FijiCare
INSURANCE LIMITED

Leading through Innovation

ANNUAL REPORT 2023

www.fijicare.com.fj

Highest
Ethical
Standards

Investment in
Our People

Annual Report 2023

Think Insurance,
Think FijiCare

TABLE OF CONTENTS

FijiCare
INSURANCE LIMITED

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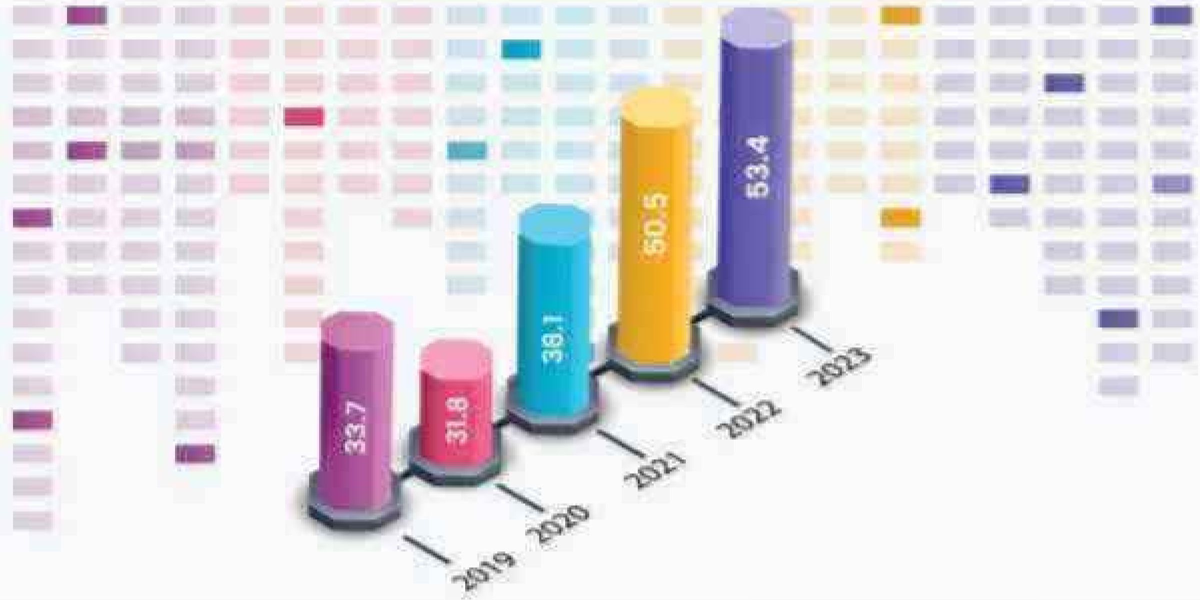
2023 SNAPSHOTS

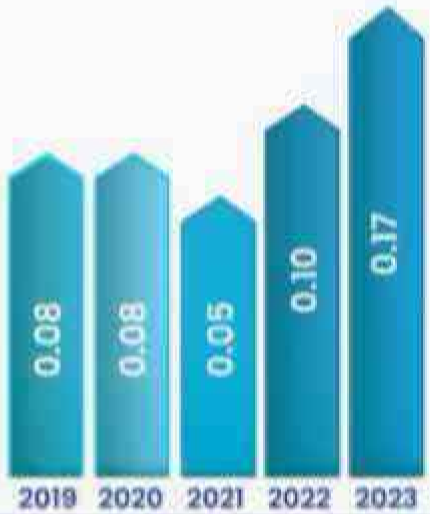
Gross Written Premium Revenue($m)



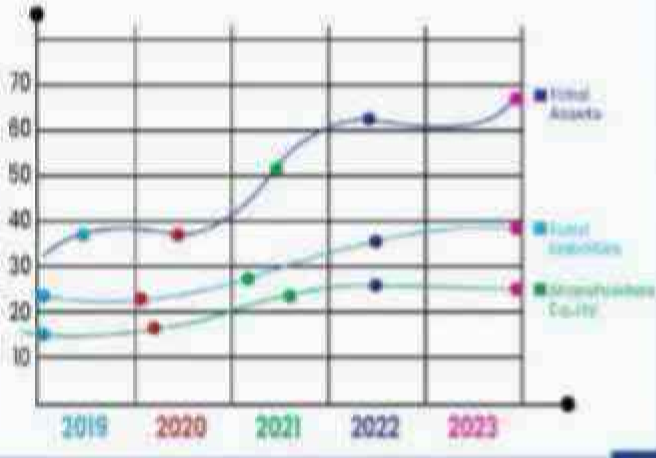
FijiCare Share Price

Net Profit After Tax ($m)

Dividend Per Share



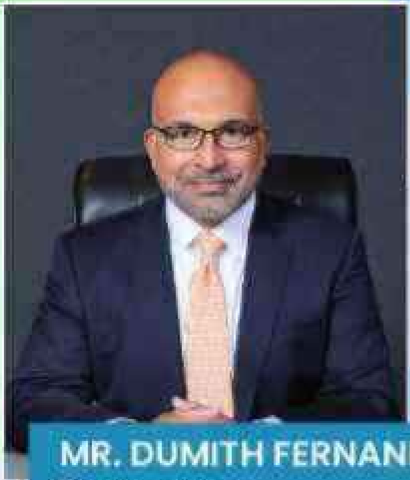
Financial Position ($m)



Summary of Key Financial Results for the Previous Five Years (Consolidated)

	($)	($)	($)	($)	($)
	2019	2020	2021	2022	2023
Net Profit / (Loss) after tax	4,404,908	1,597,328	6,078,045	5,933,759	1,351,319
Current Assets	34,581,398	34,991,310	41,727,544	46,191,332	48,813,970
Non - Current Assets	4,268,115	3,880,198	8,462,915	15,825,843	16,899,708
Total Assets	**38,849,513**	**38,871,508**	**50,190,459**	**62,017,175**	**65,713,678**
Current Liabilities	23,150,505	22,327,243	27,697,928	33,749,768	37,516,558
Non - Current Liabilities	349,404	201,511	568,827	1,422,732	1,421,404
Total Liabilities	**23,499,909**	**22,528,754**	**28,266,755**	**35,172,500**	**38,937,962**
Shareholders Equity	**15,349,604**	**16,342,754**	**21,923,704**	**26,844,675**	**26,775,716**

CHAIRMAN'S REPORT



MR. DUMITH FERNANDO
Chairperson

Dear Shareholders,

On behalf of the Board of Directors, Management and Staff of FijiCare Insurance Limited ("FijiCare") Group, I take this opportunity to present to you the 2023 Annual Report of the FijiCare Group for the financial year ending 31st December 2023.

I am pleased to report that despite challenges faced in the domestic market and global economies, the FijiCare Group announced audited net profit after income tax of $1.35m (2022: $5.93m) for the Group for the financial period ended 31st December 2023. The reduced profit is a result of record claims paid out in 2023 of $35.9m (2022: $33.8m). As anticipated medical and motor vehicle claims were at all-time highs. This has been the trend globally due to post covid effects for increased medical treatments and inflationary pressures on motor vehicle parts and general cost of repairs. With this backdrop, we are extremely thankful for and appreciative of the continued support and solidarity from our employees, customers, partners, and stakeholders shown during a transitionary year.

FijiCare has continued to grow its premiums with the gross written premium for the Group increasing to $53.4m from $50.5m with significant growth noted in medical insurance, comprehensive motor insurance and comprehensive travel insurance. FijiCare has become a prominent player in the comprehensive motor vehicle product category. It is also the only local insurer offering comprehensive travel insurance in the local market. Our VanCare subsidiary operating in Vanuatu has also performed well and witnessed growth in gross written premiums in comprehensive and compulsory third-party motor insurance.

It should also be noted that the 2023 Group consolidated financial statements has been prepared in accordance with the Companies Act 2015 with the exception that the Group is yet to adopt new accounting standards IFRS 17 - Insurance Contracts. Consequently, the 2023 Group Audited Financial Statements has a Disclaimer of Opinion which is well explained in the Directors' Report and Independent Auditor's Report contained in the financial statements. With no local expertise available to support FijiCare Group with the implementation of the new standard, FijiCare Board and management is in the process of implementing IFRS 17 standard through the assistance of specialist consultants based overseas. In light of the challenges faced by all local insurers, Reserve Bank of Fiji has announced that licensed insurers in Fiji will only be required to implement IFRS 17 and reflect these in their prudential reporting from financial period beginning 1st January 2026. FijiCare will keep the market and its shareholders informed on the implementation of IFRS 17 as well as on the overall performance of the Group through periodic market announcements.

In terms of new initiatives, in March 2023, FijiCare in collaboration with Ministry of Women Children & Social Protection introduced a digital online portal for the benefit of the social welfare recipients. The online portal enabled social welfare recipients' greater convenience for claims lodgement by submitting and uploading relevant information online. The portal also allows stakeholders to view key data analytics through a suite of real time reports and introduces a central database that will help improve services and minimise abuse of the social welfare schemes.

FijiCare has established a strong reputation for innovation and technology driven solutions to improve systems and overall customer experiences. In this regard, the Free Health Schemes online portal was officially launched by Assistant Minister for Finance, Hon. Esrom Immanuel on 28 March 2023 which is an integrated digital platform through which Fijians can access information regarding the Free Health Scheme. The online portal not only reduces paperwork for privately licensed healthcare practitioners but also fosters efficiency because of the simplicity of the entirely online platform and the information central placement.

2023 also earmarked FijiCare's strong drive towards brand promotion and recognition by partnering with the Fijian Drua rugby team for a major sponsorship deal for the 2023 and 2024 Super Rugby Pacific season. Additionally, FijiCare partnered with Fiji Television in August 2023 as a platinum sponsor for the 2023 Rugby World Cup. As part of this collaboration, FijiCare became the official sponsor of exclusive rugby coverage. FijiCare's sponsorship initiatives is to show its support towards rugby as a sport which is close to every Fijian heart. Being the largest medical insurer in Fiji, we strongly believe in supporting health and wellness of every Fijian, and we believe that sports like rugby play an instrumental role in physical and mental well-being and an active lifestyle for everyone.

Based on the market demand, in 2023 FijiCare enhanced its COVID-19 travel insurance products by introducing a more comprehensive travel insurance cover. This enhanced coverage includes a wider range of benefits such as medical, COVID-19, accidental death, and other travel-related benefits. This extensive travel coverage was introduced in June 2023 alongside FijiCare's new product, VuvaleCare.

VuvaleCare is an online platform that offers a bundled microinsurance product offering a range of coverage options, including funeral assistance, term life insurance, fire on dwelling insurance, and personal accident insurance. Individuals from the Fijian diaspora, regardless of their location, have the opportunity to purchase this protective cover to safeguard their loved ones in Fiji. We believe this will contribute to the advancement of financial inclusion and enhance insurance coverage for individuals who are particularly vulnerable.

Conducting our business with integrity and in an ethically responsible manner is critical both for economic growth and for ensuring that this growth is sustainable in the long-term. The FijiCare Group is fully committed to uphold Good Corporate Governance ("GCG") policies and practices in accordance with prevailing Fijian regulations and standards as well as international best practices and we continued to focus on this in 2023.

We embark on our 2024 journey with optimism, even amidst a backdrop of continued global market volatility which may impact our domestic economic conditions. I would like to express my appreciation and gratitude to my fellow Board Members, the Executive Director, and the Management team for their continued effort and dedication to the FijiCare Group. I would also like to sincerely thank and recognise the contributions made by all employees of the FijiCare Group. It is through their dedication, hard work, and pursuit of excellence that the FijiCare Group is a premier insurance company in Fiji and across the Pacific. Finally, I wish to acknowledge the support and partnership from the industry regulators, Reserve Bank of Fiji and South Pacific Stock Exchange. In conclusion, we thank our loyal customers and shareholders for their continued trust and support and progressing hand-in-hand in our journey of Leading through Innovation.

Mr. Dumith Fernando

Chairperson
FijiCare Insurance Limited

FijiCare
INSURANCE LIMITED

Protect Your Family's Financial Future With Us!

COMPANY PROFILE

Think Insurance, Think FijiCare

- Health Insurance
- Term life Insurance
- Micro Insurance
- Motor Insurance
- Public Liability
- Personal Accident
- Mortgage Protection
- WageCare Insurance
- Travel Insurance

Best Digital Insurance Initiative Fiji 2022

Best Digital Insurance Provider Fiji 2022

International Business Magazine Awards 2022

New Insurance Product of the year 2021

Digital Insurance Initiative of the Year 2021

Insurance Asia Awards 2021

Spotlight Awards Innovators of the Year 2019

SPX Annual Awards 2019

Reuben James Summerlin Innovation of the Year 2018

Pacific Financial Inclusion Program 2018

Profile

Established in 1989, FijiCare continues to thrive as the leading medical insurer in Fiji, offering a wide range of insurance covers to over 235,775 Fijians. FijiCare has the distinction of being the sole insurance company listed on the South Pacific Stock Exchange for over two decades. Holding a vast range of products from Medical, Term Life, Motor, Personal Accident, Public Liability, WageCare, Mortgage Protection, Travel Insurance, and Bundled Microinsurance.

The Company has grown exponentially since its inception and has successfully expanded its operations to Vanuatu in 2014, with the establishment of its fully owned subsidiary company – VanCare Insurance Limited. More recently, in 2021, the Company has ventured into the healthcare sector by establishing a wholly owned subsidiary, OmniCare Pte Limited.

FijiCare also introduced its Visitors Insurance on December 1st, 2021, marking a significant milestone as the first local insurer in Fiji to do so. The product offered coverage for various expenses related to COVID-19, including isolation costs, COVID tests, hospitalisation expenses, trip curtailment expenses, transportation costs, and repatriation of mortal remains. Our product is specifically tailored to cover expenses medical and non-medical treatments related to Covid.

In early 2023, FijiCare proudly introduced two exciting additions to their product lineup: FijiCare Comprehensive Travel Insurance and VuvaleCare, an innovative online platform for Bundled Microinsurance. Due to the high demand for the product, FijiCare has made improvements to provide a more comprehensive Travel Insurance cover. This enhanced coverage includes a wider range of benefits such as Medical, COVID-19, Accidental Death, and other travel-related benefits. This extensive travel coverage was introduced in June 2023 alongside FijiCare's new product, VuvaleCare.

VuvaleCare is an online platform that offers a bundled microinsurance product provided by FijiCare. The comprehensive microinsurance package offers a range of coverage options, including funeral assistance, term life insurance, fire on dwelling insurance, and personal accident insurance. Fijians, regardless of their location, now have the opportunity to purchase this protective cover to safeguard their loved ones in Fiji. This will contribute to the advancement of financial inclusion and enhance insurance coverage for individuals who are particularly vulnerable.

FijiCare is proud to be the first insurance company in the Fijian market to offer a mobile app for our valued policyholders. Our innovative digital platform allows policyholders to conveniently access their policy information, claims history, updates, and Insurance e-Card online. FijiCare received the 2018 Reuben James Summerlin Innovation Award for its significant contribution to Financial Inclusion in the Pacific by offering Bundled Microinsurance. In 2019, the company received the prestigious Innovator of the Year award at the South Pacific Stock Exchange Annual Awards. At the 2021 Insurance Asia Awards, FijiCare was honoured with two prestigious awards for their outstanding achievements in the insurance industry. We had been recognised for the exceptional New Insurance Product of the Year and Digital Insurance Product of the Year- Fiji. In addition to this, FijiCare received two additional awards from the International Business Magazine Awards 2022 for their outstanding achievements in the Best Digital Insurance Initiative and Best Health Insurance Provider - Fiji.

