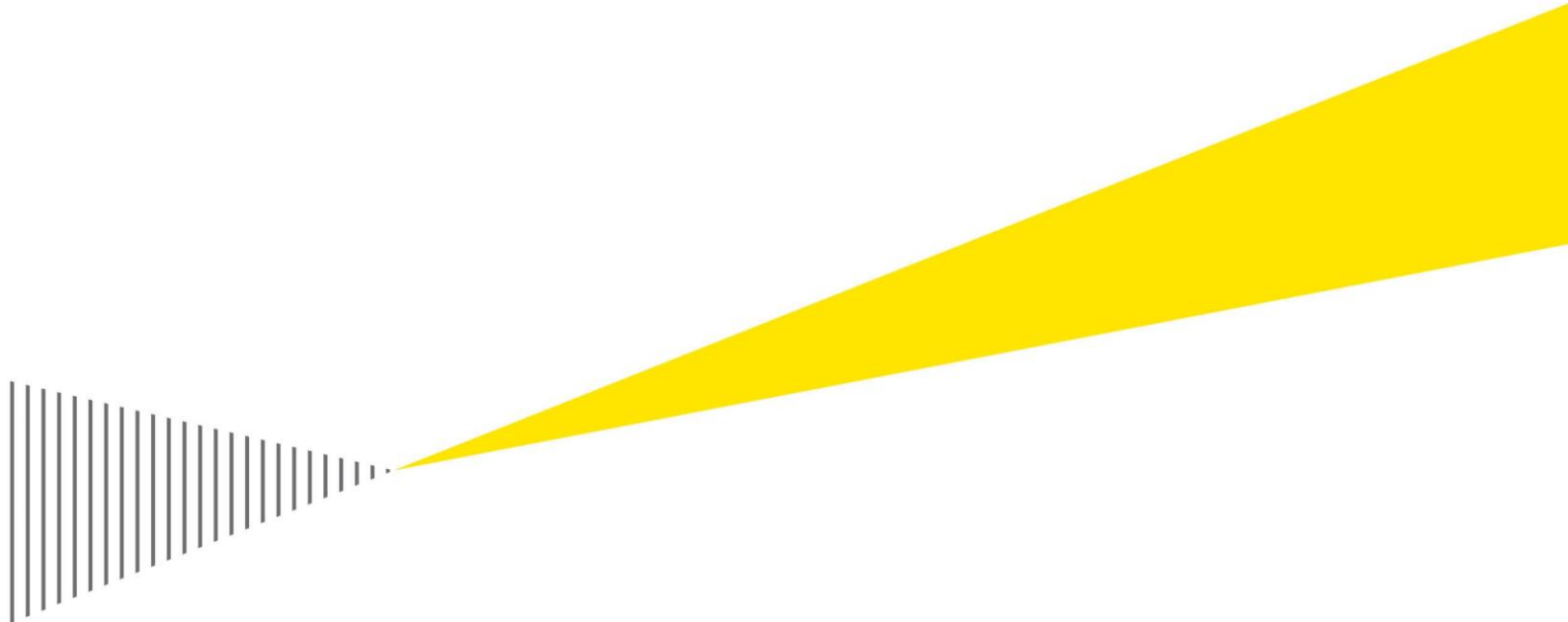


# Financial Statements

INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS S.A.

31 December 2018



Building a better  
working world

**Financial Statements for the Year ended at 31 December 2018***(Amounts expressed in Meticaís)*

Independent auditor's report.....	1-4
i. Management's responsibility for financial statements .....	5
Statement of comprehensive income .....	6
Statement of financial position.....	6
Statement of financial position.....	7
Statement of changes in equity .....	7
Statement of cash flows .....	9
ii. Notes to the balance sheet , profit and loss and cash flow .....	10
Notes to the financial statements .....	10
Note 2. Information by segments.....	10
Note 3. Accounting policies .....	10
Note 4. Nature of risks arising from insurance contracts and reinsurance assets .....	21
Note 5. Cash and cash equivalents.....	23
Note 6. Available-for-sale financial assets .....	23
Note 7. Loans and receivables.....	23
Note 8. Held to maturity financial assets .....	24
Note 9. Property, plant and equipment and intangible assets.....	24
Note 10. Technical provisions net of reinsurance .....	25
Note 11. Other receivables from insurance operations and other operations .....	27
Note 12. Deferred tax .....	27
Note 13. Income tax .....	28
Note 14. Other creditors, insurance operations and other operations .....	28
Note 15. Current tax liabilities.....	29
Note 16. Shareholder structure .....	29
Note 17. Premium insurance contracts .....	29
Note 18. Earned premiums net of reinsurance.....	30
Note 19. Claims cost, net of reinsurance .....	30
Note 20. Net operating costs .....	31
Note 21. Administrative costs .....	33
Note 22. Exchange differences .....	34
Note 23. Transactions with related parties .....	35
Note 24. Subsequent events .....	35

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of

**INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS S.A.**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of **INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS S.A.**, (the Company), which comprise the statement of financial position as at 31 December 2018 and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, its financial performance and its cash flows for the year then ended, in accordance with the General Acceptable Accounting Principles in force in Mozambique for the Insurance Sector – Diploma Ministerial no. 222/2010, of 17 December.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Mozambique, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter**

We draw your attention to Note 4 in the financial statements, which mentioned that, as at 31 December 2018, the assets held by the company to cover technical provisions according with Mozambican Insurance Supervisory Institute (ISSM) allocation requirements, was insufficient in the amount of 3,445,893 Meticaís. According to article 26º of Decree-Law 1/2010, of 31 December, in conjunction with article 46º of Decree 30/2011, of 11 August, the technical provisions must at any time be represented entirely by equivalent assets, tangible or intangible. As such, and according to article 70º of Decree 30/2011, the Board of Directors shall be required to present an adequate plan to solve the referred insufficiency assets within the period to be established by the regulatory authorities. It should be noted that being this matter a question of allocation of assets holdings according to the ISSM requirements, the company have as at that date cash assets available to be reinvested in the amount of 419.639,867 Meticaís.

Our opinion is not modified in respect of this matter.

#### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with the General Acceptable Accounting Principles in force in Mozambique for the Insurance Sector – Diploma Ministerial no. 222/2010, of 17 December, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

We communicated to the Board of Directors 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 provided the Board of Directors 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.

From the matters communicated to the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

The engagement partner on the audit resulting in this independent auditor's report is Eduardo Caldas.

**ERNST & YOUNG, LDA.**

*Certified Auditors Firm*

*Represented by:*



Eduardo Jorge Crejo da Costa Caldas (Certified Auditor nr. 33)

Maputo, 5 April 2019

---

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticais)***I. Management's Responsibility for Financial Statements**

The responsibility for preparing financial statements that give a true and fair view of the company's financial position, results of operations and cash flows in accordance with generally accepted accounting principles defined in the Chart of Accounts for entities empowered to carry the insurance and the rules issued by the ISSM – Instituto de Supervisão de Seguros de Moçambique, applied consistently, as well as the adoption of adequate accounting policies and criteria is the administration of ICE SEGUROS, S.A.

The annual financial statements were audited by independent auditors, Ernst & Young (Mozambique), which made available all accounting records of the company and its supporting documentation, as well as all contracts, agreements, reports and relevant correspondence.


The annual financial statements on pages 6-35 were prepared in accordance with Generally Accepted Accounting Principles, which are in accordance with the International Financial Reporting Standards. This has been consistently applied and supported by reasonable and prudent judgment and estimates. The principle of continuity of the transactions were taken into account in the preparation of these financial statements. Based on forecasts and available financial resources, the management does not have knowledge or any reason that could endanger the continuity of the company in the foreseeable future.

The management is also responsible for maintaining an internal, appropriate control system that prevents and detects any errors or irregularities.


**APPROVAL OF FINANCIAL STATEMENTS BY THE BOARD**

The financial statements set out on pages 6-35 were approved by the Board of directors on 5 April 2019, and signed by their representatives:

