

**SUMMARY  
FINANCIAL  
REPORT  
2019**



**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 publishing and conferencing services.

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\$273 million and S\$883 million, respectively as at 31 December 2019. 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

Operationally, the year under review was a demanding one. Extreme weather-related events took centre stage. Although 2019 in terms of total insured loss estimate for NAT CAT perils was much lower than the prior two years, it was significant in that the top two costliest insured loss events, associated with wet perils (namely, typhoons Hagibis and Faxai), both occurred in Japan. On the other extreme end, the year ended with the bombardment of headline-breaking news related to the devastating effects of the bushfires in Australia.

## Reinsurance Operations

Against this backdrop, the Group's gross premium income increased by 14.6% to S\$238 million for the year ended 31 December 2019. Premiums from the Singapore market alone represented 32.9% of gross premium (2018: 30.3%), while the premium contribution from the top 3 overseas territories was as follows:

Territory	Gross Premium Written
Outside Singapore	67.1%
<i>of which the top 3 overseas markets remained unchanged:</i>	
Malaysia	30.9%
China	8.8%
Hong Kong	4.8%

Fire was the predominant class contributing 52.5% of gross premium income, followed by Accident (including Casualty), 40.4% and Marine, 7.1%.

As a consequence of the relatively high frequency and severity of NAT CAT losses in Asia in the year under review, compounded by rising concentration of exposures in cities in Asia, the net claim incurred rose 13.4% to S\$41 million in 2019 and it represented an incurred loss ratio of 63.1%, a 7.9-percentage-points improvement compared to the 71% incurred loss ratio in 2018.

Simultaneously, net commission expense rose 22.4% to S\$14.7 million in 2019 on the back of the premium growth, although the commission expense ratio of 22.7% of net written premium in 2019 was 1.0-percentage-point lower than the preceding year (2018: 23.7%). On account of the higher net premium revenue, the Group's reinsurance management expense ratio (as percentage of net written premium) fell to 11.8% in 2019 (2018: 15.1%). Overall, benefiting from the relatively modest premium income derived from Japan, the Group recorded a lower underwriting loss of S\$3.4 million in 2019, equivalent to a deficit ratio of 5.3% (of net written premium), compared to the S\$4.8 million underwriting loss or 9.4% deficit ratio (of net written premium) a year ago.

The Group generated a lower net investment income of S\$14.1 million in 2019 (2018: S\$16 million) which represented an annual rate of return of 3.1% on market value (2018: 3.7%). The reduction in net investment income was largely due to lower revaluation surplus for property investments. The investment asset allocation for 2019 remained stable and the breakdown was as follows:

Assets	Total Investment Allocation
Fixed Income Investment	45.7%
Cash and Cash equivalents	22.9%
Properties	19.7%
Equities	11.7%

## CHAIRMAN'S STATEMENT

The Group's total assets, which comprised the sum of shareholders' and insurance funds, amounted to a credible S\$883.1 million, 8% higher than a year earlier. The NAV rose to 45.1 cents per share, up from 43.5 cents per share in 2018.

Taking into consideration the operating performance for the year under review, your Board is recommending a final dividend of 0.8 cent (2018: 0.8 cent) per share. Added to the interim dividend of 0.5 cent per share, the total dividend of 1.3 cents (2018: 1.3 cents) is equivalent to 4.4% dividend yield (2018: 4.6%) and represented an 80% 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.

### Subsidiaries

Collectively, the subsidiaries' turnover fell 11.7% to S\$5.2 million and reported a pre-tax loss of S\$61,000.

By virtue of the continued tough operating environment for (re)insurers and its heavy reliance on customers in the (re)insurance segment, INS Communications Private Limited (INS), the publishing and conferencing arm of the Group, reported an operating loss for 2019, the first time ever in more than two decades. This was largely due to a significant drop in number of delegates attending conferences. However, the brand power of Asia Insurance Review (AIR), the flagship product of the subsidiary remained entrenched in the insurance community. The subsidiary continued to re-invent itself and explore new business both locally and overseas. Digital and social media while providing new opportunities for the subsidiary also present huge challenges as new entrants with no legacy issues can easily foray into the field. In that regard, competition in this arena has increased.