Profile

FijiCare, is not just in the business of insurance; we're in the business of championing greatness. We are proud to announce our exclusive partnership with the Fijian Drua, igniting a flame of passion and resilience that echoes the spirit of our beloved nation. As the official insurer for the Fijian Drua rugby team, we stand shoulder to shoulder with these fearless warriors of the field. Just as we safeguard the dreams of our policyholders, we protect the aspirations and ambitions of these extraordinary athletes. Our innovative approach sets new standards in the industry, ensuring they can focus on what they do best – playing world-class rugby – while we redefine what it means to protect and nurture sporting talent, inspiring generations to dream big and encourage 'Better health for Fiji'.

MISSION

FijiCare Insurance Limited is dedicated to providing innovative insurance products that provide quality protection with value pricing. We will continue to achieve & maintain FijiCare's customer service policy where Customers Are Really Everything (CARE).

VALUES

FijiCare is a company with a dynamic culture of shared beliefs and values that guides our behavior and influences our decisions on how to conduct business and lead with innovation.

VISION

Leading Through Innovation

FijiCare INSURANCE LIMITED

LEADING THROUGH INNOVATION

BOARD OF DIRECTORS

DUMITH FERNANDO

Independent Chairperson

Mr. Dumith Fernando is Chairman of Asia Securities Holdings (Pvt) Ltd, a leading independent Investment Bank in Sri Lanka which offers Investment Banking, Wealth Management, Stock Brokerage and Research services to international and domestic institutions, corporates and high net worth individuals. He served as the Chairman of the Colombo Stock Exchange (CSE) from 2020-2022.

Mr. Fernando has over twenty-six years of experience in international and Sri Lankan capital markets, having spent much of his career in global financial centers New York and Hong Kong with global banking firms JPMorgan Chase and Credit Suisse. There he held various roles across Equities, Investment Banking, Private Equity and Corporate Strategy. Prior to his return to Sri Lanka in 2013, Mr. Fernando was Managing Director and Group Chief Operating Officer for Credit Suisse Asia Pacific – a US$2.5 billion revenue business across 12 countries – and a member of that firm's Global Leadership Council.

Mr. Fernando is an Independent Director of CSE-listed companies Union Assurance PLC & Singer (Sri Lanka) PLC. He is also a member of the Economic Policy Steering Committee of the Ceylon Chamber of Commerce. He holds a Bachelor of Arts (BA) in Physics & Economics from Middlebury College in the United States of America and a Master of Business Administration (MBA) from Harvard Business School.

AVI RAJU
Executive Director

Mr. Avi Raju is the Founder and Managing Director of the Mount Sophia Group, a Hong Kong based private investment group with investments globally. Over the last 5 years, he has focused his investments in Fiji, his birthplace. He now has investments in insurance, health care, real estate and technology sectors in Fiji. Mr. Raju has over two decades of experience working in the technology, real estate and investment industries in the Asia Pacific region. Until May 2014, Mr. Raju was the Chief Information Officer for Asia Pacific at Savills Limited, an international property services group listed on the London Stock Exchange. He was responsible for the strategic development and management of business systems across all of Savills' 15 Asian offices with over 17,000 employees.

Mr. Raju has a Master of Business Administration (MBA) from the Richard Ivey School of Business (University of Western Ontario, Canada) and a Bachelors' Degree in Commerce from the University of Auckland, New Zealand. Mr. Raju was born in Fiji and currently resides in Singapore. Prior to Singapore, he has lived and worked in Hong Kong, Australia and New Zealand.

JENNY SEETO
Independent Director

Ms. Jenny Seeto is the Chairperson of Investment Fiji. She has extensive experience in the areas of governance and risk management, having spent almost 40 years at PricewaterhouseCoopers where she was Senior Partner until her retirement in 2017. Ms. Seeto has provided audit, taxation, human resources and other advisory services to a diverse range of international and local clients in various sectors of the economy including broking and insurance companies and financial institutions. She also contributed to the amendments to the Insurance Act and other legislation affecting the finance and credit sectors.

Ms. Seeto holds a Bachelor of Arts Degree in Accounting and Economics from the University of the South Pacific. She holds a Certificate of Public Practice from the Fiji Institute of Accountants. Ms. Seeto has also been bestowed with national awards for her contributions towards the economic development across different sectors.

SYLVAIN FLORE
Independent Director

Mr. Sylvain Flore has over 45 years' experience in the insurance industry. Mr. Flore has served as the Chief Executive Officer for the QBE Asia Pacific region and as a member of their Divisional Executive team overseeing their operations in Fiji, French Polynesia, New Caledonia, Papua New Guinea, Solomon Islands and Vanuatu. Over his career, Mr. Flore has served in various senior roles in Mauritius, Australia and the Pacific region in the insurance industry.

Mr. Flore is a Chartered Insurer from the Chartered Insurance Institute (UK) and an Associate Fellow of the Australian Institute of Management.

FijiCare

INSURANCE LIMITED

Gift Your Vuvale

the protection and care through

VUVALECARE

It covers a range of events:

Funeral

Term Life

Personal Accident

Fire

SENIOR MANAGEMENT

Leadership is the capacity
to translate a vision into reality.

MS. KRISHIKA NARAYAN

GROUP CHIEF OPERATING OFFICER

Ms. Krishika Narayan is the Group Chief Operating Officer for FijiCare Insurance Limited since 2020, where she oversees the overall management of the company. Before joining FIL, Ms. Narayan served as the Chief Executive Officer of the South Pacific Stock Exchange for 3 years of her over 11 years tenure. Ms. Narayan has extensive knowledge and experience in the financial sector, specialising in Legal, Operations, Governance, Administration and Communications. Ms. Narayan serves on various boards and committees as the Chairperson or as a Director. Ms. Narayan holds a Bachelor of Laws Degree and a Post Graduate Certificate in Financial Administration from the University of the South Pacific. In 2021, Ms. Narayan was appointed to the board of VanCare Insurance Limited. She is also the Executive Director of OmniCare Pte Limited trading as MIOT Pacific Medical.

MR. RONALD NARAYAN
GROUP CHIEF INFORMATION OFFICER

Mr. Ronald Narayan is the Group Chief Information Officer for FijiCare Insurance Limited since 2020, where he oversees the management of the FIL Claims Function as well as the implementation of its innovative IT framework. Mr. Ronald Narayan joined the Company Finance Department in the year 2000 and was promoted to IT Manager in 2010. He has over 20 years of extensive work experience in the Finance Department and has been actively heading FijiCare's digitisation and IT implementation process. He has been leading the Company's innovative IT transformation and is at the forefront of all regional and international projects. Mr. Narayan has a Diploma in Financial Planning ANZIIF (Snr Associate) CIP and holds an MBA from the University of the South Pacific. He serves as the Executive Director for WeCare Pte Limited.

MR. VICTOR ROBERT
GROUP CHIEF FINANCIAL OFFICER

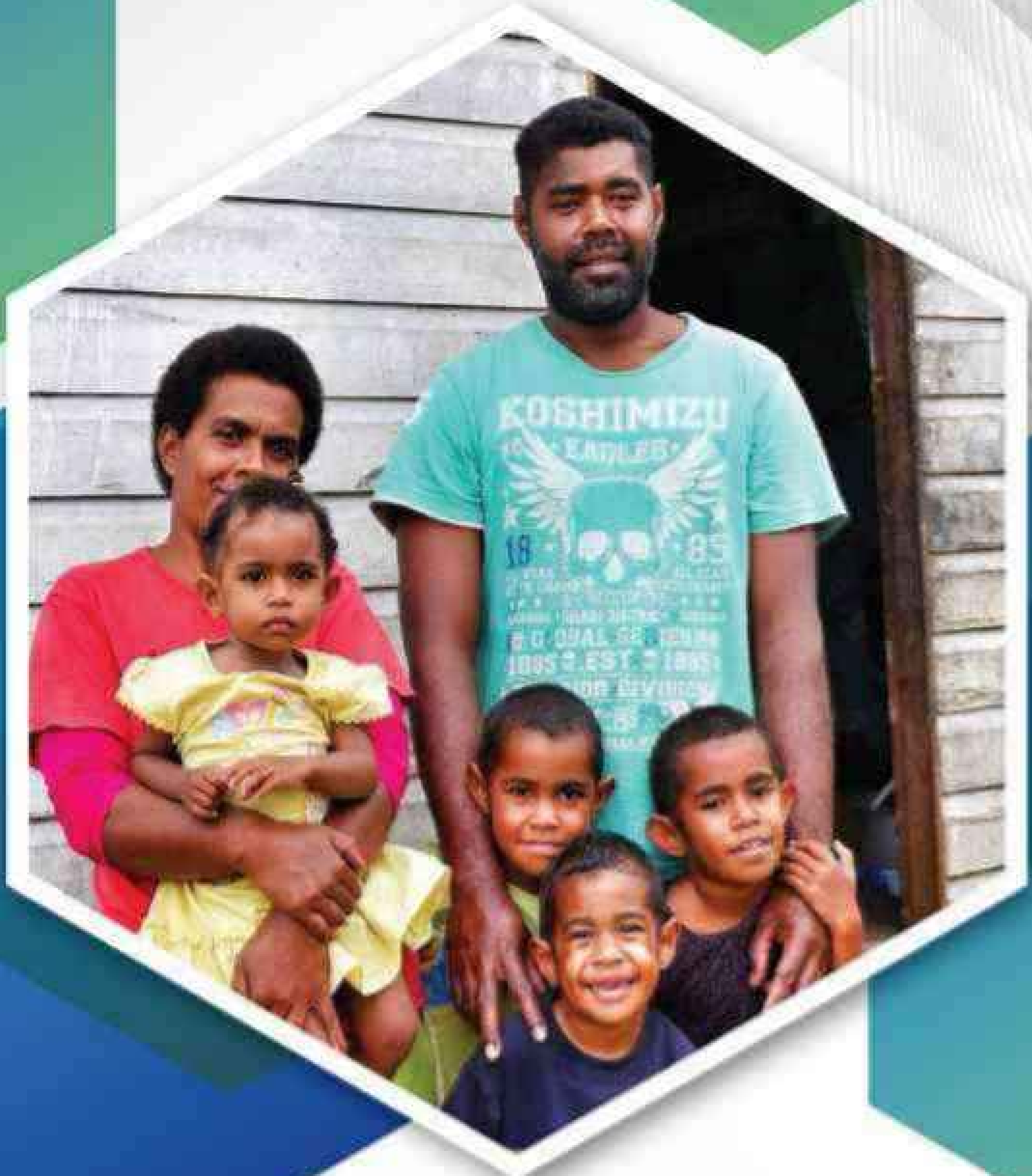
Mr. Victor Robert is the Group Chief Financial Officer for FijiCare Insurance Limited since 2020. He has over two decades of extensive financial expertise working for FIL as part of the senior leadership team in the role of both Finance Manager and Company Secretary. Mr. Robert leads the charge in managing the financials of FijiCare Insurance Limited and its subsidiaries. He is the Executive Director for VanCare Insurance Limited. Mr. Robert also serves as the Director for OmniCare Pte Limited trading as MIOT Pacific Medical.

As the Finance lead, Mr. Robert oversees the Finance function at FijiCare Insurance Limited and its subsidiaries while providing sound financial advice to the Board. He holds a has a Diploma in Accounting from the University of the South Pacific and a Diploma in Financial Planning ANZIIF (Snr Associate) CIP in addition to an Master of Business Administration (MBA) from the University of the South Pacific.

MS. SIMA MALA

GROUP CHIEF MARKETING OFFICER

Ms. Sima Mala serves as the Group Chief Marketing Officer for FijiCare Insurance Limited since 2023. In her role, she is responsible for overseeing the marketing and motor insurance function of the company. Ms. Sima Mala has an extensive 21-year tenure with FijiCare. She possesses extensive expertise in marketing, claims, and underwriting. For the past 14 years, Ms. Mala has successfully led the motor division of FijiCare, resulting in significant growth in market share. She has also worked closely with senior management as the Manager of Marketing, playing a crucial role in the company's success and growth in recent years.


KOSHIMIZU

Management Team

Edwin Ashneel Chand
Group Manager Accounting & Finance

Jasmine Vineeta Chand
Manager Claims

Ronit Prasad
Manager Accounting & Finance

Bhavik Chand
Assistant Manager Marketing

Masina Luise Sagaitu
Assistant Manager Claims

Shivneel Chand
Assistant Manager Claims

Patricia Faith
Assistant Manager Underwriting

Rajnesh Kumar
Assistant Manager Claims

Priya Darshani Naidu
Assistant Manager Claims

Robert Crocker
Assistant Manager Underwriting

Monisha Lal
Assistant Manager IA,
HR & Administration

Arun Singh
Assistant Manager Claims

Adi Taufa Luisa Soqeta Gutugutuwai Qereitoga
Assistant Manager Underwriting

Your Trust,
Our Responsibility

FijiCare Insurance Limited

Service with a Smile, Solutions with Care.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

GOVERNANCE, LEADERSHIP & ACCOUNTABILITY

FijiCare Insurance Limited ('FIL', 'Company') remains steadfast in its commitment to develop and maintain a strong governance framework that is consistent with industry best practice, throughout the Group, recognising that good corporate governance is vital to assist Management in their delivery of the Company's strategic objectives, and to operate a sustainable business for the benefit of all stakeholders. FIL's approach to corporate governance is based on a set of values and behaviours that underpin our day-to-day activities, and are designed to promote transparency, innovation, fair dealing, and the protection of stakeholder interests, including our customers, our shareholders, our employees, and our community. It includes aspiring to the highest standards of corporate governance, which FIL sees as fundamental to the sustainability of our business and our performance.

FIL reports to the Reserve Bank of Fiji ('RBF') as a Financial Institution designated under the Reserve Bank of Fiji Act 1983, and the South Pacific Stock Exchange ('SPX') as a Publicly Listed Company. As such, FIL is governed by the Insurance Act 1998, Insurance Law Reform Act 1996, the RBF's twelve Insurance Supervision Policy Statements, Prudential Supervision Policy Statements, and addendum guidance notes, as well as the SPX's Continuing Listing Rules (subsumed within the Listing Rules) and the Companies Act 2015.

Annual Compliance Report on Corporate Governance in Accordance with SPX Listing Rules.