Robert Lewis

  
\_\_\_\_\_  
Director

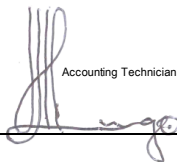
Edward Capel

  
\_\_\_\_\_  
Director

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

**STATEMENT OF COMPREHENSIVE INCOME**

STATEMENT OF COMPREHENSIVE INCOME	Notes	31.12.2018				31.12.2017
		Technical Account "Life"	Technical Account "non life"	Non Technical	Total	
Earned Premiums (Net of Reinsurance)	18	-	<b>41 082 773</b>	-	<b>41 082 773</b>	<b>113 621 662</b>
Gross Premium Income	17, 18	-	1 258 557 448	-	1 258 557 448	1 344 068 775
Outward Reinsurance Premiums	18	-	(1 227 538 635)	-	(1 227 538 635)	(1 253 592 611)
Unearned Premiums Reserve (Movement)		-	177 856 527	-	177 856 527	(181 108 684)
RI, Unearned Premiums Reserve (Movement)		-	(167 792 567)	-	(167 792 567)	204 254 182
Claim costs, net of reinsurance	19	-	<b>(13 535 409)</b>	-	<b>(13 535 409)</b>	<b>(26 977 818)</b>
Amounts paid						
Gross amounts	19	-	(321 953 788)	-	(321 953 788)	(144 119 637)
Reinsurers' share		-	279 209 305	-	279 209 305	86 314 077
Reserve for claims (Movement)						
Gross amounts	19	-	1 187 638 874	-	1 187 638 874	(357 410 755)
Reinsurers' share	19	-	(1 158 429 800)	-	(1 158 429 800)	388 238 497
Other Net Technical Reserves for Insurance	10	-	(4 127 536)	-	(4 127 536)	(6 495 091)
Net operating costs	20	-	<b>(98 227 074)</b>	-	<b>(98 227 074)</b>	<b>(70 572 817)</b>
Acquisition costs		-	(31 173 801)	-	(31 173 801)	(31 660 215)
Deferred acquisition costs (Movement)	20	-	1 942 325	-	1 942 325	(4 884 241)
Administrative costs	20,21	-	<b>(108 384 755)</b>	-	<b>(108 384 755)</b>	<b>(76 579 422)</b>
Staff costs		-	(34 198 482)	-	(34 198 482)	(31 519 260)
Supplies and services		-	(38 366 002)	-	(38 366 002)	(41 833 678)
Maintenance and Repairs		-	(937 072)	-	(937 072)	(1 070 227)
Management fee		-	(32 694 225)	-	(32 694 225)	-
Depreciation and amortization		-	(2 188 974)	-	(2 188 974)	(2 156 257)
Commissions and participation in reinsurance results	20	-	39 389 157	-	39 389 157	42 551 061
Financial income		-	<b>48 556 928</b>	-	<b>48 556 928</b>	<b>2 499 609</b>
Others		-	48 556 928	-	48 556 928	2 499 609
Financial costs		-	<b>(2 458 518)</b>	-	<b>(2 458 518)</b>	<b>(1 678 073)</b>
Others		-	(2 458 518)	-	(2 458 518)	(1 678 073)
Exchange differences	22	-	<b>26 139 801</b>	-	<b>26 139 801</b>	<b>(395 412)</b>
Gain		-	261 764 352	-	261 764 352	192 142 451
Loss		-	(235 624 551)	-	(235 624 551)	(192 537 863)
Other income / expense		-	(137 697)	-	(137 697)	44 549
<b>Profit/(loss) before tax</b>		-	<b>(2 706 732)</b>	-	<b>(2 706 732)</b>	<b>10 046 609</b>
Income Tax - Deferred tax	12	-	(8 836 692)	-	(8 836 692)	1 112 763
<b>NET INCOME FOR THE YEAR</b>		-	<b>(11 543 424)</b>	-	<b>(11 543 424)</b>	<b>11 159 372</b>

  
Accounting Technician

  
Board of Directors

These financial statements should be read together with the notes to the financial statements

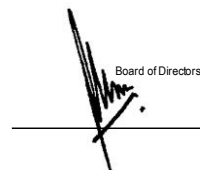


**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Metcais)

**STATEMENT OF FINANCIAL POSITION**

STATEMENT OF FINANCIAL POSITION	Notes	31-Dec-2018			31-Dec-2017
		Gross Amount	Depreciation and Amortization	Net Value	
<b>ASSETS</b>					
Cash and cash equivalents	5	177 279 406	-	177 279 406	179 550 076
Available-for-sale financial assets	6	14 648 600	-	14 648 600	12 000 000
Loans and receivables		<b>473 643 939</b>	-	<b>473 643 939</b>	<b>515 878 580</b>
Other deposits	7	473 643 939	-	473 643 939	515 878 580
Financial assets held-to-maturity	8	59 000 000	-	59 000 000	54 164 105
Other tangible assets	9	10 754 890	( 6 926 895)	3 827 995	4 263 857
Other Intangible Assets	9	730 563	( 684 907)	45 656	228 297
Technical provisions from ceded reinsurance		<b>287 284 418</b>	-	<b>287 284 418</b>	<b>761 205 272</b>
Unearned Premiums Reserve	10	218 896 728	-	218 896 728	392 203 545
Reserve for claims	10	68 387 690	-	68 387 690	369 001 727
Other receivables from insurance operations and other operations		<b>221 159 955</b>	-	<b>221 159 955</b>	<b>1 059 306 666</b>
Accounts receivable, Direct insurance operations	11	200 575 546	-	200 575 546	261 078 479
Accounts receivable, Other reinsurance operations	11	12 836 152	-	12 836 152	297 451 697
Accounts receivable, Other operations	11	7 748 257	-	7 748 257	500 776 490
Tax assets		<b>75 736 762</b>	-	<b>75 736 762</b>	<b>62 416 621</b>
Current tax assets		672 057	-	672 057	875 711
Deferred tax assets	12	75 064 705	-	75 064 705	61 540 910
Accruals and deferrals		7 973 314	-	7 973 314	4 326 887
<b>Total assets</b>		<b>1 328 211 847</b>	<b>( 7 611 802)</b>	<b>1 320 600 046</b>	<b>2 653 340 361</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITY</b>					
Technical reserves				<b>308 377 971</b>	<b>828 586 974</b>
Unearned premiums reserve	10			239 341 274	424 654 375
Reserve for claims	10			52 530 865	391 554 303
Workman's compensation and Occupational Diseases				17 509 902	17 509 902
Other products				35 020 963	374 044 401
Reserves for risks on going	10			16 505 832	12 378 296
Other Creditors, Insurance Operations and Other Operations				<b>395 950 558</b>	<b>1 184 647 290</b>
Payables for Insurance Operations	14			82 565 111	8 881 829
Payables for Other Reinsurance Operations	14			296 993 607	671 893 494
Payables for Other Operations	14			16 391 840	503 871 967
Tax Liabilities				100 692 055	112 983 210
Current Tax Liabilities	15			17 083 558	51 735 201
Deferred Tax Liabilities	12			83 608 497	61 248 009
<b>Total liabilities</b>				<b>805 020 584</b>	<b>2 126 217 474</b>
<b>EQUITY</b>					
Ordinary Share Capital	16			549 727 200	549 727 200
Other Reserves				2 231 874	-
Retained Income				( 24 836 188)	( 33 763 685)
Results for the year				( 11 543 424)	11 169 372
<b>Total Equity</b>				<b>515 579 462</b>	<b>527 122 887</b>
<b>Total Liabilities and Equity</b>				<b>1 320 600 046</b>	<b>2 653 340 361</b>

  
Accounting Technician


  
Board of Directors


These financial statements should be read together with the notes to the financial statements

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

**STATEMENT OF CHANGES IN EQUITY**

	Share capital	Other reserves			Results for the Year	Retained earnings	Total equity
		Legal reserves	Statutory reserves	Others			
Balance as at 1 January 2017	148 500 000	-	-	-	2 301 325	(36 065 011)	114 736 314
Profit distribution	-	-	-	-	(2 301 325)	2 301 325	-
IAS 8 - Accounting, Change in Accounting Estimates and error	401 227 200	-	-	-	-	-	401 227 200
Increase / capital reductions	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	11 159 372	-	11 159 372
Balance restated as at 31 December 2017	549 727 200	-	-	-	11 159 372	(33 763 686)	527 122 886
Profit distribution	-	2 231 874	-	-	(11 159 372)	8 927 498	-
IAS 8 - Accounting, Change in Accounting Estimates and error	-	-	-	-	-	-	-
Increase / capital reductions	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	(11 543 424)	-	(11 543 424)
Balance as at 31 December 2018	549 727 200	2 231 874	-	-	(11 543 424)	(24 836 188)	515 579 462

  
Accounting Technician

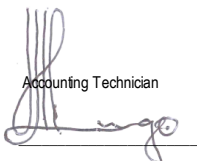
  
Board of Directors


*These financial statements should be read together with the notes to the financial statements*

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticais)

**STATEMENT OF CASH FLOWS**

	Notes	31.12.2018	31.12.2017
<b>Cash flow from operating activities</b>			
Net income for the year		( 11 543 424)	11 159 372
Depreciation and amortization	9	2 188 974	( 2 156 257)
Other assets		203 654	56 527 439
Accruals and deferrals		( 3 646 427)	( 13 397 050)
Variation in Technical Reserves			
Direct insurance and accepted reinsurance	10	( 346 902 186)	328 985 128
Of reinsurance ceded	10	300 614 037	( 369 001 727)
Increase / (Decrease) in debtors			
For direct insurance operations and reinsurance accepted	11	345 118 478	( 131 793 064)
For other operations	11	493 028 233	( 500 036 135)
Increase / (Decrease) in creditors			
For direct insurance operations and reinsurance accepted	14	( 301 216 605)	360 011 359
For other operations	14	( 487 480 127)	442 328 516
Other creditors	15	( 34 651 643)	47 562 941
Reversals of deferred tax	12	8 836 692	( 1 112 763)
<b>Net cash flow from operating activities</b>		<u>( 35 450 344)</u>	<u>229 077 759</u>
<b>Cash flow from investment activities</b>			
Maturity / Deposits at credit institutions	7	42 234 641	( 437 818 950)
Government and other public entities	8	( 4 835 895)	( 54 164 105)
Acquisition / reduction in fixed assets and intangible		( 1 570 471)	-
Acquisition of share's	6	( 2 648 600)	( 12 000 000)
<b>Net cash flow from investing activities</b>		<u>33 179 675</u>	<u>( 503 983 055)</u>
<b>Cash flow from financing activities</b>			
Capital increase	16	-	401 227 200
<b>Net cash flow from financing activities</b>		<u>-</u>	<u>401 227 200</u>
Net changes in cash and cash equivalents		( 2 270 669)	126 321 904
Cash and cash equivalents at beginning of period		179 550 076	53 228 172
<b>Cash and cash equivalents at end of period</b>	5	<u>177 279 406</u>	<u>179 550 076</u>

Accounting Technician  


Board of Directors  


*These financial statements should be read together with the notes to the financial statements*

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

## II. Notes to the Balance Sheet , Profit and Loss and Cash Flow

The notes to the accounts included in this report comply with the order established in the chart of accounts for insurance companies, and the numbers that are not shown, are not applicable, or their presentation was not considered relevant for the analysis of the financial situation of the Company.