Despite the increasingly more challenging environment, INS remains committed to serving the insurance industry by extending its repertoire of product and service offerings to the insurance industry in Asia and the Middle East.

SR-China Advisory Services Co Ltd, incorporated in Shanghai, focuses on managing the Company's investments in China. It is not a profit centre.

### Outlook

The (re)insurance arena is still plagued with excess capacity even though there has been some contraction with the pull-back by Lloyd's syndicates, as well as companies going into M&As or runoff. Loss-making markets and lines of business have started to see some correction in premium rates albeit slowly, but this is not consistently seen across all markets. The profitability of fresh entrants propelled by new technology with the likes of FinTech and InsureTech would take time to bear fruit. Web-based malicious threats and cyber-attacks in the digital era are now the norm so there is ever-growing need to invest in new or upgraded IT software to ensure a decent level of cyber hygiene is achieved. Your Company, being a financial institution and mindful of potential reputational risks from cyber security breaches, is likewise subjected to specific compliance standards.

Amid worsening extreme weather conditions resulting from climate change, the balancing between ensuring adequate retro protections to limit exposures on the one hand and the need to contain the rising costs on the other has become a daunting challenge to underwriters. It has also rendered it well-nigh impossible to achieve underwriting profitability. Given the continuing geo-political and economic uncertainties globally compounded by COVID-19 virus outbreak, the full impact of which is as yet unquantifiable, the financial markets globally will inevitably face heightened volatility. In the circumstance the prudential management of the Company's investments is crucial to ensure positive returns in keeping with the past.

During the period under review, under the guidance of the Board, Management has continued to strengthen its governance by improving its systems of controls and ensuring compliance with applicable rules, laws and regulations. Mindful of the importance of Sustainability, various administrative measures have been introduced.

With the deadline for the new international financial reporting standard for insurance contracts (otherwise known as IFRS17) looming nearer, the Company's management team is spending considerable time and effort to review off-the-shelf IT software which can hopefully be integrated with the existing systems. At the same time, work processes would have to be revamped and staff re-trained to ensure the Company can be operationally ready to meet the new accounting standards. It is an uphill task but we are rising to the challenge.

Lastly, on behalf of the Board, I would like to express our appreciation to Mr Ravi Menon, Managing Director of the Monetary Authority of Singapore and his team for their sound leadership in this digital era and encouragement to the financial sector as a whole to rise higher including through FinTech. We appreciate the support of our stakeholders including our shareholders, cedants, brokers, reinsurers, other business partners and our management and staff for their belief in the Company.

**Ramaswamy Athappan**  
Chairman

Singapore  
25 February 2020

# CORPORATE DATA

## **Board of Directors**

Ramaswamy Athappan (Chairman) *B Eng, AFII*  
David Chan Mun Wai (Deputy Chairman) *BBA, Chartered Insurer (FCII)*  
Dileep Nair *B Eng, MPA*  
Peter Sim Swee Yam *LLB*  
Ong Eng Yaw *LLB (2<sup>nd</sup> 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)  
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](http://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 2019. 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 2019 should be consulted. Shareholders may request a copy of the Annual Report 2019 at no cost. Please use the request slip at the end of the Summary Financial Report. Alternatively, the Annual Report 2019 can also be downloaded from our website at [www.singre.com.sg](http://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 (Resigned on 17 April 2019)  
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 services;
- Publishing of magazines, books and other publications and organising conferencing services; and
- Property management and consultancy services.

## 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	–	–

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 2020.

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 25 February 2020.

On behalf of the Board of Directors

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**Ramaswamy Athappan**

*Director*

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**David Chan Mun Wai**

*Director*

25 February 2020

# 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 2019, 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 2019.

