as at 20 February 2019, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 60,521,978 Shares. Assuming that the Company purchases or acquires the 60,521,978 Shares at the Maximum Price of \$0.301 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding 20 February 2019, the maximum amount of funds required for the purchase or acquisition of the 60,521,978 Shares is \$18,217,115.

The financial effects of the purchase or acquisition of such Shares by the Company pursuant to the proposed Share Buy-Back Mandate based on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2018 and certain other assumptions are set out in paragraph 6 of the Letter to Shareholders dated 20 March 2019.

NOTES TO THE PROXY FORM

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members.
2. Except for a member who is a relevant intermediary (as defined under the Companies Act, Chapter 50 of Singapore (the **Act**)), a member entitled to attend and vote at the general meeting is entitled to appoint one or two proxies to attend and vote in his stead. A member of the Company who is a relevant intermediary may appoint more than two proxies to attend and vote at the general meeting, but such proxies must be appointed to exercise the rights attached to a specified number of shares.
3. Where a member who is not a relevant intermediary appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy. Where a member who is a relevant intermediary appoints two or more proxies, the appointments shall be invalid unless the number and class of shares in relation to which each proxy has been appointed is specified in the proxy form.
4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Registrar, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902 not less than 72 hours before the time appointed for the Annual General Meeting (**AGM**).
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Act.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
9. In the case of members whose Shares are entered against their names in the Depository Register, the Company shall reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for the AGM as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

Singapore Reinsurance Corporation Limited
(Incorporated in the Republic of Singapore)
Company Registration No. 197300016C

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT:

1. For investors who have used their CPF moneys to buy shares in the capital of Singapore Reinsurance Corporation Limited, this Summary Financial Report circulated to Shareholders is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 2 on page 34).

I/We ID/Registration No.

of

being a member/members of the above-mentioned Company, hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

or failing him/her, the Chairman of the Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company, to be held at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 on Wednesday, 17 April 2019 at 12.00 noon or at any adjournment thereof.

With reference to the agenda set out in the Notice of Annual General Meeting, please indicate with an "X" in the space provided below how you wish your votes to be cast.

No.	Ordinary Resolutions	For	Against
Ordinary Business			
1	To receive and adopt the directors' statement and audited accounts		
2	To declare a final dividend		
3	To approve directors' fees		
4	To re-elect director: Mr Ramaswamy Athappan		
5	To re-elect director: Mr Ong Eng Yaw		
6	To re-appoint auditors and authorise the directors to fix their remuneration		
Special Business			
7	To approve the issue of shares pursuant to Section 161 of the Companies Act, Chapter 50		
8	To approve the renewal of the Share Buy-Back Mandate		

In the absence of specific directions, the proxy/proxies will vote or abstain, as he/they may think fit.

Dated this day of 2019.

Total Number of Shares held in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

.....
Signature(s) of member(s) or Common Seal

IMPORTANT, PLEASE READ NOTES ON PAGE 34.

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(2nd fold)

Affix
stamp
here

M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

(3rd fold to glue and seal)

REQUEST FORM

Singapore Reinsurance Corporation Limited
(Incorporated in the Republic of Singapore)
Company Registration No. 197300016C

20 March 2019

Dear Shareholder

This is a copy of the Summary Financial Report (**SFR**) of Singapore Reinsurance Corporation Limited (**Singapore Re**) for the financial year ended 31 December 2018 (**FY2018**). The SFR contains a review of the Group for FY2018. It also contains a summary of the audited financial statements of the Group and the Company. We will be sending you a copy of the SFR for as long as you are a shareholder of Singapore Re.

The full financial statements of the Group and the Company for FY2018 are set out in a separate report called the Annual Report (**AR**). This report is available to all shareholders of Singapore Re at no cost upon request.

For shareholders receiving this SFR for the first time and for shareholders who have not responded to us previously, if you wish to receive a copy of the AR for FY2018 and for future financial years, please complete this Request Form and return it to us by 1 April 2019. **A failure to submit this Request Form has importance consequences, and by failing to submit this Request Form you would be taken to have indicated that you do not wish to receive the AR for FY2018 and for all future financial years.**

For shareholders who have responded to us previously, you may supersede your earlier request sent to us by completing this Request Form and returning it to us by 1 April 2019. If we do not receive your reply, we will take it that you do not wish to change your previous request. Your latest request will supersede all earlier requests received by us.

By completing, signing and returning the Request Form to us, you agree and acknowledge that we and/or our service provider may collect, use and disclose your personal data, as contained in your submitted Request Form or which is otherwise collected from you (or your authorised representative(s)), for the purpose of processing and effecting your request.

Yours faithfully
Singapore Reinsurance Corporation Limited

Ong Beng Hong/Tan Swee Gek
Joint Company Secretaries

REQUEST FORM

To: Singapore Reinsurance Corporation Limited (Singapore Re)

N.B. Please tick only one box. Incomplete form will not be processed.

- ☐ Please send me/us the Annual Report for the financial year ended 31 December 2018 and for all future financial years for as long as I/we am/are a shareholder of Singapore Re.
- ☐ Please do not send me/us the Annual Report for the financial year ended 31 December 2018 and for all future financial years for as long as I/we am/are a shareholder of Singapore Re.

Name of shareholder _____

NRIC/Passport number _____

Address _____

Postal Code _____

Signature _____

Date _____

Please glue and seal along this edge

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(1st fold)

(2nd fold)

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**BUSINESS REPLY SERVICE
PERMIT No. 06248**



**The Company Secretary
Singapore Reinsurance Corporation Limited
85 Amoy Street
Singapore 069904**

(3rd fold to glue and seal)

CORPORATE CALENDAR

Event	Date
Annual General Meeting	17 April 2019
Announcement of 1st Quarter 2019 Financial Results (after close of trading)	17 April 2019
Closure of Registers (for final dividend entitlement)	2 May 2019
Payment of Final Dividend for Year Ended 31 December 2018	27 May 2019
Announcement of 2nd Quarter 2019 Financial Results (after close of trading)	August 2019
Announcement of 3rd Quarter 2019 Financial Results (after close of trading)	November 2019
Financial Year-End	31 December 2019
Announcement of 4th Quarter 2019 Financial Results (after close of trading)	February 2020

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