Principle	Requirement	Compliance Status
1. Establish Clear Responsibilities for Board Oversight	Separation of duties: Clear separation of duties between Board and Senior Management.	The Board derives its mandate from the Board Charter and is governed by FIL's Articles of Association. **Regulatory Guidance** According to the RBF's Prudential Supervision Policy Statement No. 1 - Minimum Requirements for Corporate Governance of Licensed Entities ('PSPS 1'), the minimum responsibilities of the Board encompass reviewing the Company's organisational structure, overseeing the implementation of the Company's governance framework and its adherence to current legislative and regulatory norms, as well as other broad roles outlined in section 5.1.5 of PSPS 1. To this effect, FIL has implemented a Corporate Governance Charter which fairly incorporates the requirements of PSPS 1. Senior Management, headed by the Executive Director assists the Board with the operational running of the company. These requirements have also been incorporated into FIL's Board Charter.
	Board Charter: Adopt a Board Charter detailing functions and responsibilities of the Board.	**BOARD CHARTER** The Board Charter clearly articulates the division of responsibilities between the Board and Senior Management, in order to manage expectations and avoid misunderstandings about their respective roles and accountabilities. The Board is responsible for the oversight of FIL and its sound and prudent management, with specific duties as set out in its Charter. The Directors employ a proactive, dynamic, and hands-on approach in their role to ensure the maintenance of the highest ethical standards and business success. The Board Charter clearly identifies the Board's roles and responsibilities as follows:

Principle	Requirement	Compliance Status
		•Overseeing the effective management and control of FIL; •Ensuring that new Board members undergo adequate induction training and are fully cognisant of their respective duties and responsibilities, as well as ensuring that a formal programme of professional ongoing development and training is set up; •Setting up and reviewing the strategic direction of FIL; •Approving and monitoring of key budgets, business plans, financial statements, financial policies and financial reporting; •Developing and implementing key corporate policies, procedures and controls as necessary to ensure appropriate standards of accountability, risk management and corporate governance; •Overseeing the adequacy of managerial resources to ensure there is adequate depth of resources and appropriate succession planning; •Approving proposals for major new investments, capital expenditure and capital management initiatives as proposed by management; and •Ensuring that Shareholders receive high quality, relevant and accurate information in a timely manner and that investors generally are able to trade in the Company's securities in a market which is efficient, competitive and informed.
2. Constitute an Effective Board	Board Composition: Balanced Board Composition with Executive and Non-Executive Directors of which 1/3rd of total number of directors to be Independent Directors.	The Board, supported by its three subcommittees, is tasked with a broad purpose to cover its strategic direction, maintain accountability, and ensure the sustainable growth and financial soundness of the Company. Above all, it is responsible to its Shareholders for upholding good corporate governance practices throughout the Company whilst increasing shareholder value and optimising company performance.

Principle	Requirement	Compliance Status
		The Board currently consists of: Mr. Dumith Fernando – Chairperson Mr. Avinesh Raju – Executive Director Ms. Jenny Seeto – Independent Director Mr. Sylvian Flore – Independent Director The Directors each bring with them a vast and varied reserve of experience, specialisation, and knowledge in their respective fields, ranging from Insurance & Commerce, Information Technology, Business Strategy, Governance and Risk Management.
	Gender Diversity: Do you have a policy for promoting gender diversity at Board level and have you achieved your policy goals?	The Board Charter makes provisions for gender diversity at the Board level. Ms. Jenny Seeto is the first female director to serve on the FijiCare Board.
	Nomination Committee: Selection, approval, renewal and succession of Directors to be conducted by Nomination Committee in accordance with Articles of Association of the Company and Fit and Proper Policy of Reserve Bank.	Although FijiCare has not established a separate Nomination Committee, its Governance & Risk Management Committee has been charged with the responsibility of selection, approval, renewal, and succession of directors in line with the Company's Articles of Association and Board Charter.
	Board Evaluation: Process of evaluation of performance of the Board, its Committees and individual directors. Evaluation to be linked to key performance indicators of the listed entity.	The Board Evaluation process is outlined in the Board Charter. The provisions of the Board Charter provides avenues for both internal and external evaluation at its discretion.
	Directors Training: Directors' training and induction procedure to be in place to allow new directors to participate fully and effectively.	The Board Charter makes provisions for Directors' training.

Principle	Requirement	Compliance Status
	Board Sub-committees: Board must have sub-committees which must at minimum include- • Audit Committee; • Risk Management Committee; and • Nomination Committee/Recruitment Committee	The Board has established the following sub-committees: • Audit Committee; • Governance & Risk Management Committee; and • Treasury & Investment Committee
3. Appointment of Chief Executive Officer/ Managing Director	CEO: To appoint a suitably qualified and competent Chief Executive Officer / Managing Director.	The Executive Director has been appointed in line with the Board Charter requirements.
4. Appointment of a Board and Company Secretary	Company Secretary: Board to appoint a suitably qualified and competent Company Secretary, who is accountable to the Board, through Chair, for all compliance and governance issues.	FIL has appointed a Company Secretary in line with the requirements outlined in the Board Charter, who reports to the Board as per his duties.
5. Timely and balanced disclosure	Annual Reports: Timely and accurate disclosures are made in Annual reports as per Rule 51 of Listing Rules.	Disclosures made in conformity with the SPX Listing Rules.
	Payment to Directors and Senior management: Sufficient information to be provided to shareholders on remuneration paid to Directors and Senior Managment.	Disclosures made in conformity with the SPX Listing Rules. FIL takes a proactive stance on this, and practices dissemination of continuous disclosures on an ongoing basis.
	Continuous Disclosure: General disclosures or company announcements to be made in a timely manner. The disclosures should be factual without omitting material information and to be expressed in a clear and objective manner to shareholders.	Disclosures made in conformity with the SPX Listing Rules. FIL takes a proactive stance on this, and practices dissemination of continuous disclosures on an ongoing basis.
6. Promote ethical and responsible decision making	Code of Conduct:	The Code of Conduct is in place and included in the Board Charter and the Human Resources Framework.

Principle	Requirement	Compliance Status
	To establish a minimum Code of Conduct of the listed entity applicable to directors, senior management and employees and conduct regular trainings on the same.	
7. Register of Interests	Conflicts of Interest: Transactions with related parties resulting in conflict of interest are disclosed and a register is maintained for this purpose.	Register of Interests is in place for Board of Directors and Staff members. A policy on Conflict of Interest and Related Party Transactions has been implemented.
8. Respect the rights of shareholders	Communication with shareholders: To design communication strategy to promote effective communication with shareholders and encourage their participation. Examples: Communication through Annual Reports, Annual General Meetings, or any other means of electronic communication	Timely disclosure to all shareholders is done through Market Announcements. This is subsequently shared on FijiCare social media platforms. Annual Report and Annual General Meetings are also disseminated/ conducted yearly.
	Website: To create and maintain a Website of the listed entity to communicate effectively with shareholders and other stakeholders. All matters of importance to be updated regularly on the Website.	FIL's official website: www.fijicare.com.fj FIL also engenders a proactive approach in free and mutual communication with all its shareholders through its official LinkedIn account and other social media platforms.
	Grievance Redressal Mechanism: To establish a Grievance Redressal Mechanism for Shareholders to address shareholders complaints and grievances.	Shareholder Grievance Redressal Policy has been implemented.
	Shareholders' Complaints: To provide the number of share-holders' complaints received and attended to during the year. Provide reasons if any complaint is unresolved or unattended	None received.

Principle	Requirement	Compliance Status
	Corporate Sustainability: To adopt a business approach that creates long-term shareholder value by embracing opportunities, managing risks, maximising profits and minimising negative social, economic, and environmental impacts.	This approach is outlined in FIL's 3 year Strategic Framework, as well as its internal policies. FIL has long been a proponent of adopting innovative measures which maximises shareholder gains – this is illustrated in the launch of Fiji's first insurance mobile app. FijiCare is continuously working on other digital solutions and CSR activities, information on which is released to the market in real time.
9. Accountability and audit	Internal Audit: To appoint an internal auditor or an alternative mechanism to achieve the objectives of risk management, control and governance.	FIL's Internal Audit is handled by its Internal Audit Function, overseen by FIL's Internal Auditor – SouthPac Advisory Limited.
	External Audit: To appoint an external auditor who reports directly to the Board Audit Committee.	FIL is audited annually by its external auditors who provide their report to the shareholders through the Annual Report. The external auditors are appointed on the recommendation of the Audit Committee and approval by FijiCare Board.
	Rotation of External Auditor: To appoint the external auditor for a fixed term requiring senior partner of the audit firm to rotate once in every three or less financial years.	The Audit Committee is tasked with this role under the Audit Committee Charter. It ensures compliance with these requirements.
	Audit Committee: To establish an Audit Committee comprising of at least 3 members of which majority are independent and Chair is not Chair of the Board.	Currently in place and in compliance.
10. Risk Management	Risk Management Policy: To establish a Risk Management Policy to address risk oversight, risk management and internal control. The Policy to clearly define the roles and responsibilities of the Board, Audit Committee, Management and Internal Audit function.	There is a Risk Management Framework and Risk Policy in place which demarcates the separate but intertwined roles the Board, Governance & Risk Management Committee, Management and Internal Audit play in the risk management of FIL. At the managerial level, the Internal Risk Management Committee reports to the Governance & Risk Management Committee, which in turn reports to the Board.

Principle	Requirement	Compliance Status
	Whistle Blower Policy: As part of risk management strategy, establish a Whistle Blower Policy by creating a mechanism of reporting concerns of unethical behaviour, actual or suspected fraud or violation of the listed entity's code of conduct or ethics policy, SPX Rules or Companies Act. [Refer Rule 68 of the Listing Rules].	Whistle Blower policy currently in place.

FijiCare
INSURANCE LIMITED

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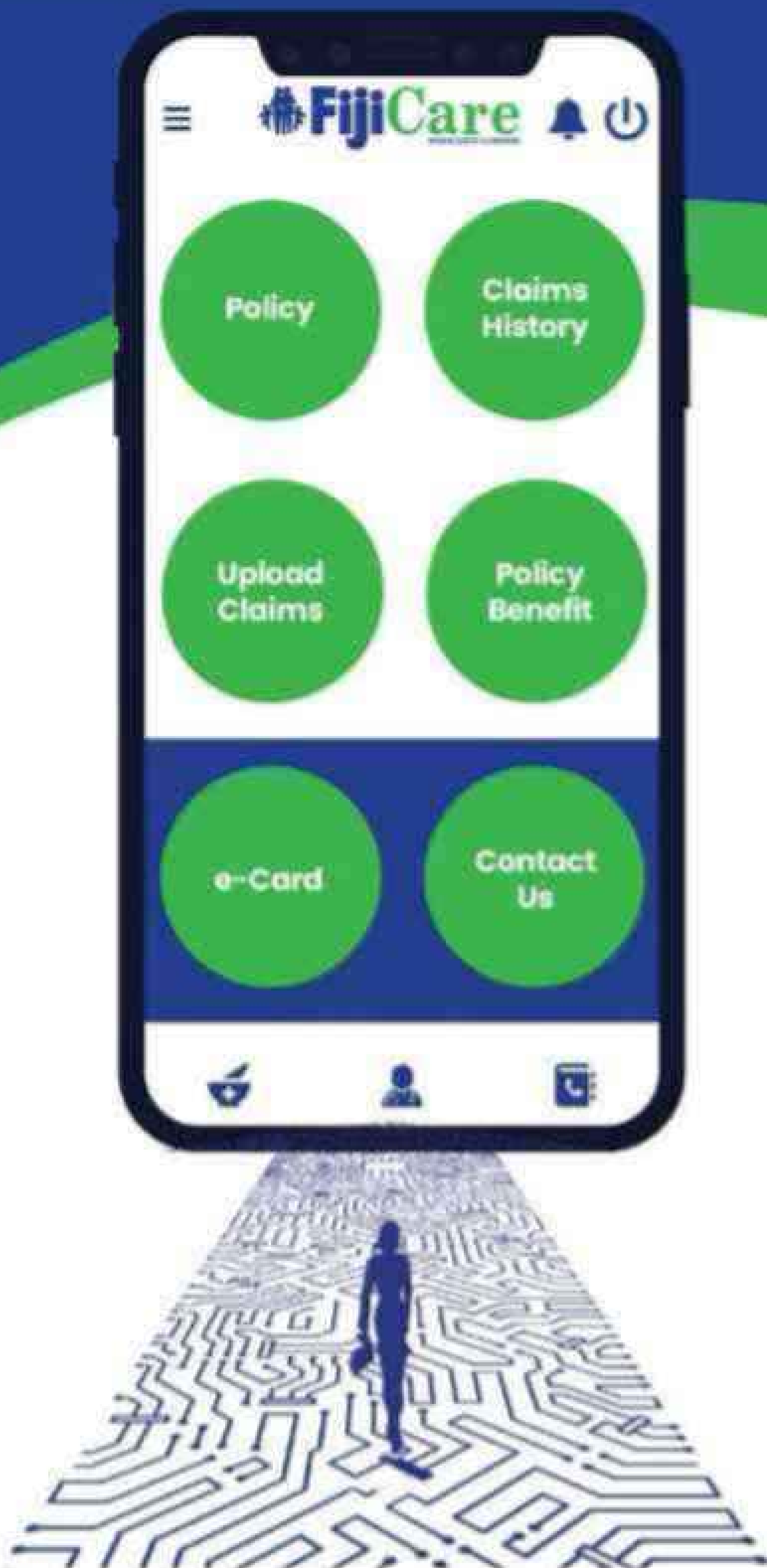
with FijiCare Insurance Mobile App



Access policy details at your fingertips!

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FijiCare has been recognised with the maximum number of **International Awards in Fiji.**

NEW INSURANCE
PRODUCT
OF THE YEAR
2021

Insurance ASIA Awards

DIGITAL INSURANCE
INITIATIVE
OF THE YEAR
2021

Insurance ASIA Awards

BEST HEALTH INSURANCE
PRODUCT
OF THE YEAR
2022

International Business Magazine Awards

BEST DIGITAL INSURANCE
INITIATIVE
OF THE YEAR
2022

International Business Magazine Awards

SPOTLIGHT AWARD
INNOVATOR
OF THE YEAR
2019

SPX Annual Awards

INNOVATION
OF THE YEAR
2018

Pacific's Financial Inclusion Program

Get insured with an award-winning insurance company!

HIGHLIGHTS 2023

Annual General Meeting

VanCare

Chief's Birthday

FijiCare Cocktail - Launch of New Products


FijiCare


FijiCare


FijiCare


TOSO DRUA
Congratulations!!


FijiCare


FijiCare

CSR Insurance Awareness

FijiTV MPM Awareness

Promo Giveway RWC

Sanatan Ramayan- Insurance Session

Diwali 2023

DIWALI 2023

Famous Player Policy Signups

Fiji Police Sponsorship

Fiji TV 2023 - Rugby World Cup Sponsorship

FijiCare Christmas Party 2023


FijiCare
CHRISTMAS
PARTY
2023


FijiCare


FijiCare


MERRY
CHRISTMAS
FijiCare



FijiCare





Fiji Day

International Women's Day





Movember


Pinktober


FijiCare


FijiCare


AWARE


FijiCare


FijiCare

PPP Launch

Drua Sponsorship 2023

Official Insurer of FIJIAN DRUA


HAPPY 50TH
GAME
DADDY FRANKIE
RAIN! HAIL!
OR STORM!
DRUA TU GA!

FINANCIAL STATEMENTS

Table of Content

CONTENTS

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT

In accordance with a resolution of the Board of Directors of FijiCare Insurance Limited (the Holding Company), the directors herewith submit the consolidated statement of financial position of FijiCare Insurance Limited and its subsidiary companies (together "the Group") as at 31 December 2023, the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and report as follows:

Directors

The names of the directors of the Holding Company at the date of this report are:

Dumith Fernando – Chairman
Jenny Seeto
Avinesh Raju
Sylvain Flore

Principal Activities

The principal activities of the Group during the year were as follows:

Entity	Principal Activities
FijiCare Insurance Limited	Underwriting of medical, term life, mortgage protection, wagecare, personal accident, public liability, funeral benefits, motor vehicle, parametric climate, travel and property (under micro insurance project) insurance risks.
VanCare Insurance Limited	Underwriting of motor and other general insurance risks.
WeCare Pte Limited	Investment in properties and real estate.
OmniCare Pte Limited	Medical and Diagnostic Centre.

There were no significant changes in the nature of the principal activities of the Group during the year.

Results

The consolidated profit after income tax was $1,351,319 (2022: $5,933,759). Total consolidated comprehensive income for the year was $1,394,357 (2022: $5,781,740).