### Notes to the financial statements

#### 1.1. Legal form of the insurer and the address of the registered office.

INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, SA is a limited company with headquarters at No. 141A, Rua José Craveirinha, Polana, Maputo, Mozambique incorporated on 31 January 2015. It started its activity on April 17 2015. The company operates throughout the national territory, performing Non-Life insurance permitted by legislation in force in the country.

#### 1.2. Business description.

The nature of the INTERNATIONAL COMMERCIAL & ENGINEERING ICE INSURANCE business, S.A., as mentioned in Note 1.1, is in of the area of non-life insurance. The total revenue of the Company during the financial year 2018 was 1.258.557.448 MT.

### Note 2. Information by Segments

The Company's activity is carried out in Mozambique exploring business products identified below:

	Non- Life	Workmen's Compensation	Personal Accidents	Fire	Molbr	Marine	Aviation	Goods in transit	Liability	Miscellaneous	Total
Gross premium earned		3 225 009	34 661 022	1 060 164 506	21 062 336	24 400 612	2 449 747	5 487 386	80 918 813	204 044 544	1 436 413 975
Cost of claims, net of reinsurance		( 2 605 792)	3 389 929	( 28 435 710)	2 285 442	354 932	-	2 656 900	1 766 533	7 052 357	( 13 535 409)
Other Net Technical Reserves for Insurance		( 2 694)	( 6 904 555)	2 712 911	-	106 371	( 39 569)	-	-	-	( 4 127 536)
Technical margin		616 523	31 146 396	1 034 441 707	23 347 778	24 861 915	2 410 178	8 144 286	82 685 346	211 096 901	1 418 751 030
Outward reinsurance premiums		( 180 005)	( 47 856 993)	( 1 085 805 946)	( 1 884 236)	( 22 907 236)	( 2 326 613)	( 708 077)	( 75 666 269)	( 157 995 826)	( 1 395 331 202)
Technical margin net of reinsurance		436 518	( 16 710 597)	( 51 364 239)	21 463 541	1 954 679	83 565	7 436 209	7 019 076	53 101 076	23 419 828
Acquisition cost		( 554 895)	( 220 133)	( 10 885 572)	( 1 804 224)	( 1 562 081)	32 928	( 885 215)	( 3 275 109)	( 10 077 175)	( 29 231 476)
Operational results		25 581	( 3 899 742)	( 57 367 456)	( 979 264)	( 353 990)	( 250 959)	( 307 720)	1 571 085	( 7 433 131)	( 68 995 597)
		<b>( 92 796)</b>	<b>( 20 830 472)</b>	<b>( 119 617 268)</b>	<b>18 680 053</b>	<b>38 608</b>	<b>( 134 466)</b>	<b>6 243 274</b>	<b>5 315 052</b>	<b>35 590 770</b>	<b>( 74 807 246)</b>

### Note 3. Accounting policies

#### Note 3.1. Basis of preparation and summary of significant accounting policies

These financial statements have been prepared in accordance with Diploma Ministerial n° 222/2010, dated 17 December and also in accordance with the rules governing the accounting of the operations of insurance companies, as established by ISSM.

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticaís)

**Note 3.2. Basis of measurement**

These financial statements have been prepared in accordance with the going concern principle and the historical-cost basis, except where specifically indicated.

These financial statements were presented to the Board of Directors for approval at 5 April 2019.

**Note 3.3. Functional and presentation currency**

The company's functional and presentation currency is Meticaís.

**Note 3.4. Significant accounting policies**

**a) Foreign currency translation**

Transactions in foreign currencies are translated to the functional currency of the company at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated in foreign currency at the exchange rate at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The table below presents the main exchange rates applied during the year

	31-Dec-2018		31-Dec-2017	
	Buy	Sell	Buy	Sell
United State Dollars (USD)	60,6000	61,8120	58.1000	59.2620
South Africa Rand (ZAR)	4,3113	4,2955	4.7083	4.8024
Euro (EUR)	69,2413	70,6161	69.4146	70.8028

**b) Accounting principles adopted in respect of insurance contracts**

Recognition of costs and income

Costs and income are recognised in the period to which they relate, regardless of the time of payment or receipt, according to the accrual basis. The acquisition costs correspond to the compensation paid to brokers by raising insurance contracts.

---

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticals)*

Premiums

Gross direct insurance, accepted reinsurance and ceded reinsurance premiums written are recorded respectively as income and costs during the year to which they refer, regardless of the moment of their receipt or payment. Administration fees charged to the policy holders are recognized when incurred.

The applicable treatment to the income from insurance contracts is also applied to the administration fees charged to policy holders, being recognized as income when incurred, regardless of the moment of their receipt.

Provisions for unearned premiums

The unearned premium reserve is based on the determination of premiums written before the end of the year that are in force after that date. This provision is designed to cover risks assumed and the resultant charges during the period between the end of the year and the maturity date of each insurance contract, using the Pro-rata temporis method. The provision carried in the Balance Sheet has been reduced by the deferred acquisition costs in the proportion of the premiums, up to a limit of 20% of the amount of the deferred premiums, for each business line.

Acquisition costs

Direct or indirect acquisition costs incurred during the financial period arising from the writing or renewing of insurance contracts, are deferred during the contracts life period. Deferred acquisition costs are subject to recovery tests at the date the insurance contract is issued and subject to impairment tests at each reporting date.

Deferred acquisition costs are amortized during the period in which the correspondent premiums are being earned. In accordance with Decree n° 30/2011, these costs can only be deferred up to a limit of 20% of unearned premiums.

Claims provision

The provision for claims corresponds to the present estimated cost to be borne by the Company to settle all accidents which occurred up to the year end, claimed or otherwise, following deduction of any amounts paid in respect of these claims.

Incurred but not reported claims provision

The provision for IBNR is calculated according to the legislation in practice. In accordance with the Decree n.º 30/2011 this provision must be determined for non-life insurance businesses as 5% of the costs on claims incurred and reported in the period and for life insurance business as 1% of the costs on claims reduced from the correspondent maturities, redemptions and annuities.

Technical provisions of ceded reinsurance

The unearned premium provision for ceded reinsurance is determined in accordance with the same criteria applied for direct businesses.

Reinsurance quota share in the claims provision is determined individually for each claim process, based on the conditions established in the reinsurance treaties.

---

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticais)*

Reserve for Claims Deviation

Provision for claims deviation is intended to cover exceptionally high claims rates in those lines of business which, by their nature, might represent significant losses. It is calculated on the basis of the specific rates established by the ISSM – Decree nº 30/2011.

Unexpired risk provision

The unexpired risk provision corresponds to the estimated amount to cover probable indemnities and costs to be borne following the year end in excess of the amount of unearned premiums, of enforceable premiums in respect of contracts in force and of those premiums to be renewed in January of the following year. This provision is being determined in accordance with the applicable law – Decree nº. 30/2011.

**c) Investments and other financial assets**

At the initial recognition, the classification of financial assets depends on the purpose for which these have been acquired and its characteristics, considering the following categories:

Available-for-sale financial assets

Financial assets available for sale are financial assets held with the intention to keep them indefinitely, or designated for sale at the moment of initial recognition.

Held to maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, not quoted on an active market.

Financial assets are initially recognised on the contract date at their fair value plus directly attributable transaction costs, except for financial assets at fair value through profit or loss, for which transaction costs are recognised immediately in the statement of comprehensive income.

Fair value is generally the amount by which an asset or liability is traded, between independent parties, both willing to enter in a transaction under normal business conditions. Fair value at initial recognition normally coincides with the transaction price.

The fair value is determined based on an active market prices or valuation methods in the absence of such an active market. A market is considered active if transactions occur on a regular basis.

---

**Financial Statements for the Year ended at 31 December 2018***(Amounts expressed in Meticais)*

INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. It is considered that a financial asset is impaired if, and only if, there is objective evidence of loss of value resulting from one or more events that occurred after the initial recognition of assets and provided that such events have an impact on estimated future cash flows of the financial assets. Evidence of impairment may include indications that the debtor or a group of borrowers are in financial difficulties, failure or delay in payment of principal or interest, the likelihood they will enter bankruptcy or financial reorganization and where information is available

indicating a decrease in the value of future cash flows.

**Initial recognition, measurement and derecognition**

Financial assets are initially recognised at fair value plus transaction costs, except the category of financial assets at fair value through profit or loss, for which transaction costs are recognised in income.