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 2019 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 Singapore Financial Reporting Standards (International) ('SFRS(I)s'). 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 25 February 2020. The audited financial statements are included in the 2019 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 2019 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  
25 February 2020

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2019

	Group		Company	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Assets</b>				
Property, plant and equipment	54,946	51,755	54,852	51,662
Investment properties	34,771	33,767	34,771	33,767
Interest in subsidiaries	–	–	1,123	1,091
Reinsurers' share of insurance contract provisions for:				
– outstanding claims	268,553	232,994	268,553	232,994
– unexpired risks	58,272	55,407	58,272	55,407
Financial assets	260,253	263,392	260,253	263,392
Club membership	15	15	–	–
Insurance receivables	99,225	90,173	99,225	90,173
Other receivables	3,418	3,089	4,030	2,727
Cash and cash equivalents	103,645	87,141	100,252	84,779
<b>Total assets</b>	<b>883,098</b>	<b>817,733</b>	<b>881,331</b>	<b>815,992</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	123,300	123,300	123,300	123,300
Reserves	54,916	47,261	54,916	47,261
Accumulated profits	94,884	92,934	94,695	92,707
	273,100	263,495	272,911	263,268
<b>Non-controlling interests</b>	<b>226</b>	<b>232</b>	<b>–</b>	<b>–</b>
<b>Total equity</b>	<b>273,326</b>	<b>263,727</b>	<b>272,911</b>	<b>263,268</b>
<b>Liabilities</b>				
Insurance contract provisions for:				
– outstanding claims	428,860	386,268	428,860	386,268
– unexpired risks	81,534	73,729	81,534	73,729
Deferred taxation	3,935	3,407	3,935	3,407
Insurance payables	90,709	86,396	90,709	86,396
Other payables	3,588	3,143	2,246	1,899
Current tax payable	1,146	1,063	1,136	1,025
<b>Total liabilities</b>	<b>609,772</b>	<b>554,006</b>	<b>608,420</b>	<b>552,724</b>
	<b>883,098</b>	<b>817,733</b>	<b>881,331</b>	<b>815,992</b>

# STATEMENTS OF PROFIT OR LOSS

Year ended 31 December 2019

	Group		Company	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Reinsurance operations:</b>				
Gross written premiums	238,144	207,802	238,144	207,802
Reinsurance premiums	(173,476)	(157,121)	(173,476)	(157,121)
<b>Net written premiums</b>	<b>64,668</b>	50,681	<b>64,668</b>	50,681
Gross transfer to provision for unexpired risks	(7,805)	(9,084)	(7,805)	(9,084)
Reinsurance transfer from provision for unexpired risks	2,865	9,254	2,865	9,254
<b>Net earned premiums</b>	<b>59,728</b>	50,851	<b>59,728</b>	50,851
Gross claims incurred	(156,954)	(122,143)	(156,954)	(122,143)
Reinsurers' share of claims incurred	116,163	86,182	116,163	86,182
<b>Net claims incurred</b>	<b>(40,791)</b>	(35,961)	<b>(40,791)</b>	(35,961)
Commission expense	(48,845)	(60,857)	(48,845)	(60,857)
Commission income	34,148	48,854	34,148	48,854
<b>Net commission expense</b>	<b>(14,697)</b>	(12,003)	<b>(14,697)</b>	(12,003)
<b>Management expenses</b>	<b>(7,647)</b>	(7,656)	<b>(7,647)</b>	(7,656)
<b>Underwriting results</b>	<b>(3,407)</b>	(4,769)	<b>(3,407)</b>	(4,769)
<b>Net investment income</b>	<b>7,877</b>	8,012	<b>7,877</b>	8,012
<b>Net income from reinsurance operations (I)</b>	<b>4,470</b>	3,243	<b>4,470</b>	3,243
<b>Non-reinsurance operations:</b>				
Net investment income	6,190	8,024	6,254	8,590
Other operating income	5,195	5,915	9	13
Management expenses	(5,569)	(5,885)	(398)	(458)
<b>Net income from non-reinsurance operations (II)</b>	<b>5,816</b>	8,054	<b>5,865</b>	8,145
<b>Profit before income tax (I) + (II)</b>	<b>10,286</b>	11,297	<b>10,335</b>	11,388
Income tax expense	(475)	(2,436)	(480)	(2,476)
<b>Profit for the year</b>	<b>9,811</b>	8,861	<b>9,855</b>	8,912
<b>Attributable to:</b>				
Equity holders of the Company	9,817	8,791	9,855	8,912
Non-controlling interests	(6)	70	–	–
<b>Profit for the year</b>	<b>9,811</b>	8,861	<b>9,855</b>	8,912
<b>Basic and diluted earnings per share (cents)</b>	<b>1.62</b>	1.45		