Dividends

The directors declared dividends of $1,463,316 during the year ended 31 December 2023 (2022: $860,769) out of retained earnings.

Basis of Accounting - Going Concern

The consolidated financial statements of the Group have been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of these consolidated financial statements as they believe that the Group has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

Bad and Doubtful Debts

Prior to the completion of the consolidated financial statements of the Group, the directors took reasonable steps to ascertain that action had been taken in relation to writing off of bad debts and the making of allowance for doubtful debts. In the opinion of the directors, adequate allowance has been made for doubtful debts.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT [CONT'D]

Bad and Doubtful Debts (Cont'd)

As at the date of this report, the directors are not aware of any circumstances, which would render the amount written off for bad debts, or the allowance for doubtful debts in the Group, inadequate to any substantial extent.

Current and Non-Current Assets

Prior to the completion of the consolidated financial statements of the Group, the directors took reasonable steps to ascertain whether any current and non-current assets were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group. Where necessary, these assets have been written down or adequate allowance has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the directors are not aware of any circumstances, which would render the values attributed to current and non-current assets in the consolidated financial statements of the Group misleading.

Unusual Transactions

In the opinion of the directors, the results of the operations of the Group during the financial year were not substantially affected by any item, transaction or event of an abnormal character, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of an abnormal character likely, in the opinion of the directors, to affect substantially the results of the operations of the Group in the current financial year.

Significant Events During the Year

a) During the year, in February 2023, the Government of Fiji had announced that proof of vaccination or travel insurance for international travellers arriving in the country was no longer required. This had drastic impact on the revenue stream of travel insurance for the holding company in the current financial year.

b) In accordance with Income Tax (Rates of Tax and Levies) (Amendment) Regulations 2023 of Fiji, commencing from financial year ended 31 December 2023 (tax year 2023), the Fiji entities are subject to corporate income tax at the rate of 25%. Accordingly, the corporate income tax rate has increased to 25% from financial year ended 31 December 2023. Deferred tax assets and deferred tax liabilities have been re-calculated at 25% and the effect of change in tax rate has been adjusted to income tax expense for the year ended 31 December 2023 for Fiji entities.

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year, which would require adjustments to, or disclosure in the financial statements.

New Insurance Standards – IFRS 17 Insurance Contracts

The consolidated financial statements have been prepared in accordance with IFRS and with the requirements of the Companies Act, 2015, except for the Group not adopting IFRS 17 – Insurance Contracts and IFRS 9 – Financial Instruments.

The Companies Act requires the Companies to comply with the Accounting Standards adopted by the Fiji Institute of Chartered Accountants (FICA). FICA has adopted IFRS as issued by the International Accounting Standards Board. IFRS 17 became mandatorily effective for annual reporting period beginning on or after 1 January 2023.

However, with no local resources available to assist in implementation and resources available outside of Fiji was sparse during 2023, it was impracticable for the Group to adopt IFRS 17 efficiently and effectively, and it was apparent that IFRS 17 implementation will require substantial human, technological and financial resources.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT [CONT'D]

New Insurance Standards - IFRS 17 Insurance Contracts (Cont'd)

Furthermore, Reserve Bank of Fiji (RBF) has announced that licensed insurers in Fiji will only be required to implement IFRS 17 and reflect these in their prudential reporting from financial period beginning 1 January 2026.

The Group is yet to adopt IFRS 17 and the Group has continued to maintain the books of accounts as per the accounting policies in line with the requirements of IFRS 4 - Insurance Contracts (superseded standard relating to Insurance Contracts. IFRS 17 also provided temporary exemption from adoption of IFRS 9 - Financial Instruments)

Other Circumstances

As at the date of this report:

(i) no charge on the assets of any company in the Group has been given since the end of the financial year to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the end of the financial year for which any company in the Group could become liable; and

(iii) no contingent liabilities or other liabilities of the Group have become or are 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 to meet its obligations as and when they fall due.

As at the date of this report, the directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report which would make adherence to the existing method of valuation of assets or liabilities of the Group misleading or inappropriate.

Directors' Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than those disclosed in the consolidated financial statements of the Group) by reason of a contract made by any company in the Group or by a related corporation with the director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

For and on behalf of the Board and in accordance with a resolution of the Board of Directors.

Dated this 28 day of March 2024.

Director

Director

DIRECTORS' DECLARATION

The declaration by directors is required by the Companies Act, 2015.

The directors of the Holding Company have made a resolution that declares:

a) In the opinion of the directors, the consolidated financial statements of the Group for the financial year ended 31 December 2023:

   i. comply with International Financial Reporting Standards and give a true and fair view of the financial position of the Group as at 31 December 2023 and of the performance and cash flows of the Group for the year ended 31 December 2023 with the exception that the Group continues to apply previous insurance accounting standard IFRS 4 Insurance Contracts, and is yet to adopt new accounting standards IFRS 17 Insurance Contracts; and

   ii. have been prepared in accordance with the Companies Acl, 2015 wilh Lhe exception that the Group continues to apply previous insurance accounting standard IFRS 4 Insurance Contracts, and is yet to adopt new accounting standards I'RS 17 Insurance Contracts for the reasons outlined in the Directors' Report. Reserve Bank of Fiji (RBF) has announced that licensed insurers in Fiji will only be required to implement IFRS 17 and reflect these in their prudential reporting from financial period beginning 1 January 2026;

b) The directors have received an independence declaration by the auditors as required by Section 395 of the Companies Act, 2015; and

c) At the date of this declaration, in the opinion of the directors, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

For and on behalf of the Board and in accordance with a resolution of the Board of Directors.

Dated this 28 day of March 2024.

Director

Director

BDO

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Fax: +679 330 1841
Email: info@bdofiji.com
Offices in Suva and Lautoka

BDO
Chartered Accountants
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GPO Box 855
Suva, Fiji

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS

As Group auditor for the audit of FijiCare Insurance Limited and subsidiary companies for the financial year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Companies Act, 2015 in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Pradeep Patel
Partner
Suva, Fiji

BDO
CHARTERED ACCOUNTANTS

28 March 2024

BDO

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Fax: +679 330 1841
Email: info@bdofiji.com
Offices in Suva and Lautoka

BDO
Chartered Accountants
Level 10, FNPF Place
343 Victoria Parade
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Suva, Fiji

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of FijiCare Insurance Limited

Report on the Audit of the Consolidated Financial Statements

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of FijiCare Insurance Limited and its subsidiary companies ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. As such, we do not express an opinion on the accompanying consolidated financial statements of the Group.

Basis for Disclaimer of Opinion

IFRS 17 - Insurance Contracts and IFRS - 9 Financial Instruments are mandatorily effective for the Group for periods beginning on or after 1 January 2023 with a retrospective application to the corresponding periods ended 31 December 2022 and 31 December 2021. However, the Group has not adopted these standards as the Group is still in the design phase of the transition of these standards.

The possible impact of IFRS 17 and consequential impact of IFRS 9 could be material and pervasive on the Group impacting significant number of financial statement areas, balances and disclosures.

In the absence of a detailed impact assessment, we could not obtain sufficient appropriate audit evidence to assess the potential impact of the effects of omissions on the statement of financial position of the Group as of 31 December 2023 and its financial performance for the year ended 31 December 2023 and for its corresponding retrospective prior periods. The Group has continued to maintain the books of account as per the accounting policies in line with the requirements of IFRS 4 - Insurance Contracts (superseded standard relating to Insurance Contracts) for the year ended 31 December 2023.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT [CONT'D]

To the Shareholders of FijiCare Insurance Limited (Cont'd)
Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the matter
1. Adoption of IFRS 17-Insurance Contracts and IFRS 9 - Financial Instruments	
IFRS 17 - Insurance Contracts and IFRS - 9 Financial Instruments are mandatorily effective for periods beginning on or after 1 January 2023 with a retrospective application to the corresponding periods ended 31 December 2022 and 31 December 2021. However, the Group has not adopted these standards as the Group is still in the design phase of the transition of these standards. Non adoption of IFRS 17 was considered as a key audit matter as the possible impact of IFRS 17 and consequential impact of IFRS 9 could be material and pervasive on the Group impacing significant number of financial statement areas, balances and disclosures. The Group has continued to maintain the books of accounts as per the accounting policies in line with the requirements of IFRS 4 - Insurance Contracts (superseded standard relating to Insurance Contracts) for the year ended 31 December 2023.	Our audit procedures included, amongst others: • Held discussions with the management and Audit Committee in relation to the plans and progress of IFRS 17 implementation project. • Reviewed the initial IFRS 17 Diagnostic Assessment carried out by external consultants and evaluated the gaps identified in the report compared to the existing accounting policies adopted by the Group in comparison to the requirements of IFRS 17 and the potential high level impact on recognition, measurement and disclosures of the consolidated financial statements. • In the absence of a detailed impact assessment, performed audit procedures to assess if sufficient appropriate audit evidence can be obtained to assess the potential impact of the effects of omissions on the statement of financial position of the Group as of 31 December 2023 and its financial performance for the ended 31 December 2023 and for its corresponding retrospective prior periods. • With the given significant limitations, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. As such, we had concluded to issue a "Disclaimer of Opinion" on the consolidated financial statements of the Group for the year ended 31 December 2023.

INDEPENDENT AUDITOR'S REPORT [CONT'D]
To the Shareholders of FijiCare Insurance Limited (Cont'd)

Other Information

The management and directors are responsible for the other information. The other information that we received comprise of the information included in the directors report and the Annual Report of the Group for the financial year ended 31 December 2023 but does not include the consolidated financial statements and the auditor's report thereon. The Annual Report is expected to be made available to us after the date of the auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charge with Governance for the Consolidated Financial Statements

The management and directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and the Companies Act 2015, and for such internal control as the management and directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management and directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and directors either intend to liquidate the Company in the Group or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. However, because of the matters described in the "Basis for Disclaimer of Opinion' section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT [CONT'D]
To the Shareholders of FijiCare Insurance Limited (Cont'd)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont'd)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

IFRS 17 - Insurance Contracts and IFRS - 9 Financial Instruments are mandatorily effective for the Group for periods beginning on or after 1 January 2023 with a retrospective application to the corresponding periods ended 31 December 2022 and 31 December 2021. However, the Group has not adopted these standards as the Group is still in the design phase of the transition of these standards.

The Group has continued to maintain the books of account as per the accounting policies in line with the requirements of IFRS 4 - Insurance Contracts (superseded standard relating to Insurance Contracts) for the year ended 31 December 2023.

Except for non-adoption of IFRS 17 - Insurance Contracts and IFRS - 9 Financial Instruments, in our opinion, the consolidated financial statements have been prepared in accordance with the requirements of the Companies Act, 2015 in all material respects, and:

a) we have been given all information, explanations and assistance necessary for the conduct of the audit; and

b) the Group have kept financial records sufficient to enable the consolidated financial statements to be prepared and audited.

BDO

BDO
CHARTERED ACCOUNTANTS

Pradeep Patel
Partner
Suva, Fiji
28 March 2024

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 $	2022 $
Revenue	5	48,166,045	48,358,673
Incurred claims		(35,859,679)	(33,823,966)
Other direct cost - medical		(681,908)	(249,402)
Commission expense	6	(4,633,913)	(4,007,417)
Net revenue		6,990,545	10,277,888
Other revenue	7	937,241	2,574,834
		7,927,786	12,852,722
Advertising and promotion expenses		(451,623)	(568,806)
Other operating expenses		(5,681,013)	(5,356,591)
		(6,132,636)	(5,925,397)
Profit before income tax	20	**1,795,150**	**6,927,325**
Income tax expense	8(a)	(443,831)	(993,566)
Profit for the year		**1,351,319**	**5,933,759**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translating foreign operation		43,038	(152,019)
Total comprehensive income for the year		**1,394,357**	**5,781,740**
Earnings per share			
Basic and diluted earnings per share - cents	22	15.70	68.94

The accompanying notes form an integral part of this consolidated statement of profit or loss and other comprehensive income.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Share Capital	Foreign Currency Translation Reserve	Accumulated Profits	Total
	$	$	$	$
Balance as at 1 January 2022	5,043,662	(28,191)	16,908,233	21,923,704
Total comprehensive income				
Profit for the year	-	-	5,933,759	5,933,759
Other comprehensive income for the year: - Exchange difference on translating foreign operation	-	(152,019)	-	(152,019)
Total comprehensive income	**-**	**(152,019)**	**5,933,759**	**5,781,740**
Transactions with owners of the Group				
Dividends declared (Note 19)	-	-	(860,769)	(860,769)
Total transactions with owners of the Group	-	-	(860,769)	(860,769)
Balance as at 31 December 2022	**5,043,662**	**(180,210)**	**21,981,223**	**26,844,675**

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

	Share Capital	Foreign Currency Translation Reserve	Accumulated Profits	Total
	$	$	$	$
Total comprehensive income				
Profit for the year	-	-	1,351,319	1,351,319
Other comprehensive income for the year: - Exchange difference on translating foreign operation	-	43,038	-	43,038
Total comprehensive income	**-**	**43,038**	**1,351,319**	**1,394,357**
Transactions with owners of the Group				
Dividends declared (Note 19)	-	-	(1,463,316)	(1,463,316)
Total transactions with owners of the Group	-	-	(1,463,316)	(1,463,316)
Balance as at 31 December 2023	**5,043,662**	**(137,172)**	**21,869,226**	**26,775,716**

The accompanying notes form an integral part of this consolidated statement of changes in equity.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Notes	2023 $	2022 $
CURRENT ASSETS			
Cash on hand and at bank	21	18,224,801	16,071,301
Trade and other receivables	9	13,106,059	14,209,445
Inventory		10,288	8,787
Held-to-maturity investments	10(a)	10,888,427	10,277,804
Financial assets at fair value through profit or loss	10(b)	3,659,712	3,659,287
Deferred costs	11	2,450,111	1,964,708
Current tax asset	8(b)	474,572	-
Total current assets		**48,813,970**	**46,191,332**
NON-CURRENT ASSETS			
Trade and other receivables	9	-	19,388
Held-to-maturity investments	10(a)	2,616,000	2,495,122
Investment properties	12	11,865,266	10,800,998
Plant and equipment	13	1,228,288	994,732
Intangible assets	14	446,753	444,988
Right-of-use assets	23(a)	697,755	1,032,354
Deferred tax assets	8(C)	45,646	38,261
Total non-current assets		**16,899,708**	**15,825,843**
TOTAL ASSETS		**65,713,678**	**62,017,175**
CURRENT LIABILITIES			
Trade and other payables	15	2,217,321	2,141,276
Current tax liability	8(b)	-	111,272
Insurance contract liabilities	16	34,897,884	30,961,792
Employee entitlements	17	206,572	206,284
Lease liabilities	23(b)	194,781	329,144
Total current liabilities		**37,516,558**	**33,749,768**
NON-CURRENT LIABILITIES			
Lease liabilities	23(b)	534,550	733,188
Deferred tax liabilities	8(d)	886,854	689,544
Total non-current liabilities		**1,421,404**	**1,422,732**
TOTAL LIABILITIES		**38,937,962**	**35,172,500**
NET ASSETS		**26,775,716**	**26,844,675**
SHAREHOLDERS' EQUITY			
Share capital	18	5,043,662	5,043,662
Foreign currency translation reserve		(137,172)	(180,210)
Accumulated profits		21,869,226	21,981,223
TOTAL SHAREHOLDERS' EQUITY		**26,775,716**	**26,844,675**

The accompanying notes form an integral part of this consolidated statement of financial position.
For and on behalf of the Board and in accordance with a resolution of the Board of Directors.