Derecognition of financial assets occurs when the contractual rights of the financial asset expire, this may result from the transfer of substantially all the risks and benefits associated with holding or although retaining some, but not substantially all the risks and rewards of ownership.

**Subsequent measurement**

Financial assets available for sale is valued at fair value with changes recognised in equity until derecognition. If an impairment loss is identified, at which time the cumulative loss is reclassified to the statement of comprehensive income.

For financial assets measured at fair value that are not possible to measure reliably the fair value, they are recognised at cost, with any impairment recognised in the statement of comprehensive income.

Assets held to maturity, and loans and receivables, after initial recognition, are measured at amortized cost using the effective interest rate method, less any impairment losses. Gains and losses are recognised in profit or loss on the cancellation of the recognition due to impairment, as well as due to the application of the effective interest rate method.

**d) Impairment of financial assets**

INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

**Assets carried at amortised cost**

If objective evidence that an impairment loss exists on assets carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognised in the statement of comprehensive income.



---

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticais)*

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income.

Financial assets carried at cost

If there is objective evidence that an impairment loss exists on an instrument for unquoted equity that is not recorded at fair value because its fair value cannot be reliably measured, or a derivative asset that is linked to, and should be settled by delivery of an instrument of such unquoted equity, the amount of impairment loss is measured as the difference between the carrying amount of financial asset and the present value of estimated future cash flows discounted at the rate of return for a current market similar financial asset. Such impairment losses shall not be reversed.

Available for sale financial instruments

If an available-for-sale asset is impaired, the amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of comprehensive income, is transferred from equity to profit or loss.

**e) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**f) Financial liabilities – initial recognition and measurement**

Loans and accounts payable

This category includes the financial liabilities.

**Initial recognition, measurement, and derecognition**

An instrument is classified as a financial liability when there is a contractual obligation of payment to be made by delivery of cash or another financial asset, regardless of their legal form.

---

**Financial Statements for the Year ended at 31 December 2018***(Amounts expressed in Meticais)*

Financial liabilities are initially recognised at fair value plus transaction costs, except in the case of financial liabilities at fair value through profit or loss, where transaction costs are recognised in profit and losses.

Derecognition of the financial liability occurs when the contractual obligations of financial liabilities expire.

When a financial liability is replaced by another from the same lender on substantially different conditions, or the terms of the existing liability are substantially different, the exchange or modification is treated as a cancellation of the original liability and recognition of a new liability is recognised, and the difference between values is recorded in statement of comprehensive income.

**Subsequent measurement**

After initial recognition, financial liabilities at fair value through profit or loss are recognised at fair value with changes therein recognised in profit and losses.

Loans and accounts payable, after initial recognition are measured at amortized cost using the method of effective interest rate. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method application.

**g) Reinsurance**

INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., cedes insurance risk in the normal course of business for all of its businesses.

Reinsurance assets / liabilities represent balances due from / to reinsurance companies. Amounts recoverable / payable from / to reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

**h) Equity Instruments**

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to issue of ordinary shares and share options are recognized as a deduction from equity.

**i) Insurance receivables**

Insurance receivables are recognised when due and measured on initial recognition at fair value of the consideration received or receivable. After initial recognition, insurance receivables are measured at amortised cost, using the effective interest rate method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of comprehensive income.

Insurance receivables are derecognised when the derecognition criteria for financial assets are met.

**j) Cash and cash equivalents**

For the presentation of the Statement of cash flows, INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., considers Cash and cash equivalents as cash at bank and in hand and short-term deposits with an original maturity of three months or less in the statement of financial position.

**k) Non-technical provisions**

Provisions are recognized when the Company has a present legal or constructive obligation of uncertain timing or amount as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Provisions are measured as the present value of management's best estimate of the expenditure required to settle the obligation at the reporting date.

**l) Property, Plant and Equipment**

Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation.

The Subsequent costs are recognized as a separate asset only if it is probable that future economic benefits for the Company.

The subsequent costs are recognized as a separate asset only if it is probable that future economic benefits for the Company. Maintenance costs and repair and other expenses associated with their use are recognized in the period in which they are incurred.

A Property, Plant and Equipment item is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss resulting from the cancellation of the recognition of the asset (calculated as the difference between income from the sale and the carrying amount of the asset) is recognized in income in the period of its implementation.

The Company regularly performs life adequacy analysis estimated of its Property, Plant and Equipment. Changes in the expected useful life of assets are recorded by modifying the period or method of depreciation, as appropriate, and treated as changes in accounting estimates. Costs are recognized as a separate asset only if it is probable that future economic benefits for the Company.

Depreciation is calculated on a straight line basis according to the following periods, which do not differ substantially from the estimated useful life:

<b>Description</b>	<b>Number of years</b>
Property , Plant and Equipment	10
Fixtures and fittings	10
Machines and tools	4
Computer equipment	4
Indoor installations	10
Communication equipment	10
Transportation equipment	5
Air conditioners	10

**m) Intangible assets**

Intangible assets include the cost of purchasing the software. Intangible assets are recorded at their net value and are amortized over a period of three years.

**n) Impairment of non-financial assets**

The Company assesses at each reporting date, or more frequently if exists any indicator that the asset may be impaired, whether there is an indication that an asset has been impaired. If any such indication exists, or when annual impairment testing for an asset is required, INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., makes an estimate of recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

For investments in equity instruments not quoted in an active market, fair value is through the use of valuation models based observable market data, otherwise it is stated at cost.

INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS, S.A., performs impairment testing whenever events or circumstances indicate that the carrying amount exceeds the recoverable amount, the difference, if registered is recognized in results.

The recoverable amount is determined as the higher of net selling price and its value in use, which is calculated based on the present value of estimated future cash flows expected to be obtained from continued use of the asset and its disposal at the end of its useful life.

**o) Taxes***Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax is based on the taxable income for the period, which can vary from profit and loss expressed in the statement of comprehensive income, due to adjustments in the taxable amount from profit and losses not relevant for tax purposes or that are considered in other fiscal years, in accordance with the applicable law.

---

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticais)*

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income.

**Note 3.5. Significant accounting judgments, estimates and assumptions**

The preparation of INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS S.A.'s, financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

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

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The ultimate liability arising from claims made under insurance contracts

There are some sources of uncertainty that need to be considered in the estimate of the liability that INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS S.A., will ultimately pay for such claims.

The uncertainty arising under insurance contracts may be characterised under a number of specific headings, such as:

- (i) Uncertainty as to whether an event has occurred which would give rise to an insured loss;
- (ii) Uncertainty as to the amount of insured loss suffered by a policyholder as a result of the event occurring;
- (iii) Uncertainty as to the ultimate loss on events that have been reported and reserved for; and
- (iv) Uncertainty due to future exposure to which the company has already been committed.

---

**Financial Statements for the Year ended at 31 December 2018**

*(Amounts expressed in Meticais)*

The degree of uncertainty will vary by policy class according to the characteristics of the insured risks and the cost of a claim will be determined by the actual loss suffered by the policyholder.

The establishment of insurance liabilities is an inherently uncertain process and, as a consequence of the uncertainty, the eventual cost of settlement of outstanding claims and unexpired risks can vary substantially from the initial estimates, particularly for long tail lines of business. The Company makes estimates and assumptions to provide appropriate levels of claims provision and provision for unexpired risks. Estimates and judgments are adjusted quarterly as changes in facts and experiences are identified.

Initial estimates are calculated based on the best estimate in respect of reported claims and claim development patterns. The Company makes estimates for IBNR and incurred but not enough reported (IBNER) claims.

Provisions

Various assumptions are applied in arriving at the carrying value of provisions that are recognised in terms of the requirements of IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Impairment of available for sale investments

The Company determines that there is impairment of its available-for-sale assets where there is an ongoing or significant devaluation of their fair value. The definition of ongoing or significant devaluation requires judgment from the management.

Income tax

Income tax (current and deferred) is determined by INTERNATIONAL COMMERCIAL & ENGINEERING ICE SEGUROS S.A., based on the tax legislation. However, in some situations, tax legislation is not sufficiently clear and objective and may lead to different interpretations. In these cases, the figures recorded are a result of the best understanding by Management, which may be questioned by tax authorities.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

**Note 3.6. Changes in accounting policies, estimates and errors**

There have been no changes in accounting policies.

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticaís)

**Note 4. Nature of risks arising from insurance contracts and reinsurance assets**
**4.1. Presentation of information to identify and explain the amounts in the financial statements arising from insurance contracts including, namely:**

a) Information related to accounting policies for insurance companies contracts, assets, liabilities, related income and costs

The accounting policies adopted follow the principles described in Note 3 of this report.

b) Reconciliations of changes in liabilities arising from insurance contracts, assets arising from reinsurance contracts and deferred acquisition costs, including:

(i) With respect to the provision for claims: Breakdown of costs of claims.