# STATEMENTS OF COMPREHENSIVE INCOME

Year ended 31 December 2019

	Group		Company	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Profit for the year</b>	<b>9,811</b>	8,861	<b>9,855</b>	8,912
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Revaluation of property, plant and equipment	3,318	9,618	3,318	9,618
Tax on items that will not be reclassified to profit or loss	–	–	–	–
	<b>3,318</b>	9,618	<b>3,318</b>	9,618
<b>Items that are or may be reclassified subsequently to profit or loss:</b>				
Available-for-sale financial assets:				
– Reclassification of gain on sale of investments to profit or loss	(1,345)	(1,210)	(1,345)	(1,210)
– Reclassification of impairment on investments to profit or loss	984	1,094	984	1,094
– Change in fair value of investments	5,621	(7,320)	5,621	(7,320)
Tax on items that are or may be reclassified subsequently to profit or loss	(923)	1,236	(923)	1,236
	<b>4,337</b>	(6,200)	<b>4,337</b>	(6,200)
<b>Other comprehensive income for the year, net of income tax</b>	<b>7,655</b>	3,418	<b>7,655</b>	3,418
<b>Total comprehensive income for the year</b>	<b>17,466</b>	12,279	<b>17,510</b>	12,330
<b>Attributable to:</b>				
Equity holders of the Company	17,472	12,209	17,510	12,330
Non-controlling interests	(6)	70	–	–
<b>Total comprehensive income for the year</b>	<b>17,466</b>	12,279	<b>17,510</b>	12,330

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2019

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
<b>Total comprehensive income for the year</b>							
Profit for the year	–	–	–	8,791	8,791	70	8,861
<b>Other comprehensive income:</b>							
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
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
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

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 2019	123,300	6,607	40,654	92,934	263,495	232	263,727
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	9,817	9,817	(6)	9,811
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	3,318	-	3,318	-	3,318
<b>Available-for-sale financial assets:</b>							
- Reclassification of gain on sale of investments to profit or loss	-	(1,345)	-	-	(1,345)	-	(1,345)
- Reclassification of impairment on investments to profit or loss	-	984	-	-	984	-	984
- Change in fair value of investments	-	5,621	-	-	5,621	-	5,621
Income tax relating to components of other comprehensive income	-	(923)	-	-	(923)	-	(923)
<b>Total other comprehensive income, net of income tax</b>	-	<b>4,337</b>	<b>3,318</b>	-	<b>7,655</b>	-	<b>7,655</b>
<b>Total comprehensive income for the year</b>	-	<b>4,337</b>	<b>3,318</b>	<b>9,817</b>	<b>17,472</b>	<b>(6)</b>	<b>17,466</b>
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
<b>Final dividend of 0.8 cent per share tax exempt (one-tier) paid in respect of year 2018</b>							
	-	-	-	(4,841)	(4,841)	-	(4,841)
<b>Interim dividend of 0.5 cent per share tax exempt (one-tier) paid in respect of year 2019</b>							
	-	-	-	(3,026)	(3,026)	-	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(7,867)</b>	<b>(7,867)</b>	-	<b>(7,867)</b>
<b>31 December 2019</b>	<b>123,300</b>	<b>10,944</b>	<b>43,972</b>	<b>94,884</b>	<b>273,100</b>	<b>226</b>	<b>273,326</b>

# STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2019

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
<b>Total comprehensive income for the year</b>					
Profit for the year	–	–	–	8,912	8,912
<b>Other comprehensive income:</b>					
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
<b>Transactions with owners, recorded directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
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