Director

Director

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Inflows/ (Outflows) Translation 2023	Inflows/ (Outflows) Translation 2022
	$	$
Cash flows from operating activities		
Premium and fees received	52,967,295	47,768,398
Reinsurance premium paid, net	(654,690)	(582,072)
Claims and commission paid, net	(41,085,757)	(34,099,876)
Payments to suppliers and employees	(4,447,242)	(5,011,493)
Cash generated from operations	6,779,606	8,074,957
Income tax paid	(824,758)	(511,652)
Tax deducted at source - Resident Interest Withholding Tax	(14,992)	(33.696)
Interest paid on lease liabilities	(38,825)	(52,120)
Interest received	295,381	407,440
Grant received	-	133,955
Net cash provided by operating activities	6,196,412	8,018,884
Cash flows from investing activities		
Payment for investment properties	(827,777)	(3,143,328)
Payments for property, plant and equipment	(509,616)	(194,921)
Payments for intangible assets	(316,118)	(239,690)
Payments for held-to-maturity investments	(10,956,552)	(9,397,797)
Proceeds from held-to-maturity investments	10,227,804	10,277,804
Dividends received	99,363	58,179
Payment for purchase of shares	(13,458)	(8,507)
Net cash used in investing activities	(2,296,354)	(2,648,260)
Cash flows from financing activities		
Dividends paid	(1,463,316)	(860,769)
Payment for lease liability	(350,948)	(279,411)
Net cash used in financing activities	(1,814,264)	(1,140,180)
Net increase in cash and cash equivalents	**2,085,794**	**4,230,444**
Effect of exchange rate movement on cash and cash equivalents	67,706	(232,657)
Cash and cash equivalents at the beginning of the year	16,071,301	12,073,514
Cash and cash equivalents at the end of the year (Note 21)	**18,224,801**	**16,071,301**

The accompanying notes form an integral part of this consolidated statement of cash flows.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1. GENERAL INFORMATION

a) Corporate Information

FijiCare Insurance Limited (the Holding Company) is a licensed general insurance and publicly listed company on South Pacific Stock Exchange (SPX), limited by shares, incorporated and domiciled in Fiji. The subsidiary companies, Wecare Pte Limited and Omnicare Pte Limited are limited by shares, incorporated and domiciled in Fiji and Vancare Pte Limited is limited by shares, incorporated and domiciled in Vanuatu.

The registered office and principal place of business of the Holding Company is located at Level 9, FNPF Place, 343-359 Victoria Parade, Suva.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 28 March 2024.

b) Principal Activities

The principle activities of the Group during the year were as follows:

Entity	Principal Activities
FijiCare Insurance Limited	Underwriting of medical, term life, mortgage protection, wagecare, personal accident, public liability, funeral benefits, motor vehicle, parametric climate,travel and property (under micro insurance project) insurance risks.
VanCare Insurance Limited	Underwriting of motor and other general insurance risks.
WecCare Pte Limited	Investment in properties and real estate.
OmniCare Pte Limited	Medical and Diagnostic Centre.

There were no significant changes in the nature of the principal activities of the Group during the year.

NOTE 2. BASIS OF PREPARATION

a) Basis of Preparation

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets at fair values. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

In the application of International Financial Reporting Standards (IFRS), management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. 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 estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS that have significant effects on the consolidated financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the consolidated financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are critical to the consolidated financial statements are disclosed in Note 4.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 2. BASIS OF PREPARATION (CONT'D)

b) Statement of Compliance

The consolidated financial statements have been prepared in accordance with IFRS and with the requirements of the Companies Act, 2015, except for the Group not adopting IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments.

The Companies Act (of Fiji) requires the companies in the Group to comply with the Accounting Standards adopted by the Fiji Institute of Chartered Accountants (FICA). FICA has adopted IFRS as issued by the International Accounting Standards Board. IFRS 17 became mandatorily effective for annual reporting period beginning on or after 1 January 2023.

However, with no local resources available to assist in implementation and resources available outside of Fiji was sparse during 2023, it was impracticable for the Group to adopt IFRS 17 efficiently and effectively, and it was apparent that IFRS 17 implementation will require substantial human, technological and financial resources.

Furthermore, Reserve Bank of Fiji (RBF) has announced that licensed insurers in Fiji will only be required to implement IFRS 17 and reflect these in their prudential reporting from financial period beginning 1 January 2026.

The Group is yet to adopt IFRS 17 and the Group has continued to maintain the books of accounts as per the accounting policies in line with the requirements of IFRS 4 - Insurance Contracts (superseded standard relating to Insurance Contracts). IFRS 17 also provided temporary exemption from adoption of IFRS 9 - Financial Instruments.

c) Basis of Consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Holding Company and its subsidiary companies which are listed in Note 26. Control is achieved when the Holding Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Holding Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Holding Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Holding Company considers all relevant facts and circumstances in assessing whether or not the Holding Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Holding Company's holding of voting rights relative to the size and dispersion of holdings of other vote holders;
- potential voting rights held by the Holding Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Holding Company has, or does not have current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary companies and ceases when the Holding Company loses control of the subsidiary companies.

Income and expenses of the subsidiary companies are included in the consolidated statement of profit or loss and other comprehensive income from the date the Holding Company gains control until the date when the Holding Company ceases to control subsidiary.

Profit or loss and each component of other comprehensive income are attributable to the owners of the Holding Company.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 2. BASIS OF PREPARATION (CONT'D)

c) Basis of Consolidation (Cont'd)

All inter-company balances and transactions between the Holding Company and its subsidiary companies including any recognised profits or losses have been eliminated on consolidation.

d) Functional and Presentation Currency

Functional and presentation currency

The Group operates in Fiji and Vanuatu, however the consolidated financial statements are presented in Fiji dollars, which is the Holding Company's functional and presentation currency.

e) Basis of Accounting - Going Concern

The consolidated financial statements of the Group have been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of these consolidated financial statements as they believe that the Group has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

f) Comparatives

Where necessary, comparative figures have been re-grouped to conform to changes in presentation in the current period.

g) Changes in Accounting Policies

A. New standards, amendments and interpretation effective during the year

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8);
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12); and
- IFRS 17 Insurance Contracts and IFRS 9 financial instruments.

(i) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments have no material effect on the measurement or presentation of any items in the financial statements of the Group but affect the disclosure of accounting policies of the Group.

(ii) Definition of Accounting Estimates (Amendments to IAS 8)

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

These amendments had no effect on the financial statements of the Group.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 2. BASIS OF PREPARATION (CONT'D)

g) Changes in Accounting Policies (Cont'd)

A. New standards, amendments and interpretation effective during the year (cont'd)

(iii) Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

These amendments had no effect on the annual financial statements of the Group.

(iv) IFRS 17 Insurance Contracts

IFRS 17 was issued by the IASB in 2017 and replaces IFRS 4 Insurance Contracts for annual reporting period beginning on or after 1 January 2023. However, the Group has not yet adopted IFRS 17 for the financial year ended 31 December 2023.

IFRS 17 introduces an internationally consistent approach for the recognition, measurement, and presentation of disclosure of insurance contracts issued. IFRS 17 requires a complete overhaul of insurers' financial statements. This major change program to implement IFRS 17 will extend beyond the finance and actuarial functions of insurers — with a large impact across Data, Systems and Processes (DSP). The business impacts need to be evaluated and communicated to a wide range of internal and external stakeholders. The Standard uses three measurement approaches:

- General Model (GM)
- Premium Allocation Approach (PAA)
- Variable Fee Approach (VFA).

Presentation and disclosure

IFRS 17 also introduces significant changes to the presentation of insurance contracts. Assets and liabilities related to portfolios of insurance contracts and reinsurance contracts are required to be shown separately on the balance sheet. In the statement of comprehensive income, the Group is required to present income and expenses related to insurance contracts gross of reinsurance.

In addition, finance income or expense associated with insurance contracts will not be included in insurance service result, and will be recognised separately as insurance finance income or expense. IFRS 17 permits entities to recognise a component of finance income or expense in either profit or loss or other comprehensive income.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 2. BASIS OF PREPARATION (CONT'D)

g) Changes in Accounting Policies (Cont'd)

A. New standards, amendments and interpretation effective during the year (cont'd)

(iv) IFRS 17 Insurance Contracts (cont'd)

Transition

IFRS 17 aims to establish globally consistent principles for the recognition, measurement and presentation of disclosure of insurance contracts issued. The standard is not expected to change the underlying economics or cash flows of the Group's insurance contracts and reinsurance contracts held, however it is expected to introduce changes to profit emergence and retained earnings on adoption of the standard along with extensive new disclosure requirements.

The possible impact of IFRS 17 and consequential impact of IFRS 9 could be material and pervasive on the Group impacting significant number of financial statement areas, balances and disclosures. The Group is still in the design phase of the transition of these standards.

In the absence of a detailed impact assessment, it is impractical at this stage to assess and quantify the effects of the standard on the statement of financial position of the Group and its financial performance and disclosures, and effects for its corresponding retrospective prior periods.

(v) IFRS 9 Financial Instruments

In relation to Insurers, a specific "temporary exemption" from the application of IFRS 9 is available "where an insurer's activities are predominantly connected with insurance". The Insurer may continue to apply IAS 39 rather than IFRS 9 for annual periods up until the period commencing 1 January 2023 when the new insurance industry standard IFRS 17 "Insurance Contracts" became applicable. IFRS 9 Financial Instruments replaces IAS 39 - Financial Instruments: Recognition and Measurement. However, the Group has not adopted IFRS 9 as the Group is yet to adopt IFRS 17.

B. New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:

- Liability in a Sale and Leaseback (Amendment to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1 Presentation of Financial Statements);
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements); and
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures).

The Group is currently assessing the impact of these new accounting standards and amendments.

The Group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Allowance for Doubtful Debts

The Group establishes an allowance for any doubtful debts based on a review of all outstanding amounts individually at year end. Bad debts are written off during the period when they are identified.

The Group periodically assesses whether there is any objective evidence of impairment. Trade and other receivables are presented net of allowances for doubtful debts. The Group has individually assessed allowances against individually significant trade and other receivables.

b) Cash and Cash Equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash on hand,cash in banks and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

c) Dividend Distribution

The dividend distribution to the Holding Company's shareholders is recognised as a liability in consolidated financial statements in the period in which the dividends are declared by the directors.

d) Earnings Per Share

Basic earnings per share

The basic earnings per share (EPS) is calculated by dividing profit or loss after income tax attributable to members of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

e) Expenditure Recognition

Expenses are recognised in the profit or loss on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the investment properties and property, plant and equipment in a state of operational service has been charged to the statements of profit or loss.

For the purpose of presentation of the consolidated statement of profit or loss and other comprehensive income, the "function of expenses" method has been adopted, on the basis that it fairly presents the elements of the Group's performance.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

f) Financial Assets

The Group classifies its financial assets in the following categories: loans and receivables, held-to-maturity investments and financial assets at fair value through profit or loss. The classification depends on the nature and purpose for which the financial assets were acquired and is determined at the time of initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after balance date, which are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' as disclosed in the consolidated statement of financial position (Note 9). Bad debts are written off during the period in which they are identified.

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are carried at amortised cost using the effective interest method less any impairment.

Held-to-maturity investments in commercial banks and financial institutions by the Group are recorded at their amortised cost and not re-measured to market values as they are considered likely to be held to maturity in line with investment objectives and fixed price nature of the investments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprises equity investments in listed and unlisted companies.

Financial assets at fair value through profit or loss has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months.

Financial assets at fair value through profit or loss are measured initially and subsequently at fair value, and gains and losses arising from changes in fair value are included in the statement of profit or loss.

Transaction costs are recognised in the statement of profit or loss. Dividend income is recognised in the consolidated statement of profit or loss as part of other revenue when the Holding Company's right to receive payments is established.

g) Foreign Currency Translations

Transactions and balances

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences are recognised in the profit or loss in the period in which they arise.

Foreign controlled entity

As the foreign controlled subsidiary company of the Group, VanCare Insurance Limited, is a self-sustaining entity, its assets and liabilities are translated to Fiji dollar at the average year-end buying and selling exchange rates, while its revenues and expenses are translated at the average monthly exchange rate of buying and selling prevailing rate during the year. Exchange differences arising on translation are taken to the foreign currency translation reserve.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

h) Impairment of Non-Financial assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

i) Income Tax

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset and liability giving rise to them are recognised or settled, based on tax rates and tax laws that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the consolidated statement of profit or loss except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

j) Insurance Contracts (Cont'd)

General

All of the general insurance products and reinsurance products on offer, or utilised, meet the definition of an insurance contract (a contract under which one party, the insurer, accepts significant insurance risk from another party, the policyholder, by agreeing to compensate the policyholder if a specified uncertain future event, the insured event, adversely affects the policyholder) and none of the contracts contain embedded derivatives or are required to be unbundled. Insurance contracts that meet the definition of a financial guarantee contract are accounted for as insurance contracts. This means that all of the general insurance products are accounted for in the same manner.

i) Premium income

Premium revenue comprises amounts charged to policyholders (direct premium) for insurance contracts. Premium is recognised as earned on a proportionate basis over the period for which cover is provided using the 365 days pro-rata method.

The unearned portion of premium is recognised as an unearned premium liability on the statement of financial position.

ii) Reinsurance

Contracts entered into by the Group with Reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group, are classified as reinsurance contracts.

As the reinsurance agreements provide for indemnification by the Reinsurers against loss or liability, reinsurance income and expenses are recognised separately in the statement of comprehensive income when they become due and payable in accordance with the reinsurance agreements.

Reinsurance recoveries are recognised as claim recoveries under the statement of comprehensive income. This is netted off against the claim expenses. Reinsurance premiums are recognised as Reinsurance Expenses on a proportionate basis over the period for which cover is provided.

Accordingly, a portion of reinsurance premium expense is deferred and presented as deferred reinsurance expenses on the consolidated statement of financial position at the reporting date.

iii) Deferred commission costs

Commission cost paid to agents and brokers associated with obtaining general insurance contracts are referred to as acquisition cost.

These costs are presented as deferred commission costs and are amortised and charged to expenses on the same basis as the recognition of premium income. The balance of the deferred commission costs at the reporting date represents the commission costs relating to unearned premium.

iv) Provision for outstanding claims

Provision for outstanding claims are stated net of amounts recoverable from reinsurers and are assessed by reviewing individual claims. Provision is assessed after taking into account claim information available at the time the claim is received or additional information brought to the notice of the Group till reporting date. Whilst all reasonable steps are taken to ensure that adequate information is obtained, given the uncertainty in claims provision, it is likely that the final outcome will differ from the original liability established.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

j) Insurance Contracts (Cont'd)

iv) Provision for outstanding claims (cont'd)

Provision is also made for insurance claims incurred but not reported (IBNR). Provision for IBNR is also assessed by the management on an annual basis based on the latest available actuarial valuation report and recent claims experience and underwriting results. Valuation is obtained from independent licensed actuaries for the adequacy of provision for claims incurred but not reported on a periodic basis. Actuaries use appropriate actuarial valuation methods to value the liabilities to help inform the choice of the most appropriate method and to help assess the inherent estimation differences. Actuaries selected the method that gave the higher answer based on the Group's own data and increased where the benchmark gave a higher answer and weighted the valuation towards higher side.

Provision is also made for claim administration expenses in accordance with guidelines issued by Reserve Bank of Fiji.