**BREAKDOWN OF COSTS OF CLAIMS**

Products	31.12.2018		
	Amounts paid	Reserves for claims	Cost of claims
	1	2	(3)=(1)+(2)
Direct Insurance			
Workmen's Compensation	( 2 677 399)	348 945	( 2 328 454)
Personal Accidents	( 60 561)	661 437 689	661 377 128
Fire	( 305 855 962)	170 502 818	( 135 353 144)
Motor	( 7 394 208)	12 386 248	4 992 040
Marine	( 1 153 151)	26 293 325	25 140 174
Aviation	-	3 269 955	3 269 955
Goods in transit	( 2 260 753)	4 306 771	2 046 018
Liability	( 351 737)	74 215 750	73 864 013
Miscellaneous	( 2 200 016)	234 877 374	232 677 358
<b>Total</b>	<b>( 321 953 787)</b>	<b>1 187 638 875</b>	<b>865 685 088</b>

Products	31.12.2017		
	Amounts paid	Reserves for claims	Cost of claims
	1	2	(3)=(1)+(2)
Direct Insurance			
Workmen's Compensation	( 2 398 035)	( 20 108 689)	( 22 506 724)
Personal Accidents	-	-	-
Fire	( 87 974 307)	( 309 541 201)	( 397 515 508)
Motor	( 32 375 092)	( 16 413 437)	( 48 788 529)
Marine	( 9 859 202)	( 1 052 094)	( 10 911 296)
Aviation	-	-	-
Goods in transit	( 652 057)	( 4 245 898)	( 4 897 955)
Liability	( 307 041)	1 406 737	1 099 696
Miscellaneous	( 10 553 902)	( 7 456 174)	( 18 010 076)
<b>Total</b>	<b>( 144 119 636)</b>	<b>( 357 410 756)</b>	<b>( 501 530 392)</b>

c) Solvency margin

According to article 53º of Decree 30/2011, of 11 August, the insurance companies must have permanently an adequate available solvency margin in respect of its entire business, being that the available solvency margin shall corresponds to their assets free of any foreseeable liabilities, minus intangible assets.

---

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticais)*

For the purpose of determining the available solvency margin with respect to all “Non-Life” sectors, according with article 56° of the same Decree, the assets may include:

- Paid up share capital or, in mutual insurance, guarantee capital raised;
- Half of the unrealised share capital or half of the unrealised guarantee capital, provided that the part paid will be at least 50% of the share capital or guarantee capital referred to;
- The gross premium income, revaluation reserves and any other reserves, legal and free, not encumbered by any commitment; and
- Balance of gains and losses, minus any distributions.

According with bullet c) above, the amounts of premiums to be considered to determine the available solvency margin should be gross and not net of Ceded Insurance Premiums.

However, to the above-mentioned items shall be deducted the amounts of:

- Own shares held by the insurer;
- Intangible assets;
- Losses not accounted for in the revaluation reserve that are not exceptional and result from the evaluation of assets;
- Foreseeable liabilities considered by ISSM not to be appropriately reflected in the accounts of the insurer.

The solvency margin required for “Non-Life” insurance sectors is calculated on the basis of the annual amount of premiums (gross direct insurance and accepted reinsurance premiums issued) or of the average annual cost of claims (in direct insurance and accepted reinsurance) in the last 3 financial years and its value shall be equal to or exceed the results obtained by applying the annual amount of gross premiums income method and the average cost of claims from the last 3 financial years method, both calculated under the dispositions of article 57°.

Accordingly, based on ISSM requirements, the solvency margin calculation are based on gross direct insurance and accepted reinsurance premiums issued or of the average annual cost of claims, also for direct insurance and accepted reinsurance.

d) Technical provision representation

According to article 26° of Decree-Law 1/2010, of 31 December, in conjunction with article 46° of Decree 30/2011, of 11 August, the technical provisions must at any time be represented entirely by equivalent assets, tangible or intangible. However, in situations of insufficiency of assets according to article 70° of Decree 30/2011, the management shall be required to present an adequate plan to solve the referred insufficiency assets within the period to be established by the regulatory authorities.

As at 31 December 2018, the assets held by the company to cover technical provisions according with Mozambican Insurance Supervisory Institute (ISSM) allocation requirements, was insufficient in the amount of 3,445,893 Meticais. However, the company have as at that date assets available to be reinvested in the amount of 419,639,867 Meticais.

The nature of the assets representing the technical provisions and the respective percentage limits, depending on the overall value of those provisions, are described in article 48° of Decree 30/2011, of 11 August. The provisions mentioned above, according to the model



**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

issued by the regulatory authorities for representation calculation purposes are Gross, i.e., are not net of reinsurance recoveries on provisions.

### Note 5. Cash and cash equivalents

The balances of cash and cash equivalents are analysed as follows:

	31 Dec-2018	31 Dec-2017
Cash	-	59 003
Bank deposits	177 279 406	179 491 073
	<b>177 279 406</b>	<b>179 550 076</b>

### Note 6. Available-for-sale financial assets

Available for sale financial assets is detailed as follows:

Fair value	% of share capital	31-Dec-2018
Cervejas de Moçambique, S.A - CDM	0,0601%	14 648 600
		<b>14 648 600</b>

### Note 7. Loans and receivables

This caption refers mostly to fixed deposits held at year end.

Fixed deposits by currency are as follows:

	31-Dec-2018	31-Dec-2017
Short term deposit in MZN	800 000	93 374 564
Short term deposit in USD	472 843 939	422 504 016
	<b>473 643 939</b>	<b>515 878 580</b>

Bank Name	Currency	Interest rate	Beginning date	Maturity date	31-Dec-2018	31-Dec-2017
Standard Bank	MZN	11,75%	12/mar/18	12/mar/19	100 000	25 000 000
Standard Bank	MZN	11,75%	12/mar/18	12/mar/19	500 000	-
Standard Bank	MZN	2,00%	26/dez/18	26/dez/19	200 000	-
FNB Moçambique	MZN	19,50%	15/dez/17	29/jan/18	-	25 000 000
FNB Moçambique	MZN	18,00%	28/nov/17	13/nov/18	-	1 950 000
FNB Moçambique	USD	2,65%	03/dez/18	01/fev/19	3 036 000	-
Société Generale Moçambique - SGM	USD	1,32%	03/dez/18	01/fev/19	500 985	-
Banco Unico	USD	4,50%	31/dez/18	31/mar/19	2 384 500	-
FNB Moçambique	USD	1,75%	03/dez/18	01/fev/19	1 303 362	1 300 000
Société Generale Moçambique - SGM	USD	1,32%	03/dez/18	01/fev/19	500 604	500 000
Standard Bank	USD	0,45%	28/dez/17	12/jan/18	-	5 400 000
Société Generale Moçambique - SGM	MZN	19,80%	18/nov/17	16/fev/18	-	20 000 000
Société Generale Moçambique - SGM	MZN	2,90%	30/dez/17	29/jan/18	-	6 424 564
Banc African Banking Corporation - ABC	MZN	22,00%	28/dez/17	12/fev/18	-	15 000 000

**Financial Statements for the Year ended at 31 December 2018**  
 (Amounts expressed in Meticaís)

**Note 8. Held to maturity financial assets**

Held to maturity financial assets is analysed as follows:

	<b>31-Dec-2018</b>
Treasury bills	59 000 000
	<b>59 000 000</b>

<b>Bank Name</b>	<b>Currency</b>	<b>Interest rate</b>	<b>Beginning date</b>	<b>Maturity date</b>	<b>31-Dec-2018</b>
Mozambique Central Bank	MZN	19,25%	18/12/2018	19/05/2019	12 000 000
Mozambique Central Bank	MZN	23,00%	27/06/2018	26/06/2019	47 000 000
					<b>59 000 000</b>

**Note 9. Property, plant and equipment and Intangible assets**

During the year, the movement in property, plant and equipment is analysed as follows:

	<b>01-Jan-2018</b>	<b>Additions</b>	<b>Transfers and write-offs</b>	<b>31-Dec-2018</b>
<b>Acquisition cost</b>				
Office equipment	2 054 302	-	-	2 054 302
Computer equipment	5 708 519	1 570 471	-	7 278 990
Transport equipment	1 421 598	-	-	1 421 598
	<b>9 184 419</b>	<b>1 570 471</b>	<b>-</b>	<b>10 754 890</b>
	<b>01-Jan-2018</b>	<b>Depreciation charge for the year</b>	<b>Transfers and write-offs</b>	<b>31-Dec-2018</b>
<b>Accumulated depreciations</b>				
Office equipment	545 525	199 918	-	745 443
Computer equipment	3 900 317	1 451 015	-	5 351 332
Transport equipment	474 720	355 400	-	830 120
	<b>4 920 562</b>	<b>2 006 333</b>	<b>-</b>	<b>6 926 895</b>
<b>Net book value</b>	<b>4 263 857</b>			<b>3 827 995</b>
	<b>01-Jan-2017</b>	<b>Additions</b>	<b>Transfers and write-offs</b>	<b>31-Dec-2017</b>
<b>Acquisition cost</b>				
Office equipment	2 054 302	-	-	2 054 302
Computer equipment	5 708 519	-	-	5 708 519
Transport equipment	1 421 598	-	-	1 421 598
	<b>9 184 419</b>	<b>-</b>	<b>-</b>	<b>9 184 419</b>
	<b>01-Jan-2017</b>	<b>Depreciation charge for the year</b>	<b>Transfers and write-offs</b>	<b>31-Dec-2017</b>
<b>Accumulated depreciations</b>				
Office equipment	345 607	199 918	-	545 525
Computer equipment	2 482 020	1 418 297	-	3 900 317
Transport equipment	119 320	355 400	-	474 720
	<b>2 946 947</b>	<b>1 973 615</b>	<b>-</b>	<b>4 920 562</b>
<b>Net book value</b>	<b>6 237 472</b>			<b>4 263 857</b>