Company	Share capital \$'000	Fair value reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000	Total \$'000
At 1 January 2019	123,300	6,607	40,654	92,707	263,268
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	9,855	9,855
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	3,318	-	3,318
Available-for-sale financial assets:					
- Reclassification of gain on sale of investments to profit or loss	-	(1,345)	-	-	(1,345)
- Reclassification of impairment on investments to profit or loss	-	984	-	-	984
- Change in fair value of investments	-	5,621	-	-	5,621
Income tax relating to components of other comprehensive income	-	(923)	-	-	(923)
<b>Total other comprehensive income, net of income tax</b>	-	4,337	3,318	-	7,655
<b>Total comprehensive income for the year</b>	-	4,337	3,318	9,855	17,510
<b>Transactions with owners, recorded directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Final dividend of 0.8 cent per share tax exempt (one-tier) paid in respect of year 2018	-	-	-	(4,841)	(4,841)
Interim dividend of 0.5 cent per share tax exempt (one-tier) paid in respect of year 2019	-	-	-	(3,026)	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	(7,867)	(7,867)
<b>At 31 December 2019</b>	<b>123,300</b>	<b>10,944</b>	<b>43,972</b>	<b>94,695</b>	<b>272,911</b>

## 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)).

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 Group'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 Company 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.

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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements relate mainly to outstanding claim provisions and estimates of premium, commission and loss estimates for bilateral cessions business.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

## (b) Share capital

	← Group and Company →			
	2019	2019	2018	2018
	Number of shares '000	\$'000	Number of shares '000	\$'000
<b>Issued and fully paid ordinary shares, with no par value</b>				
At 1 January and 31 December	<b>605,220</b>	<b>123,300</b>	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	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
– Directors' fees	575	616	566	605
– Consultancy fees	116	396	116	396

## (d) Basic and diluted earnings per share

	← Group →	
	2019	2018
	\$'000	\$'000
Basic and diluted earnings per share is based on:		
Net profit attributable to ordinary shares	<b>9,817</b>	8,791
Number of shares ('000)	<b>605,220</b>	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 28 April 2020. The dividends have not been provided for in the financial statements for the year ended 31 December 2019.

	<b>2019</b>	2018
	<b>\$'000</b>	\$'000
Dividend proposed:		
Final dividend		
– 0.8 cent (2018: 0.8 cent) per share tax exempt (one-tier)	<b>4,841</b>	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:

	<b>Group and Company</b>	
	<b>2019</b>	2018
	<b>\$'000</b>	\$'000
<b><i>Transactions with related companies</i></b>		
<i>Income/(expense):</i>		
Gross written premiums	<b>69,502</b>	89,488
Reinsurance premiums	<b>(37,485)</b>	(66,329)
Claims paid	<b>(36,502)</b>	(32,098)
Claims recoveries	<b>40,329</b>	48,497
Commission expense	<b>(11,663)</b>	(19,398)
Commission income	<b>7,324</b>	19,348

**(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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Non-current assets</b>				
Property, plant and equipment	54,946	51,755	54,852	51,662
Investment properties	34,771	33,767	34,771	33,767
Interest in subsidiaries	–	–	1,123	1,091
Reinsurers' share of insurance contract provisions	184,602	163,845	184,602	163,845
Financial assets	1,883	1,195	1,883	1,195
Club membership	15	15	–	–
<b>Total non-current assets</b>	<b>276,217</b>	<b>250,577</b>	<b>277,231</b>	<b>251,560</b>
<b>Current assets</b>				
Reinsurers' share of insurance contract provisions	142,223	124,556	142,223	124,556
Financial assets	258,370	262,197	258,370	262,197
Insurance receivables	99,225	90,173	99,225	90,173
Other receivables	3,418	3,089	4,030	2,727
Cash and cash equivalents	103,645	87,141	100,252	84,779
<b>Total current assets</b>	<b>606,881</b>	<b>567,156</b>	<b>604,100</b>	<b>564,432</b>
<b>Total assets</b>	<b>883,098</b>	<b>817,733</b>	<b>881,331</b>	<b>815,992</b>
<b>Non-current liabilities</b>				
Insurance contract provisions	306,699	281,779	306,699	281,779
Deferred taxation	3,935	3,407	3,935	3,407
<b>Total non-current liabilities</b>	<b>310,634</b>	<b>285,186</b>	<b>310,634</b>	<b>285,186</b>
<b>Current liabilities</b>				
Insurance contract provisions	203,695	178,218	203,695	178,218
Insurance payables	90,709	86,396	90,709	86,396
Other payables	3,588	3,143	2,246	1,899
Current tax payable	1,146	1,063	1,136	1,025
<b>Total current liabilities</b>	<b>299,138</b>	<b>268,820</b>	<b>297,786</b>	<b>267,538</b>
<b>Total liabilities</b>	<b>609,772</b>	<b>554,006</b>	<b>608,420</b>	<b>552,724</b>
<b>Net current assets</b>	<b>307,743</b>	<b>298,336</b>	<b>306,314</b>	<b>298,894</b>