Claims expenses represent claim payments adjusted for the movement in the outstanding claims liability.

k) Intangible Assets

Computer software is recorded at cost less accumulated amortisation and any impairment losses. Amortisation is charged on a straight line basis over their estimated useful lives at a rate of 40%. The estimated useful life and amortisation method is reviewed at the end of each financial year. The amortisation expense is included under other operating expense in the consolidated statement of profit or loss.

l) Inventories

Inventories consist of medical supplies and consumables. Inventories are stated at the lower of cost and net realisable value. The cost of inventories is based on the First In and First Out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

m) Investment Properties

Investment properties principally comprising land and buildings are held to earn rentals and/or for capital appreciation, are measured initially at its cost including transaction costs.

Investment properties are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

n) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

n) Leases (Cont'd)

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Policy applicable as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

n) Leases (Cont'd)

Policy applicable as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

o) Segment Reporting

Operating Segment

An operating segment is a component of the Group which may earn revenues and incur expenses and the operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

Geographic Segment

A geographical segment constitutes the provision of products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments. The Group operates in Fiji and Vanuatu.

p) Plant and Equipment

Leasehold improvements, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition and installation of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Depreciation is provided on leasehold improvements, plant and equipment. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

p) Plant and Equipment (Cont'd)

Depreciation on assets is calculated on a straight-line basis over their estimated useful lives using the following rates:

Leasehold improvements	2.5%
Furniture, fittings and office equipment	10% - 40%
Motor vehicles	20%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are taken into account in determining the results for the year.

q) Provision for Employee Entitlements

Wages and salaries

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are accrued up to the reporting date.

Annual leave

The liability for annual leave is recognised in the provision for employee benefits. Liabilities for annual leave are expected to be settled within 12 months of the reporting date and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Bonus plans

The Group pays bonuses to employees based on performance of the Group and achievement of individual objectives by the employees. The Group accrues bonuses where contractually obliged or where there is a past practice, subject to performance evaluation.

Defined contribution plans

Contributions to Fiji National Provident Fund are expensed when incurred.

r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

**FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

s) Reinsurance Contracts

The Group cedes insurance risk in the normal course of business for most categories of its insurance policies. Recoverable amounts are estimated in a manner consistent with the outstanding claims provision and/or reinsurance contract terms.

Ceded reinsurance arrangements do not relieve the Group from its obligation to policyholders.

t) Finance Income and Finance Costs

The Group's finance income and finance costs include:

- interest income on advances;
- interest expense on lease liabilities;
- bank charges; and
- impairment losses (and reversals) on investments.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

u) Fair Value Measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

**FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

v) Revenue Recognition

The Group receives premium income from policyholders as compensation for underwriting insurance risks. The Group recognises revenue at an amount that reflects the consideration to which it expects to be entitled in exchange for underwriting those insurance risks, using a five-step model for each revenue stream as prescribed in IFRS 15. The five-step model is as follows:

-Identification of the contract;
-Identification of separate performance obligations for each good or service;
-Determination of the transaction price;
-Allocation of the price to performance obligations; and
-Recognition of revenue.

Revenue recognition with respect to the Group's specific business activities are as follows:

(i) Premium revenue comprises amounts charged to policyholders (direct premium) for insurance contracts. Premium is recognised as earned on a proportionate basis over the period for which cover is provided using the 365 days pro-rata method. The unearned portion of premium is recognised as an unearned premium liability on the statement of financial position.

(ii) Revenue from the medical centre is recognised upon the delivery of service to patients.

(iii) Dividend income from investments is recognised when the right to receive dividend is established.

(iv) Rental income is recognised on an accrual basis. Rental income represents income earned from renting out of building space.

(v) Interest income is recognised on a time-proportion basis using the effective interest method.

w) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

x) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful debts. An allowance for doubtful debts of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Allowance is made on a specific debtor level. Significant financial difficulties of the debtors and default or delinquency in payments are considered indicators that a specific debtor balance is assessed to be doubtful. Doubtful debts assessed at a collective level is based on past experience and data in relation to actual write-offs.

Subsequent recoveries of amounts previously written off are credited in the consolidated statement of profit or loss.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments are considered indicators that a specific debtor balance is assessed to be doubtful.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statement of profit or loss and other comprehensive income within administration and operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of profit or loss.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

y) Trade and Other Payables

Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

z) Value Added Tax (VAT

Revenues, expenses, assets and liabilities are recognised net of the amount of Value Added Tax (VAT), except:

i) Where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense; and
ii) For trade receivables and trade payables which are recognised inclusive of VAT.

The amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

The VAT component of cash flows arising from operating and investing activities which is recoverable from or payable to, the taxation authority is classified as operating cash flows.

NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of the Group's accounting policies, which are described in Note 3, the directors and the management are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year and in future have been disclosed under the following notes to the consolidated financial statements:

Note 3(j)(iv) - Provision for outstanding claims
Note 3(j)(iv) - Actuarial valuation - claims incurred but not reported
Note 3(u) - Fair value measurement of financial assets and investment properties
Note 3(x) - Impairment of accounts receivable
Note 3(i) - Deferred tax assets and liabilities

NOTE 5. REVENUE	2023 $	2022 $
Gross written premium	53,358,403	50,517,483
Reinsurance premium	(580,708)	(558,058)
	52,777,695	49,959,425
Deferred reinsurance, net movement	345,100	35,242
Unearned premium, net movement	(4,956,750)	(1,635,994)
Total revenue, net	48,166,045	48,358,673

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 6. COMMISSION EXPENSE	2023 $	2022 $
	4,633,913	4,007,417

NOTE 7. OTHER REVENUE	2023 $	2022 $
Dividend income	94,732	68,860
Interest income	216,681	304,436
Rental income	116,137	67,887
Fair value loss on equity investments	(13,033)	(103,177)
Fair value gain on investment properties	161,491	1,708,165
Grant income (a)	176	294,631
Unrealised exchange gain	7,680	92,113
Miscellaneous income, net	353,377	141,919
Total other revenue, net	937,241	2,574,834

(a) In prior year, the Holding Company and its subsidiary (VanCare Insurance Limited) entered into a grant agreement with United Nations Capital Development Fund for receipt of grant relating to Parametric Climate Project. The Parametric Climate Project is designed to provide immediate monetary relief to those insured members who are covered under the scheme for loss of income arising out of natural disasters such as cyclones and flooding.

NOTE 8. INCOME TAX

Income Tax Rate

Income tax expense for the year ended 31 December 2023 has been computed using tax rate of 25% (2022: 10%) for the Holding Company, 0% for the subsidiary company, VanCare Insurance Limited and 25% (2022: 20%) for remaining subsidiary companies. Deferred tax assets and liabilities have been computed using tax rate of 25% for the Group (excluding VanCare Insurance Limited) with change in tax rate effective from 2023 tax year.

a) Income tax expense

	2023 $	2022 $
The prima facie income tax payable on profit is reconciled to the income tax expense as follows:		
Profit before income tax	1,795,150	6,927,325
Prima facie income tax expense	414,199	694,371
Tax effect of:		
Non-taxable income	(273,683)	(56,886)
Non-deductible expenses and concessions	26,243	10,318
Under provision of income and deferred tax in prior year	1,522	37,939
Impact of change in corporate tax rate from 20% to 25% (2022: 10% to 20%) on deferred taxes	160,704	187,591
Deferred taxes on tax losses and temporary differences not recognised	114,846	120,233
Income tax expense	443,831	993,566
Income tax expense comprises movement in:		
Current tax liabilities	253,906	474,316
Deferred tax assets	(7,385)	(77,994)
Deferred tax liability	197,310	597,244
	443,831	993,566

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 8. INCOME TAX (CON'D)	2023 $	2022 $
b) Current tax assets / (liabilities)		
Movements during the year were as follows		
Balance at the beginning of the year	(111,272)	(182,304)
Tax liability for the current year	(253,906)	(474,316)
Advance taxes paid during the year	824,758	511,652
Tax deducted at source - resident interest withholding tax	14,992	33,696
Balance at the end of the year	474,572	(111,272)
c) Deferred tax assets		
Deferred tax assets comprise the estimated future benefit at future income tax rate of 25% (2022: 20%) in respect to the following:		
Difference between Right of Use Asset and Lease Liabilities	5,007	4,331
Allowance for doubtful debts	12,500	10,000
Provision for employee entitlements	28,139	23,930
Total deferred tax assets	45,646	38,261
d) Deferred tax assets		
Deferred tax liabilities comprise the estimated future expense at future income tax of 25% (2022: 20%) rate in respect to the following:		
Difference in cost base of investment properties and plant and equipment for accounting and income tax purposes	866,261	658,103
Unrealized gain on investment in unlisted shares	18,673	13,018
Unrealized gain on foreign currency translation	1,920	18,423
Total deferred tax liabilities	886,854	689,544

NOTE 9. TRADE AND OTHER RECEIVABLES	2023 $	2022 $
Current		
Trade receivables (a)	11,968,131	12,799,598
Less: allowance for doubtful debts	(50,000)	(50,000)
	11,918,131	12,749,598
Other advances (b)	114,125	97,938
Prepayments	226,227	239,040
Deposits	72,839	64,715
Other receivables	774,737	1,058,154
Total current trade and other receivables, net	13,106,059	14,209,445
Non-current		
Other receivables	-	19,388
Total non-current trade and other receivables	-	19,388

a) Trade receivables principally comprise of premium amounts outstanding from policyholders. Trade receivables are non-interest bearing and generally settled on 30 - 60 days term.

b) Other advances are secured and subject to interest.

**FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 10. FINANCIAL ASSETS	2023 $	2022 $
a) Held-to-maturity investments		
Current		
Term investments with commercial banks and financial institutions	10,888,427	10,277,804
Non-current		
Term investments with commercial banks, financial institutions and corporate bonds	2,616,000	2,495,122
b) Financial assets at fair value through profit or loss		
Equity Investments		
Investments in listed companies	3,560,412	3,559,987
Investments in unlisted company	99,300	99,300
	3,659,712	3,659,287

c) Valuation of Financial Assets

The Holding Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: fair value on investment in listed companies is calculated using quoted prices (unadjusted) in active markets for identical assets.

Level 2: fair value on investment in unlisted company is calculated using inputs other than quoted market prices included within Level 1 that are observable for the asset, either directly (as prices) or indirectly (derived from prices).

Reconciliation of financial assets at fair value through profit or loss		
Balance at 1 January	3,659,287	3,753,957
Fair value loss on investment in listed and unlisted companies, net	(13,033)	(103,177)
Purchase of financial assets at fair value through profit or loss	13,458	8,507
Balance at 31 December	3,659,712	3,659,287

NOTE 11. DEFERRED COSTS		
Deferred commission	2,446,691	1,862,414
Deferred reinsurance	3,420	102,294
Total deferred costs	2,450,111	1,964,708

NOTE 12. INVESTMENT PROPERTIES		
Land and buildings - at fair value	10,800,998	5,949,505
Add: additions	902,777	3,143,328
Add: change in fair value	161,491	1,708,165
Total investment properties	11,865,266	10,800,998

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 12. INVESTMENT PROPERTIES (CONT'D)

In December 2022, investment properties were revalued by an independent registered valuer. The valuation methodology adopted by the valuer was Market Value Method.

These investment properties were valued at $10,730,000. The Group uses valuation techniques that include valuation assessment and estimates based on observable and non-observable market data and observable internal financial data to estimate the fair value of investment properties. The directors believe that the chosen valuation techniques and assumptions used were appropriate in determining the fair value of investment properties.

The management and directors' have assessed the market value of all investment properties and concludes that the value of these properties is reasonable thus, no revaluation is required except for the property purchased during the year in Simla, Lautoka.

Based on management and directors' assessment of fair values and taking into consideration the valuation by registered valuer in December 2023, the increase in market value over book value of $161,491 has been recognised as an increase in fair value for investment property through profit or loss in the financial statements for the year ended 31 December 2023. The valuation methodology adopted by the valuer was income approach method.

Valuation of Investment Properties

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 3: fair value on investment properties is calculated using valuation techniques that include valuation assessment and estimates based on observable and non-observable market data and observable internal financial data.

NOTE 13. PLANT AND EQUIPMENT

	Leasehold improvements $	Furniture, fittings and office equipment $	Motor Vehicles $	Total $
Gross carrying amount				
Balance at 1 January 2022	122,680	870,164	478,286	1,471,130
Additions	40,808	390,976	-	431,784
Balance at 31 December 2022	163,488	1,261,140	478,286	1,902,914
Additions	46,907	253,818	209,247	509,972
Balance at 31 December 2023	210,395	1,514,958	687,533	2,412,886
Accumulated depreciation				
Balance at 1 January 2022	3,038	626,689	64,196	693,923
Depreciation expense	3,655	115,281	95,323	214,259
Balance at 31 December 2022	6,693	741,970	159,519	908,182
Depreciation expense	4,558	153,967	117,891	276,416
Balance at 31 December 2023	11,251	895,937	277,410	1,184,598
Net book value				
As at 31 December 2022	156,795	519,170	318,767	994,732
As at 31 December 2023	199,144	619,021	410,123	1,228,288

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 14. INTANGIBLE ASSETS	2023 $	2022 $
Computer Software		
Gross carrying amount		
Balance at 1 January	1,592,372	1,339,439
Additions	318,274	252,933
Balance at 31 December	1,910,646	1,592,372
Accumulated amortisation		
Balance at 1 January	1,147,384	895,879
Amortisation expense	316,509	251,505
Balance at 31 December	1,463,893	1,147,384
Net book value	446,753	444,988

NOTE 15. TRADE AND OTHER PAYABLES		
Payable to reinsurers	460,880	601,194
Other payables and accrued liabilities	1,756,441	1,540,082
Total trade and other payables	2,217,321	2,141,276

(a) Payable to reinsurers principally comprise amounts outstanding for reinsurance premium and on-going costs. These are non-interest bearing and generally settled on 30 - 90 days term.

NOTE 16. INSURANCE CONTRACT LIABILITIES		
Unearned premiums		
Unearned premiums as at 1 January	19,177,280	17,528,731
Movement during the year, net	4,596,806	1,648,549
Balance as at 31 December	23,774,086	19,177,280
Outstanding claims		
Gross outstanding claims as at 1 January	7,032,609	3,722,747
Movement during the year, net	(1,326,856)	3,309,862
Balance as at 31 December	5,705,753	7,032,609
Less: Reinsurance recoveries	(10,000)	(10,000)
Less: Reinsurance on paid claims	(33,628)	-
Outstanding claims, net	5,662,125	7,022,609
Claims administration provision		
Claims administration provision as at 1 January	349,461	241,334
Movement during the year, net	4,935	108,127
Balance as at 31 December	354,396	349,461

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 16. INSURANCE CONTRACT LIABILITIES (CONT'D)	2023 $	2022 $
Claims incurred but not reported		
Claims incurred but not reported as at 1 January	4,244,912	3,479,518
Movement during the year, net	682,613	765,394
Claims incurred but not reported, net	4,927,525	4,244,912
Catastrophic provision (a)	179,752	167,530
Total insurance contract liabilities, net	34,897,884	30,961,792

(a) The subsidiary company, VanCare Insurance Limited is required to make a contingency provision referred to as a catastrophic provision which is 3% of total gross premiums under the Insurance Act of Vanuatu.