**Financial Statements for the Year ended at 31 December 2018**  
 (Amounts expressed in Meticaís)

During the period, the movement on intangible assets presents as follows:

	01-Jan-2018	Additions	31-Dec-2018
<b>Acquisition cost</b>			
Software	730 563	-	730 563
	<b>730 563</b>	<b>-</b>	<b>730 563</b>
	<b>01-Jan-2018</b>	<b>Depreciation charge for the year</b>	<b>31-Dec-2018</b>
<b>Accumulated depreciations</b>			
Software	502 266	182 641	684 907
	<b>502 266</b>	<b>182 641</b>	<b>684 907</b>
<b>Net book value</b>	<b>228 297</b>		<b>45 656</b>

	01-Jan-2017	Additions	31-Dec-2017
<b>Acquisition cost</b>			
Software	730 563	-	730 563
	<b>730 563</b>	<b>-</b>	<b>730 563</b>
	<b>01-Jan-2017</b>	<b>Depreciation charge for the year</b>	<b>31-Dec-2017</b>
<b>Accumulated depreciations</b>			
Software	319 624	182 642	502 266
	<b>319 624</b>	<b>182 642</b>	<b>502 266</b>
<b>Net book value</b>	<b>410 939</b>		<b>228 297</b>

**Note 10. Technical provisions net of reinsurance**

Technical provisions net of reinsurance are detailed as follows:

	31-Dec-2018			31-Dec-2017		
	Direct insurance	Reinsurer's share	Net	Direct insurance	Reinsurer's share	Net
Unearned premium reserve (movement)	(239 341 274)	218 896 728	(20 444 546)	(424 654 375)	392 203 545	(32 450 830)
Reserve for claim (Movement)	(52 530 865)	68 387 690	15 856 825	(391 554 303)	369 001 727	(22 552 576)
Life insurance	-	-	-	-	-	-
Workman's compensation and occupational diseases	(17 509 902)	(277 337)	(17 787 239)	(17 509 902)	7 722 867	(9 787 035)
Other classes	(35 020 963)	68 665 027	33 644 064	(374 044 401)	361 278 860	(12 765 541)
Reserve for profit shares	-	-	-	-	-	-
Claims deviation reserve	-	-	-	-	-	-
Unexpired risk provision	(16 503 138)	-	(16 503 138)	(12 378 296)	-	(12 378 296)
	<b>(308 375 277)</b>	<b>287 284 418</b>	<b>(21 090 859)</b>	<b>(828 586 974)</b>	<b>761 205 272</b>	<b>(67 381 702)</b>

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Metcais)*
**Unearned premium reserve (movement)**

	31-Dec-2018			31-Dec-2017		
	Direct insurance	Reinsurer's share	Net	Direct insurance	Reinsurer's share	Net
Workmen's Compensation	( 80 280)	77 866	( 2 414)	( 2 480 405)	-	( 2 480 405)
Personal Accidents	( 18 384 335)	4 154 523	( 14 229 812)	( 5 097 470)	4 798 445	( 299 025)
Fire	( 146 386 524)	135 787 433	( 10 599 091)	( 344 919 070)	332 322 792	( 12 596 278)
Motor	( 1 704 479)	765 860	( 938 619)	( 7 904 335)	2 566	( 7 901 769)
Marine	( 6 194 016)	5 833 670	( 360 346)	( 2 549 882)	2 056 670	( 493 212)
Aviation	( 1 526 778)	1 415 252	( 111 526)	( 329 281)	296 353	( 32 928)
Goods in transit	( 823 284)	22 140	( 801 144)	( 1 149 608)	127 872	( 1 021 736)
Liability	( 26 100 071)	22 960 688	( 3 139 383)	( 28 230 828)	25 226 882	( 3 003 946)
Miscellaneous	( 38 141 507)	47 879 296	9 737 789	( 31 993 496)	27 371 965	( 4 621 531)
	<b>( 239 341 274)</b>	<b>218 896 728</b>	<b>( 20 444 546)</b>	<b>( 424 654 375)</b>	<b>392 203 545</b>	<b>( 32 450 830)</b>

**Reserve for claim (Movement)**

	31-Dec-2018			31-Dec-2017		
	Direct insurance	Reinsurer's share	Net	Direct insurance	Reinsurer's share	Net
Workmen's Compensation	( 17 509 902)	-	( 17 509 902)	( 17 538 487)	7 722 867	( 9 815 620)
Personal Accidents	( 2 714 332)	3 360	( 2 710 972)	-	-	-
Fire	( 21 214 326)	57 992 272	36 777 946	( 334 398 922)	329 203 229	( 5 195 693)
Motor	( 6 782 546)	-	( 6 782 546)	( 23 576 718)	17 146 789	( 6 429 929)
Marine	( 1 095 191)	7 480 625	6 385 434	( 2 434 348)	2 250 534	( 183 814)
Aviation	-	-	-	-	-	-
Goods in transit	-	-	-	( 4 162 177)	3 948 602	( 213 575)
Liability	( 951 032)	1 300 749	349 717	( 1 681 075)	1 674 302	( 6 773)
Miscellaneous	( 2 263 536)	1 610 685	( 652 851)	( 7 762 577)	7 055 405	( 707 172)
	<b>( 52 530 865)</b>	<b>68 387 690</b>	<b>15 856 825</b>	<b>( 391 554 304)</b>	<b>369 001 728</b>	<b>( 22 552 576)</b>

**Reserves for risk ongoing**

	31-Dec-2018			31-Dec-2017		
	Direct insurance	Reinsurer's share	Net	Direct insurance	Reinsurer's share	Net
Personal Accidents	( 7 174 179)	-	( 7 174 179)	( 269 624)	-	( 269 624)
Fire	( 9 289 390)	-	( 9 289 390)	( 12 002 301)	-	( 12 002 301)
Marine	-	-	-	( 106 371)	-	( 106 371)
Aviation	( 39 569)	-	( 39 569)	-	-	-
	<b>( 16 503 138)</b>	<b>-</b>	<b>( 16 503 138)</b>	<b>( 12 378 296)</b>	<b>-</b>	<b>( 12 378 296)</b>

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

**Note 11. Other receivables from insurance operations and other operations**

The other receivables from insurance operations and other operations, presents as follows:

	<u>31-Dec-2018</u>	<u>31-Dec-2017</u>
Accounts receivable from direct insurance transactions		
Direct clients	68 886 710	59 520 559
Brokers	131 688 837	201 557 920
	<u>200 575 546</u>	<u>261 078 479</u>
Accounts receivable other reinsurance transactions		
Other reinsures	12 836 152	297 451 697
Accounts receivable from other transactions	7 748 257	500 776 490
Bank clearing accounts	-	499 084 892
Other debtors	7 748 257	1 691 598
	<u>20 584 409</u>	<u>798 228 187</u>
	<u>221 159 955</u>	<u>1 059 288 666</u>

**Note 12. Deferred tax**

Deferred tax at year ended 31 December 2018 is as follows:

	<u>01-Jan-2018</u>	<u>Profit and loss</u>		<u>31-Dec-2018</u>
		<u>Losses</u>	<u>Profit</u>	
<b>Deferred tax assets</b>				
Unrealized FX losses	17 647 204	( 17 647 204)	75 064 705	75 064 705
	<u>17 647 204</u>	<u>( 17 647 204)</u>	<u>75 064 705</u>	<u>75 064 705</u>
<b>Deferred tax liabilities</b>				
Unrealized FX gains	16 827 342	83 608 497	( 16 827 342)	83 608 497
	<u>16 827 342</u>	<u>83 608 497</u>	<u>( 16 827 342)</u>	<u>83 608 497</u>
		<u>( 8 309 731)</u>		

As at 31 December 2017, deferred tax is as follows:

	<u>1-Jan-2017</u>	<u>Profit and loss</u>		<u>31-Dec-2017</u>
		<u>Losses</u>	<u>Profit</u>	
<b>Deferred tax assets</b>				
Unrealized FX losses	17 647 204	( 17 647 204)	61 540 910	61 540 910
	<u>17 647 204</u>	<u>( 17 647 204)</u>	<u>61 540 910</u>	<u>61 540 910</u>
<b>Deferred tax liabilities</b>				
Unrealized FX gains	16 827 342	61 248 009	( 16 827 342)	61 248 009
	<u>16 827 342</u>	<u>61 248 009</u>	<u>( 16 827 342)</u>	<u>61 248 009</u>
		<u>1 112 763</u>		

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticaís)

**Note 13. Income Tax**

Income tax at year ended 31 December 2018 is as follows:

	<u>31-Dec-2018</u>	<u>31-Dec-2017</u>
Income before tax	( 11 543 424)	11 159 372
A - Additions:		
Tax penalties	-	67 427
50% Allowances	-	-
80% Representative expenses	495 092	1 280 033
50% vehicles	209 687	168 978
Donations non deductible for tax purposes	133 525	19 500
Non deductible depreciations	-	140 000
Write-offs	-	2 938 858
Capital losses	-	-
Unrealised exchange differences	26 569 093	192 315 345
Deffered tax	-	-
Total	<b>15 863 973</b>	<b>208 089 513</b>
B - Deductions:		
Unrealised exchange differences	-	( 179 078 144)
Deffered tax	8 836 692	( 1 112 763)
Total	<b>8 836 692</b>	<b>( 180 190 908)</b>
Tax able income	<b>24 700 665</b>	<b>27 898 605</b>
Tax losses brought forward	( 33 651 059)	( 33 651 059)
Income tax	<u><u>-</u></u>	<u><u>-</u></u>