# PROFILE OF SHAREHOLDERS

AS AT 28 FEBRUARY 2020

<b>Share Capital</b>	<b>Number of Issued Shares</b>	<b>Class of Shares</b>	<b>Voting Rights</b>
\$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 28 February 2020, approximately 47.73% 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	2.21	2,571	0.00
100 to 1,000	302	9.15	156,968	0.03
1,001 to 10,000	839	25.41	4,779,657	0.79
10,001 to 1,000,000	2,039	61.75	138,341,506	22.86
1,000,001 and above	49	1.48	461,939,083	76.32
<b>Total</b>	<b>3,302</b>	<b>100.00</b>	<b>605,219,785</b>	<b>100.00</b>

Twenty Largest Shareholders		No. of Shares	%
1	DBS Nominees Pte Ltd	201,479,410	33.29
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	17,013,500	2.81
7	Maybank Kim Eng Securities Pte. Ltd.	10,894,466	1.80
8	Citibank Nominees Singapore Pte Ltd	10,170,405	1.68
9	Singapore Warehouse Co Pte Ltd	9,949,974	1.64
10	Chong Chew Lim @ Chong Ah Kau	8,394,500	1.39
11	United Overseas Bank Nominees Pte Ltd	6,167,035	1.02
12	UOB Kay Hian Pte Ltd	5,134,905	0.85
13	OCBC Nominees Singapore Pte Ltd	4,351,401	0.72
14	Tan Kay Yam	4,341,980	0.72
15	Tan Kay Khai	3,692,480	0.61
16	Ng Siew Cheng	3,502,613	0.58
17	Ng Poh Cheng	3,269,600	0.54
18	Tan Hwee Suan	3,222,480	0.53
19	Ng Eng Chuan	3,020,460	0.50
20	Tang Woon Ee	2,933,300	0.49
<b>Total</b>		<b>414,499,399</b>	<b>68.49</b>

## Substantial Shareholders (as recorded in the Register of Substantial Shareholders as at 28 February 2020)

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
1. Fairfax Financial Holdings Limited <sup>1</sup>	–	–	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 <sup>2</sup>	–	–	52,665,122	8.70
5. Oversea-Chinese Banking Corporation Limited <sup>3</sup>	–	–	50,948,847	8.42
6. Great Eastern Holdings Limited <sup>3</sup>	–	–	50,948,847	8.42
7. United Overseas Bank Limited <sup>4</sup>	–	–	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 <sup>5</sup>	–	–	30,339,700	5.01
11. James B. Rosenwald III <sup>6</sup>	–	–	30,339,700	5.01
12. Steven Persky <sup>6</sup>	–	–	30,339,700	5.01
13. Gifford Combs <sup>6</sup>	–	–	30,339,700	5.01
14. Belita Ong <sup>6</sup>	–	–	30,339,700	5.01
15. Arthur Hebert <sup>6</sup>	–	–	30,339,700	5.01
16. Michelle Lynd <sup>6</sup>	–	–	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.

Pages 28 to 36 have been intentionally left blank

# REQUEST FORM

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

27 March 2020

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 2019 (**FY2019**). The SFR contains a review of the Group for FY2019. 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 FY2019 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 FY2019 and for future financial years, please complete this Request Form and return it to us by 7 April 2020. **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 FY2019 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 7 April 2020. 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

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## 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 2019 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 2019 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 \_\_\_\_\_

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**Singapore 069904**

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