NOTE 17. EMPLOYEE ENTITLEMENTS		
Provision for annual leave:		
Balance at 1 January	151,493	118,796
Additions	18,284	46,184
Leave taken	(25,925)	(13,487)
Balance at 31 December	143,852	151,493
Provision for severance:		
Balance at 1 January	54,791	46,516
Additions	7,929	8,275
Balance at 31 December	62,720	54,791
Total current employee entitlements	206,572	206,284

NOTE 18. SHARE CAPITAL		
Issued and paid up capital - 8,607,742 ordinary shares	5,043,662	5,043,662

NOTE 19. DIVIDENDS		
Dividend	1,463,316	860,769

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 20. PROFIT BEFORE INCOME TAX	2023 $	2022 $
Profit before income tax has been determined after charging the following expenses:		
Auditor's remuneration for:		
- Audit fees - BDO	55,500	47,500
- Audit fees - Barrett & Partners	11,794	13,746
- Other services	30,046	33,723
Consultancy fees	27,710	21,685
Actuarial services	194,639	150,384
Directors' fees	101,610	119,651
Depreciation and amortisation expense	945,471	761,900
Superannuation	122,433	85,698
Salaries, wages, training levy and allowances	1,610,735	1,767,573

NOTE 21. NOTES TO THE STATEMENT OF CASH FLOWS

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and balance with banks. Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated statement of financial position amounts:

Cash on hand and at bank	18,224,801	16,071,301
Total cash and cash equivalents	18,224,801	16,071,301

NOTE 22. EARNINGS PER SHARE

Profit for the year used in calculating earnings per share	1,351,319	5,933,759
Weighted average number of ordinary shares outstanding used in calculating basic and diluted earnings per share	8,607,742	8,607,742
Basic and diluted earnings per share - cents	15.70	68.94

NOTE 23. LEASES

As a lessee

(a) Right-of-use assets

Balance at 1 January	1,032,354	532,471
Effect of modification to lease terms	19,063	(246,546)
Additions for the year	41,310	1,042,565
Disposal	(42,426)	-
Depreciation charge for the year	(352,546)	(296,136)
Balance at 31 December	697,755	1,032,354

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 23. LEASES (CONT'D)	2023 $	2022 $
(b) Lease liabilities		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	220,679	371,030
One to five years	112,870	317,375
More than five years	1,718,435	1,739,335
Total undiscounted lease liabilities at 31 December	2,051,984	2,427,740
Lease liabilities included in the consolidated statement of financial position at 31 December		
Current	194,781	329,144
Non-current	534,550	733,188
	729,331	1,062,332
Amounts recognised in profit or loss		
Interest on lease liabilities	38,825	52,120
Amounts recognised in the statement of cash flows		
Total cash outflow for leases	350,948	279,411
Reconciliation of movement of liabilities to cash flows from financing activities		
Balance at 1 January	1,062,332	545,724
Changes from financing cash flows		
Payment of lease liabilities	(350,948)	(279,411)
Total changes from financing cash flows	(350,948)	(279,411)
Other changes – liability related		
New lease liabilities	41,310	1,042,565
Change in lease term	19,063	(246,546)
Disposal	(42,426)	-
Interest expense of lease liabilities	38,825	52,120
Interest paid of lease liabilities	(38,825)	(52,120)
Total liability related other changes	17,947	796,019
Balance at 31 December	729,331	1,062,332

NOTE 24. COMMITMENTS

a) Capital expenditure commitments for software upgrades and for IFRS 17 implementation by holding company, and purchase of equipment by subsidiary companies are as follows:

	2023 $	2022 $
Approved and committed	150,000	-
Approved but not committed	2,354,180	2,685,580
Total capital expenditure commitments	2,504,180	2,685,580

b) Operating expense commitments contracted for rentals are as follows:

	2023 $	2022 $
Not later than one year	129,730	21,600
Total operating expense commitments for rentals	129,730	21,600

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 24. COMMITMENTS (CONT'D)	2023 $	2022 $
(a) Operating income commitments contracted for rentals are as follows:		
Not later than one year	132,654	63,702
Later than one year but not five years	19,400	-
Total operating income commitments	152,054	63,702

NOTE 25. CONTINGENT LIABILITIES

Contingent liabilities exist with respect to the following:		
Indemnity guarantees	750	750
Total contingent liabilities	750	750

NOTE 26. INVESTMENTS IN SUBSIDIARY COMPANIES

Entity	Place of Incorporation	% Owned
VanCare Insurance Limited	Vanuatu	100%
WeCare Pte Limited	Fiji	100%
OmniCare Pte Limited	Fiji	100%

NOTE 27. SEGMENT INFORMATION

(a) Operating segments

The Group operates predominantly in the insurance industry.

		Medical and Health $	Term Life $	General Insurance $	Clinical Income $	Group Total $
Revenue	Dec 23	25,575,072	7,945,619	14,300,254	345,100	48,166,045
	Dec 22	21,582,459	7,629,951	18,881,779	264,484	48,358,673
Result (Revenue less allocated costs)	Dec 23	(1,778,905)	404,151	4,016,966	681,908	3,324,120
	Dec 22	(4,325,968)	(133,541)	11,380,052	249,402	7,169,945
Add: **Unallocated - other revenue:** Dividend income, interest income, rental income, fair value gain on equity investments and on investment properties, gain on sale of fixed assets and miscellaneous income	Dec 23					937,241
	Dec 22					2,574,834
Less: **Unallocated – expenses and income tax**	Dec 23					2,910,042
	Dec 22					3,811,020
Profit after income tax	Dec 23					1,351,319
	Dec 22					5,933,759

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

Note 27. SEGMENT INFORMATION (CONT'D)

(a) Operating segments (Cont'd)

Segment assets and liabilities

Assets and liabilities cannot be reasonably allocated between the operating segments. Accordingly, this information has not been provided under segment information.

Additional information

Similarly, depreciation and other non-cash items cannot be reasonably allocated between the operating segments. Accordingly, this information has not been provided under segment information.

(b) Geographical segment

The Group operates in Fiji and Vanuatu.

Revenue from Fiji and Vanuatu operations amounts to $45,430,861 and $2,735,184, respectively. Profit after income tax from Fiji and Vanuatu operations amounts to $178,438 and $1,172,881, respectively.

NOTE 28. RELATED PARTY DISCLOSURES

(a) Directors

The names of persons who were directors of the Holding Company at any time during the financial year are as follows:

Dumith Fernando – Chairman
Avinesh Raju
Jenny Seeto
Sylvain Flore
Peter McPherson (resigned on May 2023)

(b) The transactions with related parties

Transactions with related parties during the year ended 31 December 2023 and 2022 with approximate transaction values are summarized as follows:

Related Party	Relationship	Nature of transaction	2023 $	2022 $
Fallon Investment Pte Limited	Director related entity	Rent expense	157,153	84,100
MIOT Investment Fiji Pte Limited	Director related entity	Rental income	12,000	-
Mount Sophia Venture Fiji Limited	Director related entity	Consultation expense	65,109	5,153
Toorak Central Pte Limited	Director related entity	Accommodation	4,865	-

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 28. RELATED PARTY DISCLOSURES (CONT'D)

(c) Ownership Interests

The ownership interests in subsidiary companies is disclosed in Note 26.

(d) Director Fees

Directors fees of $101,610 (2022: $119,651) was paid to the non-executive directors.

(e) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year, Executive Director, Group Chief Operating Officer, Group Chief Financial Officer, Group Chief Information Officer, Group Chief Marketing Officer, Claims Manager, Group Manager Accounting & Finance, Manager Accounting & Finance and Chief Operating Officer - VanCare Insurance Limited were identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Group.

The remuneration of the key management personnel during the year was as follows:

	2023	2022
	$	$
Salaries and other short-term employee benefits	1,082,338	1,215,695

NOTE 29. INSURANCE CONTRACTS RISK MANAGEMENT

A key risk of operating in the general insurance industry is the exposure to insurance risk arising from underwriting general insurance contracts. The insurance contracts transfer risk to the insurer by indemnifying the policyholders against adverse effects arising from the occurrence of specified uncertain future events. The risk is that the actual amount of claims to be paid in relation to contracts will be different to the amount estimated at the time a product was designed and priced. The Group is exposed to this risk because the price for a contract must be set before the losses relating to the product are known. Hence, the insurance business involves inherent uncertainty.

The consolidated Group also faces other risks relating to the conduct of the general insurance business including financial risks.

A fundamental part of the overall risk management strategy is the effective governance and management of the risks that impact the amount, timing and uncertainty of the cash flows arising from insurance contracts.

(a) Risk management objectives and policies for mitigating insurance risk

The insurance activities primarily involve the underwriting of risks and the management of claims. A disciplined approach to risk management is adopted rather than a premium volume or market share oriented approach. It is believed this approach provides the greatest long term likelihood of being able to meet the objectives of all stakeholders, including policyholders, lenders and equity holders.

The risk management activities can be broadly separated into underwriting (acceptance and pricing risk), claims management and investment management. The objective of these risk management functions is to enhance the longer term financial performance of the overall insurance operations.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 29. INSURANCE CONTRACTS RISK MANAGEMENT (CONT'D)

(a) Risk management objectives and policies for mitigating insurance risk (Cont'd)

The key policies in place to mitigate risks arising from underwriting insurance contracts include the following:

- Acceptance of risk – Insurance and reinsurance policies are written in accordance with local management practices and regulations within each jurisdiction. Maximum limits are set for the acceptance of risk on an individual contract basis. Management information systems are maintained that provide up-to-date, reliable data on the risks to which the business is exposed at any point in time. Efforts are made, including plain language policy terms, to ensure there is no misalignment between what policyholders perceive will be paid when a policy is initially sold and what is actually paid when a claim is made.

- Pricing – Statistical models are used which combine historical and projected data to calculate premiums and monitor claims patterns for each class of business. The data used includes historical pricing and claims analysis for each class of business as well as current developments in the respective markets and classes of business.

- Reinsurance – The use of reinsurance to limit exposure to large single claims and the accumulation of claims that arise from the same event or the accumulation of similar events. This includes the monitoring of reinsurers' credit risk to control exposure to reinsurance counterparty default.

- Claims management – Initial claim determination is managed by claims officers with the requisite degree of experience and competence with the assistance, where appropriate, or other party with specialist knowledge. It is the Group's policy to respond and settle claims quickly whenever possible and to pay claims fairly, based on the policyholder's full entitlements.

(b) Terms and conditions of insurance contracts

The terms and conditions attaching to insurance contracts affect the level of insurance risk accepted. Insurance contracts are generally entered into on an annual basis and at the time of entering into a contract all terms and conditions are negotiable or, in the case of renewals, renegotiable. The majority of direct insurance contracts written are entered into on a standard form basis. Non-standard and long term policies may only be written if expressly approved by a person with appropriate delegated authority. There are no special terms and conditions in any non-standard contracts that would have a material impact on the consolidated financial statements.

(c) Credit risk

Financial assets or liabilities arising from insurance contracts are presented in the consolidated statement of financial position at the amount that best represents the maximum credit risk exposure at the reporting date.

The credit risk relating to insurance contracts relates primarily to premium receivable which is due from individual policyholders and intermediaries (brokers and agents). The brokers and agents collect premium from policyholders and remit the monies to the insurer in accordance with contractual arrangements. The recoverability of premium receivable is assessed and provision is made for impairment based on objective evidence and having regard to past default experience.

(d) Operational risk

Operational risk is the risk of financial loss (including lost opportunities) resulting from external events and/or inadequate or failed internal processes, people and systems to perform as required. Operational risk can have overlaps with all of the other risk categories. When controls fail, operational risks can cause damage to reputation, can have legal or regulatory implications or can lead to financial loss. The Group cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, is able to manage risks.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 29. INSURANCE CONTRACTS RISK MANAGEMENT (CONT'D)

(d) Operational risk (Cont'd)

Operational risk is identified and assessed on an ongoing basis and the capital management strategy includes consideration of operational risk. Management and staff are responsible for identifying, assessing and managing operational risks in accordance with their roles and responsibilities.

(e) Interest rate risk

The underwriting of general insurance contracts creates exposure to the risk that interest rate movements may materially impact the value of the outstanding claims liability. Movement in interest rates impact the determination of the liability through the selection of discount rates. Discounting the liability is in effect allowing for future investment earnings on the assets held to back the insurance liabilities.

The funds held to pay outstanding claims are invested principally in fixed rates securities. Movements in market interest rates affect the value of the fixed interest securities. Hence, movements in interest rates should have minimal impact on the insurance profit for the year due to movement in investment income on asset backing insurance liabilities offsetting the impact of movements in the discounting rates in the claims liabilities.

(f) Concentration of insurance risk

The exposure to concentrations of insurance risk is mitigated by a portfolio diversified into many classes of business and by the utilisation of reinsurance.

Concentration risk is particularly relevant in the case of catastrophes which generally result in a concentration of affected policyholders over and above the norm and which constitutes the largest individual potential financial loss. Catastrophe losses are an inherent risk of the general insurance industry that has contributed, and will continue to contribute, to potentially material year-to-year fluctuations on the result of operations and financial position. The nature and level of catastrophe in any period cannot be predicted accurately but can be estimated through the utilisation of predictive models. Each year, the Group sets its tolerance for concentration risk and purchase reinsurance in excess of these tolerances.

(g) Other risk

Regulatory risk

The Group's profitability can be impacted by regulatory agencies which govern the business sector in Fiji and Vanuatu. Specifically, financial transactions are monitored by Reserve Bank of Fiji (RBF) and Reserve Bank of Vanuatu (RBV), and as an authorised underwriter of insurance risks, the Group is subject to licence and regulatory control by RBF and RBV.

NOTE 30. FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks in the normal course of business; market risk (foreign exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close co-operation with the operating units.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, interest rate and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimising the return on risk.

(i) Foreign exchange risk

The Group does not have significant transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations is minimal.

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk results from the holding of financial assets and liabilities in the normal course of business.

Fixed interest rate assets and variable interest rate liabilities create exposure to fair value interest rate risk. The Group mitigates interest rate risk by maintaining an appropriate mix of instruments.

(iii) Equity price risk

Equity price risk is defined as exposure to movements in investment prices /values, i.e., the dollar effect of a change in market price /value of investments. The Group minimizes the risks by:

a) Diversifying the investments portfolio across assets classes;
b) Diversifying the equity and debt portfolios across sectors and securities to the prescribed limit;
c) Proper asset (stock) selection based on relative value after a research process; and
d) Appropriate investments limits that cover asset allocation, concentration, regional location and currency.

(b) Credit risk

Credit risk is the risk of financial loss as a result of failure by a customer or counterparty to meet its contractual obligations. Credit risk is managed at Group and at individual company level.

Credit risk relating to insurance contracts is disclosed in Note 29(c).

The Group does not have any significant credit risk exposure to any single underwriting counterparty or any Group of underwriting counterparties having similar characteristics. The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

Credit risk also arises from cash at banks and deposits with banks. Deposits are made only with reputable financial institutions which are regulated by Reserve Bank of Fiji with known sound financial standing. The deposits are also approved by the Treasury & Investment Committee and guided by the Investment Policy.

(c) Liquidity risk

Liquidity risk is concerned with the risk of there being insufficient cash resources to meet payment obligations without affecting the daily operations or the financial condition of the Group. Liquidity facilitates the ability to meet expected and unexpected requirements for cash. The liquidity position is derived from operating cash flows, investment portfolios and access to outside sources of liquidity such as bank, reinsurance arrangements and other sources.

Sound liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. The nature of insurance activities means that the timing and amount of cash flows are uncertain.

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 30. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

Management of liquidity risk includes asset and liability management strategies. The assets held to back insurance liabilities consist predominantly of held-to-maturity investments. The assets are managed so as to effectively match the maturity profile of the assets with the expected pattern of claims payments.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows.