**Note 14. Other creditors, insurance operations and other operations**

The other creditors, insurance operations and other operations are detailed as follows:

	<u>31-Dec-2018</u>	<u>31-Dec-2017</u>
Payables for insurance transactions		
Brokers	6 004 469	8 881 829
Letsego	76 560 641	
	<u><b>82 565 110</b></u>	<u><b>8 881 829</b></u>
Payables for other Reinsurance Transactions		
Other reinsures	296 993 607	671 893 494
Payables for other transactions	16 391 840	503 871 967
Bank clearing accounts	<b>12 735 652</b>	<b>496 660 946</b>
Other creditors	<b>3 656 188</b>	<b>7 211 021</b>
	<u><b>313 385 447</b></u>	<u><b>1 175 765 461</b></u>
	<u><b>395 950 557</b></u>	<u><b>1 184 647 290</b></u>

**Financial Statements for the Year ended at 31 December 2018**  
*(Amounts expressed in Meticaís)*
**Note 15. Current tax liabilities**

Current tax liabilities are detailed as follows:

	31-Dec-2018	31-Dec-2017
Current tax liabilities		
Stamp duty	15 513 231	50 158 532
Surtax	991 275	578 071
IRPS	22 613	495 872
INSS Tax	145 483	155 726
Other Taxes	410 957	347 000
	<b>17 083 559</b>	<b>51 735 201</b>

**Note 16. Shareholder structure**

	31-Dec-2018			31-Dec-2017		
	Number of Shares	Percentage	Capital amount	Number of Shares	Percentage	Capital amount
ICE Insurance Holdings LTD	2 290 528	99,9999%	549 726 720	2 290 528	99,9999%	549 726 720
Robert William Allan Lewis	1	0,0000%	240	1	0,0000%	240
Edward James Capel	1	0,0000%	240	1	0,0000%	240
	<b>2 290 530</b>	<b>100%</b>	<b>549 727 200</b>	<b>2 290 530</b>	<b>100%</b>	<b>549 727 200</b>

**Note 17. Premium insurance contracts**

17.1. Indication of premiums recognised arising from insurance contracts.

Direct insurance premiums written during 2018 total 1,258,557,448 Meticaís and are, in their entirety, from contracts in the country.

17.2. Breakdown of figures for the classes of insurance "non-life" by product.

	31.12.2018				
	Gross written premiums	Gross premiums earned	Gross claims cost	Acquisition cost	Reinsurer's balance
Workmen's Compensation	347 044	3 225 009	348 945	( 57 588)	( 401 874)
Personal Accidents	47 932 312	34 661 022	661 437 689	( 220 730)	( 664 420 700)
Fire	868 226 590	1 060 164 506	170 502 818	( 14 157 638)	( 1 226 901 399)
Motor	14 109 944	21 062 336	12 386 248	( 937 175)	( 4 354 975)
Marine	28 175 883	24 400 612	26 293 325	( 1 531 883)	( 47 024 080)
Aviation	3 647 242	2 449 747	3 269 955	-	( 5 533 432)
Goods in transit	5 075 810	5 487 386	4 306 771	( 826 398)	( 1 107 768)
Liability	79 400 861	80 918 813	74 215 750	( 3 617 013)	( 139 628 172)
Miscellaneous	211 641 762	204 044 544	234 877 374	( 9 825 376)	( 424 999 445)
	<b>1 258 557 448</b>	<b>1 436 413 975</b>	<b>1 187 638 874</b>	<b>( 31 173 801)</b>	<b>( 2 514 371 845)</b>
	31.12.2017				
	Gross written premiums	Gross premiums earned	Gross claims cost	Acquisition cost	Reinsurer's balance
Workmen's Compensation	15 102 911	17 903 060	( 22 506 724)	( 2 594 475)	( 7 841 180)
Personal Accidents	16 359 494	11 229 102	-	( 328 753)	9 740 938
Fire	1 012 831 551	792 409 724	( 397 515 508)	( 12 300 647)	361 603 014
Motor	42 611 189	51 597 038	( 48 788 529)	( 4 453 975)	( 37 390 908)
Marine	17 237 201	18 253 786	( 10 911 296)	( 1 112 921)	5 991 419
Aviation	( 290 919)	270 657	-	-	( 500 565)
Goods in transit	5 791 988	8 179 321	( 4 897 955)	( 983 106)	( 5 908 520)
Liability	83 754 529	103 337 231	1 099 696	( 2 418 308)	88 174 640
Miscellaneous	150 670 831	159 780 172	( 18 010 076)	( 7 468 030)	118 365 957
	<b>1 344 068 775</b>	<b>1 162 960 091</b>	<b>( 501 530 392)</b>	<b>( 31 660 215)</b>	<b>532 234 795</b>

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

**Note 18. Earned premiums net of reinsurance**

The earned premiums net of reinsurance and the breakdown of its lines in 2018, are detailed as follows:

	31.12.2018	31.12.2017
Gross premium income	1 258 557 448	1 344 068 775
Outward reinsurance premiums	(1 227 538 635)	(1 253 592 611)
Net premiums	<b>31 018 813</b>	<b>90 476 164</b>
Unearned premiums reserve (Movement)	177 856 527	( 181 108 684)
RI, Unearned premiums reserve (Movement)	( 167 792 567)	204 254 182
Net earned premiums of reinsurance	<b>41 082 773</b>	<b>113 621 662</b>

	31.12.2018			31.12.2017		
	Gross premiums income	Outward reinsurance premiums	Net	Gross premiums income	Outward reinsurance premiums	Net
Workmen's Compensation	347 044	( 277 337)	69 707	15 102 911	-	15 102 911
Personal Accidents	47 932 312	( 47 196 900)	735 412	16 359 494	( 14 770 247)	1 589 247
Fire	868 226 590	( 882 926 634)	( 14 700 044)	1 012 831 551	( 1 014 679 203)	( 1 847 652)
Moblr	14 109 944	( 2 762 045)	11 347 899	42 611 189	( 3 849)	42 607 340
Marine	28 175 883	( 26 845 573)	1 330 310	17 237 201	( 14 840 537)	2 396 664
Aviation	3 647 242	( 3 412 584)	234 658	( 290 919)	213 743	( 77 176)
Goods in transit	5 075 810	( 575 913)	4 499 897	5 791 988	( 377 720)	5 414 268
Liability	79 400 861	( 73 670 979)	5 729 882	83 754 529	( 78 133 764)	5 620 765
Miscellaneous	211 641 762	( 189 870 670)	21 771 092	150 670 831	( 131 001 034)	19 669 795
	<b>1 258 557 448</b>	<b>(1 227 538 635)</b>	<b>31 018 813</b>	<b>1 344 068 775</b>	<b>(1 253 592 612)</b>	<b>90 476 164</b>

**Note 19. Claims cost, net of reinsurance**

The claims cost, net of reinsurance in 2018, are detailed as follows:

	31.12.2018	31.12.2017
Amounts paid	( 42 744 483)	( 57 805 559)
Gross premium income	( 321 953 788)	( 144 119 636)
Reinsurer's share	279 209 305	86 314 077
Reserve for claims (Movement)	29 209 074	30 827 742
Gross amounts	1 187 638 874	( 357 410 755)
Reinsurer's share	( 1 158 429 800)	388 238 497
Total before imputed costs	( 13 535 409)	( 26 977 817)
Imputed costs	( 10 838 476)	( 15 315 884)
Claims costs, net of reinsurance	<b>( 24 373 885)</b>	<b>( 42 293 701)</b>



**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticaís)

The cost of claims and the movement in technical reserves of non-life products were as follows:

	31.12.2018					
	Amounts paid		Reserve for claims (Movement)		Imputed costs	Total
	Gross amounts	Reinsurer's share	Gross amounts	Reinsurer's share		
Workmen's Compensation	( 2 677 399)	-	348 945	( 277 337)	( 2 989)	( 2 608 781)
Personal Accidents	( 60 561)	-	661 437 689	( 657 987 199)	( 412 785)	2 977 144
Fire	( 305 855 962)	275 082 081	170 502 818	( 168 164 646)	( 7 477 015)	( 35 912 725)
Motor	( 7 394 208)	-	12 386 248	( 2 706 598)	( 121 512)	2 163 930
Marine	( 1 153 151)	1 404 069	26 293 325	( 26 189 311)	( 242 646)	112 286
Aviation	-	-	3 269 955	( 3 269 955)	( 31 409)	( 31 409)
Goods in transit	( 2 260 753)	1 139 973	4 306 771	( 529 091)	( 43 712)	2 613 188
Liability	( 351 737)	273 369	74 215 750	( 72 370 850)	( 683 786)	1 082 747
Miscellaneous	( 2 200 016)	1 309 813	234 877 374	( 226 934 813)	( 1 822 622)	5 229 735
	<b>( 321 953 788)</b>	<b>279 209 305</b>	<b>1 187 638 874</b>	<b>( 1 158 429 800)</b>	<b>( 10 838 476)</b>	<b>( 24 373 885)</b>

	31.12.2017					
	Amounts paid		Reserve for claims (Movement)		Imputed costs	Total
	Gross amounts	Reinsurer's share	Gross amounts	Reinsurer's share		
Workmen's Compensation	( 2 398 035)	-	( 20 108 689)	7 841 542	( 172 100)	( 14 837 282)
Personal Accidents	-	-	-	-	( 186 419)	( 186 419)
Fire	( 87 974 307)	82 877 458	( 309 541 201)	321 932 417	( 11 541 382)	( 4 247 015)
Motor	( 32 375 092)	-	( 16 413 437)	37 392 190	( 485 561)	( 11 881 900)
Marine	( 9 859 202)	896 906	( 1 052 094)	9 157 400	( 196 421)	( 1 053 411)
Aviation	-	-	-	-	3 315	3 315
Goods in transit	( 652 057)	-	( 4 245 898)	4 366 280	( 66 001)	( 597 676)
Liability	( 307 041)	166 454	1 406 737	( 1 211 291)	( 954 397)	( 899 538)
Miscellaneous	( 10 553 902)	2 373 259	( 7 456 174)	8 759 959	( 1 716 919)	( 8 593 777)
	<b>( 144 119 636)</b>	<b>86 314 077</b>	<b>( 357 410 754)</b>	<b>388 238 496</b>	<b>( 15 315 885)</b>	<b>( 42 293 702)</b>

**Note 20. Net operating costs**

The net operating costs in 2018, are detailed as follows:

	31.12.2018	31.12.2017
Acquisition cost	( 31 173 801)	( 31 660 215)
Deferred Acquisition cost (Movement)	1 942 325	( 4 884 241)
Administrative cost	( 108 384 755)	( 76 579 422)
Commissions and participation in reinsurance results	39 389 157	42 551 061
<b>Net operating cost</b>	<b>( 98 227 074)</b>	<b>( 70 572 817)</b>

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticals)

The acquisition costs, deferred acquisition costs (movements), administrative costs and commissions, and participation in reinsurance results, were as follows:

	31.12.2018				
	Acquisition costs		Deferred Acquisition cost (Movement)	Administrative costs	Commissions and participation in reinsurance results
	Imputed costs	Broker commissions			
Workmen's Compensation	( 1 494)	( 57 588)	( 497 307)	( 29 887)	55 467
Personal Accidents	( 206 392)	( 220 730)	597	( 4 127 846)	228 104
Fire	( 3 738 508)	( 14 157 638)	3 272 066	( 74 770 146)	17 402 692
Motor	( 60 756)	( 937 175)	( 867 049)	( 1 215 124)	235 859
Marine	( 121 323)	( 1 531 883)	( 30 198)	( 2 426 458)	2 072 467
Aviation	( 15 705)	-	32 928	( 314 094)	63 135
Goods in transit	( 21 856)	( 826 398)	( 58 817)	( 437 120)	129 400
Liability	( 341 893)	( 3 617 013)	341 904	( 6 837 863)	8 408 947
Miscellaneous	( 911 311)	( 9 825 376)	( 251 799)	( 18 226 217)	10 793 086
	<b>( 5 419 238)</b>	<b>( 31 173 801)</b>	<b>1 942 325</b>	<b>( 108 384 755)</b>	<b>39 389 157</b>

	31.12.2017				
	Custos de aquisição		Custos de aquisição diferidos (variação)	Custos Administrativos	Comissões e participação nos resultados de resseguro
	Custos imputados	Comissões			
Acidentes de trabalho	( 258 150)	( 2 594 475)	497 307	( 860 501)	-
Acidentes Pessoais e doença	( 279 629)	( 328 753)	( 1 013 192)	( 932 096)	198 271
Incêndio e elementos da natureza	( 17 312 073)	( 12 300 647)	( 2 764 132)	( 57 706 909)	25 617 897
Automóvel	( 728 342)	( 4 453 975)	( 1 278 220)	( 2 427 807)	-
Marítimo	( 294 631)	( 1 112 921)	( 141 131)	( 982 104)	1 148 212
Aéreo	4 973	-	( 32 928)	16 575	81 540
Transportes	( 99 001)	( 983 106)	( 433 549)	( 330 003)	78 610
Responsabilidades Civil Geral	( 1 431 595)	( 2 418 308)	403 281	( 4 771 983)	7 403 772
Diversos	( 2 575 378)	( 7 468 030)	( 121 677)	( 8 584 594)	8 022 760
	<b>( 22 973 826)</b>	<b>( 31 660 215)</b>	<b>( 4 884 241)</b>	<b>( 76 579 422)</b>	<b>42 551 062</b>
		<b>( 54 634 041)</b>	<b>( 4 884 241)</b>	<b>( 76 579 422)</b>	<b>42 551 062</b>

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticaís)

**Note 21. Administrative costs**

The administrative costs in 2018, are analysed as follows:

	<u>31.12.2018</u>	<u>31.12.2017</u>
Acquisition cost	( 5 419 238)	( 22 973 827)
Claims costs	( 10 838 476)	( 15 315 884)
Administrative cost	( 92 127 042)	( 38 289 711)
	<u>( 108 384 755)</u>	<u>( 76 579 422)</u>
<b>Administrative cost</b>		
	<u>31.12.2018</u>	<u>31.12.2017</u>
Staff costs		
Management fees	( 32 694 225)	( 515 520)
Salaries	( 27 695 996)	( 24 332 230)
Insurance	( 510 149)	( 381 168)
Social security	( 1 016 835)	( 850 853)
Other staff costs	( 4 975 502)	( 5 439 489)
	<b>( 66 892 707)</b>	<b>( 31 519 260)</b>
Supplies and services		
Fees		
Light house - Ignite System	( 11 986 991)	( 14 481 542)
Auditing Consulting, litigation	( 1 755 225)	( 2 003 179)
Marketing	( 511 899)	( 288 432)
Communications	( 921 997)	( 1 005 873)
Books and training	( 140 356)	( 113 619)
Rent	( 7 401 484)	( 9 515 491)
Legal Fees	( 3 073 652)	( 1 023 741)
Licence fee	( 1 745 772)	( 3 347 504)
Security	( 671 976)	( 612 000)
Office supplies	( 891 891)	( 912 142)
Travel and accommodation	( 2 056 186)	( 3 022 114)
Entertainment costs	( 618 865)	( 1 001 643)
Electricity	( 482 979)	( 381 836)
Others	( 6 106 730)	( 4 124 562)
	<b>( 38 366 003)</b>	<b>( 41 833 680)</b>
Depreciation and amortization		
Software	( 182 641)	( 182 642)
Office equipment	( 199 918)	( 199 918)
Computer equipment	( 1 451 015)	( 1 418 297)
Vehicle	( 355 400)	( 355 400)
	<b>( 2 188 974)</b>	<b>( 2 156 257)</b>
Taxes and fees	-	-
Maintenance and repairs	( 937 072)	( 1 070 227)
	<u>( 108 384 755)</u>	<u>( 76 579 423)</u>

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticaís)

The company has 19 workers engaged in the following areas:

	<u>31 Dec-2018</u>	<u>31 Dec-2017</u>
Underwriting	6	4
Claims	2	3
Credit Control	1	2
Administration and Finance	10	10
	<u>19</u>	<u>19</u>

During the year ended 31 of Dezembro of 2018, the expenses with the personnel service of the Company is as follows:

	<u>31 Dec-2018</u>	<u>31 Dec-2017</u>
Management fees	32 694 225	515 520
Salaries	27 695 996	24 332 230
Insurance	510 149	381 168
Social security	1 016 835	850 853
Other staff costs	4 975 502	5 439 489
	<u>66 892 707</u>	<u>31 519 260</u>

**Note 22. Exchange differences**

The exchange differences in 2018, are analysed as follows:

	<u>31.12.2018</u>	<u>31.12.2017</u>
Realised Fx gains	261 764 352	192 142 451
Unrealised Fx gains	618 055	742 424
	261 146 297	191 400 027
	(235 624 551)	(192 537 863)
Realised Fx losses	(1 047 347)	(222 518)
Unrealised Fx losses	(234 577 204)	(192 315 345)
	<u>26 139 801</u>	<u>(395 412)</u>

**Financial Statements for the Year ended at 31 December 2018**  
(Amounts expressed in Meticais)

**Note 23. Transactions with related parties**

	<u>31.12.2018</u>	<u>31.12.2017</u>
Income Statement		
Short Term Director's Remuneration	-	-
Balance Sheet		
Loans	903 109	256 427
Reinsurance Receivables	29 234 063	82 517 189
	<u>31.12.2018</u>	<u>31.12.2017</u>
ICE Insurance Holdings Limited	2 617 982	-
Globe Properties	-	-
ISURE, S.A.	903 109	256 427
ICE Insurance Services (UK)	26 616 082	82 517 186
	<u>30 137 172</u>	<u>82 773 613</u>

**Note 24. Subsequent events**

After the reporting date and until the date on which the financial statements were authorized for issue, there were no events, favourable or unfavourable affecting the financial statements.