NOTE 31. CAPITAL MANAGEMENT

The objectives of the Group in regards to management of capital adequacy are:

(i) to comply with Policy Statement 3B "Solvency Requirements for Insurers Licensed to Conduct General Insurance Business in Fiji" issued by Reserve Bank of Fiji.

(ii) to maintain a strong capital base to cover the inherent risks of the business; and

(iii) to support the future development and growth of the business to maximise shareholder value.

The Board of Directors has ultimate responsibility for capital management, and approves capital policy and minimum capital levels and limits. The level of target surplus takes account of management assessments of actual risk and forecasts/stress testing of future capital requirements.

The solvency position of the Holding Company is determined by the Insurance Act of 1998 (Fiji) and governed by the Reserve Bank of Fiji (RBF) and the solvency position of VanCare Insurance Limited is determined by the Insurance Act No 54 of 2005 (Vanuatu) and governed by the Reserve Bank of Vanuatu (RBV). The Group reviews its solvency requirements quarterly and submits the same to RBF and RBV, for their records.

As at 31 December 2023, the Group complied with the solvency requirements.

NOTE 32. MATURITY ANALYSIS

The following analysis of monetary assets and liabilities as at 31 December 2023 and 2022 is based on contractual terms.

	31 December 2023				
	At call $	1 day to 3 months $	Over 3 months to 1 year $	Over 1 year to 5 years $	Total $
Assets					
Cash on hand and at bank	18,224,801	-	-	-	18,224,801
Trade and other receivables	-	9,249,722	3,856,337	-	13,106,059
Financial assets at fair value through profit or loss	-	-	3,659,712	-	3,659,712
Held-to maturity investments	-	2,466,133	7,940,419	3,097,875	13,504,427
Current tax asset	-	474,572	-	-	474,572
	18,224,801	12,190,427	15,456,468	3,097,875	48,969,571
Liabilities					
Trade and other payables	-	2,217,321	-	-	2,217,321
Lease liability	-	48,695	146,086	534,550	729,331
Insurance contract liabilities, net of unearned premium	-	10,944,046	-	-	10,944,046
	-	13,210,062	146,086	534,550	13,890,698

FIJICARE INSURANCE LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 32. MATURITY ANALYSIS (CONT'D)

	31 December 2022				
	At call $	1 day to 3 months $	Over 3 months to 1 year $	Over 1 year to 5 years $	Total $
Assets					
Cash on hand and at bank	16,071,301	-	-	-	16,071,301
Trade and other receivables	-	10,306,129	3,903,316	19,388	14,228,833
Financial assets at fair value through profit or loss	-	-	3,659,287	-	3,659,287
Held-to maturity investments	-	2,379,981	7,897,823	2,495,122	12,772,926
	16,071,301	12,686,110	15,460,426	2,514,510	46,732,347
Liabilities					
Trade and other payables	-	2,141,276	-	-	2,141,276
Current tax liability	-	-	111,272	-	111,272
Lease liability		30,711	217,151	814,470	1,062,332
Insurance contract liabilities, net of unearned premium	-	11,616,982	-	-	11,616,982
	-	13,788,969	328,423	814,470	14,931,862

NOTE 33. SIGNIFICANT EVENTS DURING THE YEAR

a) During the year, in February 2023, the Government of Fiji had announced that proof of vaccination or travel insurance for international travellers arriving in the country was no longer required. This had drastic impact on the revenue stream of travel insurance for the holding company in the current financial year.

b) In accordance with Income Tax (Rates of Tax and Levies) (Amendment) Regulations 2023 of Fiji, commencing from financial year ended 31 December 2023 (tax year 2023), the Fiji entities are subject to corporate income tax at the rate of 25%. Accordingly, the corporate income tax rate has increased to 25% from financial year ended 31 December 2023. Deferred tax assets and deferred tax liabilities have been re-calculated at 25% and the effect of change in tax rate has been adjusted to income tax expense for the year ended 31 December 2023 for Fiji entities.

NOTE 34. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year, which would require adjustments to, or disclosure in the financial statements.

FijiCare
INSURANCE LIMITED

LEADING THROUGH INNOVATION

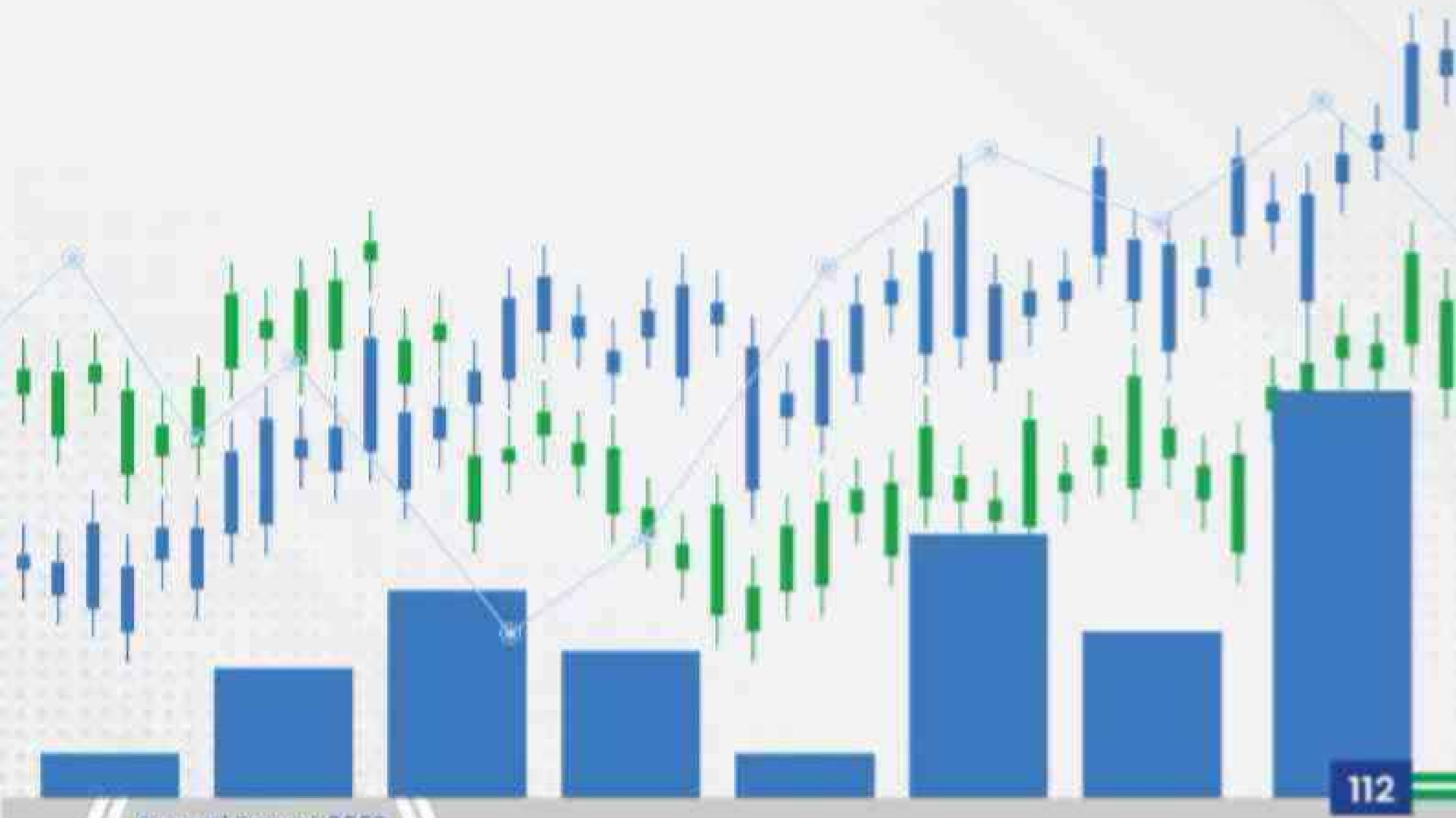
SPX LISTING REQUIREMENTS

1. Statement of interest (direct and indirect) of each director in the share capital of the company as at 31 December 2023

Avi Raju
6,533,176
Indirect Interest
(No. of Shares)

2. Distribution of ordinary shareholders:

Distribution of Shareholding	Total	Shares	Total % Holding
Less than 500	13,305	273,587	3.18%
501 to 5,000	50	80,768	0.94%
5,001 to 10,000	9	62,944	0.73%
10,001 to 20,000	4	60,608	0.70%
20,001 to 30,000	5	113,792	1.32%
30,001 to 40,000	1	30,105	0.35%
40,001 to 50,000	0	-	0.00%
50,001 to 100,000	4	314,320	3.65%
100,001 to 1,000,000	3	1,138,442	13.23%
over 1,000,000	1	6,533,176	75.90%
Total	13,382	8,607,742	100%



SOUTH PACIFIC STOCK EXCHANGE - LISTING REQUIREMENTS(CONT'D)

3. Disclosure on the trading result of the subsidiary company under section 51.2(x)

a) Country of Operation and Incorporation: Vanuatu

VANCARE INSURANCE LIMITED

	2023 $	2022 $
Revenue	2,735,184	2,507,677
Other income	9,999	144,082
Less:		
Depreciation and amortisation	(25,755)	(38,608)
Interest expense	-	-
Other expense	(1,546,547)	(1,333,843)
Income tax expense	-	-
Total comprehensive income/ (loss) for the year	1,172,881	1,279,308

	2023	2022
Total Assets	7,866,087	7,046,454
Total Liabilities	3,361,700	2,762,617
Shareholders Equity	4,504,387	4,283,837

b) Country of Operation and Incorporation: Fiji

WECARE PTE LIMITED

	2023 $	2022 $
Revenue	104,761	38,878
Other income	163,573	1,338,165
Less:		
Depreciation and amortisation	-	-
Interest expense	(51,125)	(20,287)
Other expense	(254,995)	(126,055)
Income tax expense	(234,440)	(715,374)
Total comprehensive income/ (loss) for the year	(272,226)	515,327

	2023	2022
Total Assets	12,790,452	11,922,179
Total Liabilities	1,986,563	1,246,064
Shareholders Equity	10,803,889	10,676,115

c) Country of Operation and Incorporation: Fijii

OMNICARE PTE LIMITED

	2023 $	2022 $
Revenue	1,175,221	428,572
Other income	-	-
Less:		
Depreciation and amortisation	(126,073)	(70,832)
Interest expense	(59,854)	(8,739)
Other expense	(1,133,059)	(795,101)
Income tax expense	-	(12,117)
Total comprehensive income/ (loss) for the year	(143,765)	(458,217)

	2023	2022
Total Assets	1,528,954	1,829,373
Total Liabilities	1,325,015	681,669
Shareholders Equity	203,939	347,704

SOUTH PACIFIC STOCK EXCHANGE – LISTING REQUIREMENTS(CONT'D)

Top 20 Shareholders

As of 31st December 2023, the top 20 shareholders held 8,208,381 shares which is equal to 95.36% of the total issued 8,607,742 fully paid shares.

SOUTH PACIFIC STOCK EXCHANGE - LISTING REQUIREMENTS(CONT'D)

5. Disclosure under section 51.2 (xiv):

Summary of Key Financial Results for the Previous Five Years (Consolidated)

	$ 2019	$ 2020	$ 2021	$ 2022	$ 2023
Net Profit / (Loss) after tax	4,404,908	1,597,328	6,078,045	5,933,759	1,351,319
Current Assets	34,581,398	34,991,310	41,727,544	46,191,332	48,813,970
Non - Current Assets	4,268,115	3,880,198	8,462,915	15,825,843	16,899,708
Total Assets	**38,849,513**	**38,871,508**	**50,190,459**	**62,017,175**	**65,713,678**
Current Liabilities	23,150,505	22,327,243	27,697,928	33,749,768	37,516,558
Non - Current Liabilities	349,404	201,511	568,827	1,422,732	1,421,404
Total Liabilities	**23,499,909**	**22,528,754**	**28,266,755**	**35,172,500**	**38,937,962**
Shareholders Equity	**15,349,604**	**16,342,754**	**21,923,704**	**26,844,675**	**26,775,716**

6. Disclosure under section 51.2 (xv) (a):

	2019	2020	2021	2022	2023
Dividend per share	0.08	0.08	0.05	0.10	0.17

7. Disclosure under section 51.2 (xv) (b):

Earnings / (loss) per share (Consolidated)

Basic earnings / (loss) per share

	2019	2020	2021	2022	2023
Cents per share	51.55	18.56	70.61	68.94	15.70

Diluted earnings / (loss) per share

	2019	2020	2021	2022	2023
Cents per share	51.55	18.56	70.61	68.94	15.70

8. Disclosure under section 51.2 (xv) (c):

Net tangible asset per share:

	2019	2020	2021	2022	2023
Cents per share	1.75	1.86	2.50	3.07	3.06

SOUTH PACIFIC STOCK EXCHANGE - LISTING REQUIREMENTS{CONT'D}

9. Disclosure under section 51.2 (xv) (d):

Share price during the year (per share)		
Highest		15.74
Lowest		9.50
On 29th December		15.74

10. Disclosure under section 51.2 (viii):

Meeting of the board

Directors	Number of meetings entitled to attend	Number of meetings attended	Number of meeting apology given
Mr. Dumith Fernando	4	4	N/A
Mr. Avi Raju	4	4	N/A
Mr. Peter McPherson	2	2	N/A
Ms. Jenny Seeto	4	4	N/A
Mr. Sylvain Flore	4	4	N/A
Company Secretary			
Mr Victor Robert	4	4	N/A

The Board met 4 times during the financial year ended 31st December 2023.

SOUTH PACIFIC STOCK EXCHANGE - LISTING REQUIREMENTS{CONT'D}

11. Disclosure under section 51.2 (ix):

LISTED SECURITIES	QUANTITY	CURRENT VALUE	TOTAL VALUE
ATLANTIC & PACIFIC PACKAGING COMPANY LIMITED (APP)	23,000	2.97	68,310
RB PATEL GROUP LIMITED (RBG)	312,500	3.13	978,125
COMMUNICATIONS (FIJI) LIMITED (CFL)	35,000	6.80	238,000
AMALGAMATED TELECOM HOLDINGS LIMITED (ATH)	176,396	2.00	352,792
THE RICE COMPANY OF FIJI LIMITED (RCF)	22,000	9.94	218,680
FIJI TELEVISION LIMITED (FTV)	12,085	2.10	25,379
FMF FOODS LIMITED (FMF)	191,147	1.89	361,268
VB HOLDINGS LIMITED (VBH)	3,143	6.00	18,858
PLEASS GLOBAL LIMITED (PBP)	65,357	3.20	209,142
TOYOTA TSUSHO (SOUTH SEA) LIMITED (TTS)	10,000	20.00	200,000
VISION INVESTMENTS LIMITED (VIL)	50,000	4.07	203,500
KONTIKI FINANCE LIMITED (KFL)	133,945	1.13	151,358
PORT DENARAU MARINA LIMITED (PDM)	250,000	2.14	535,000
TOTAL	1,284,573		3,560,412

UNLISTED SECURITIES	QUANTITY	CURRENT VALUE	TOTAL VALUE
THE FIJI GAS COMPANY LIMITED	3,310	30.00	99,300
TOTAL	3,310		99,300

FijiCare Insurance Limited

LEADING THROUGH INNOVATION

DIRECTORY

DIRECTORS

Mr. Dumith Fernando
Chairman

Mr. Avi Raju
Executive Director

Ms. Jenny Seeto
Independent Director

Mr. Sylvain Flore
Independent Director

COMPANY SECRETARY

Mr. Victor Robert

AUDITORS

BDO

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