



SACOS GROUP LIMITED

(Incorporated in the Republic of Seychelles)

(Registration number 820521-1)

This document is important to investors. If you have any doubt as to the action you should take, you should consult your banker, stockbroker, attorney, accountant or other professional advisor, immediately.

Shareholders are advised that trading in SACOS Group Limited Ordinary Shares will only take place in dematerialized form.

The terms definitions on pages 9 and 10 of this Pre-listing Statement apply throughout the document.

SACOS GROUP LIMITED

(Incorporated in the Republic of Seychelles)
(Registration number 820521-1)

(Share code: "SAC" ISIN: SC1311001004)

("SACOS" or "the Company")

PRE-LISTING STATEMENT

Prepared by Constant Capital (Seychelles) Limited, and issued in terms of the Listings Requirements of Trop-X relating to the listing of all the issued ordinary shares of SACOS on Trop-X.

Publication of Pre-Listing Statement

Tuesday, 6 August 2013

Date of listing on Trop-X (10:00)

Thursday, 8 August 2013

This Pre-listing Statement is not an invitation to the general public to subscribe for shares in SACOS, but is issued in compliance with the Listings Requirements of Trop-X to provide information to the public with regard to the Company.

Trop-X has granted a listing for 2,000,000 Ordinary Shares at SCR35 each in the issued share capital of the Company on the Main Board of Trop-X under the abbreviated name "SACOS", share code "SAC" and ISIN SC1311001004. The listing will commence at 10.00am on Thursday 8 August 2013.

The authorized share capital of the Company is 2 000 000 ordinary shares at SCR35 each, of which 2 000 000 have been issued and will be listed. All the issued ordinary shares in the capital of the Company are at SCR35 and rank *pari passu* with each other.

The issued ordinary shares of SACOS will only trade on Trop-X as dematerialized shares and all certificated shareholders will accordingly be required to dematerialize their certificated shares if they wish to trade such shares on Trop-X.

The auditors to the Company have given and have not, prior to the issue of this pre-listing statement, withdrawn their written consents to the inclusion of their names and, where applicable, their reports in the form and context in which they appear in this document.

The directors of SACOS whose names are given in paragraph 4 of this document collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the document contains all information required by law and by the Listing Requirements of Trop-X.

Copies of this document are available in English from the offices of SACOS (www.sacos.sc) at SACOS Tower, Palm Street, Victoria, Mahé, Trop-X (www.trop-x.com) F28/F29 First Floor, Eden Plaza, Eden Island, Mahé and the sponsor advisor (www.constant.sc) of SACOS at F28/F29, First Floor, Eden Plaza, Eden Island, Mahé, Seychelles as well as on their websites.

Sponsor Advisor

Constant Capital (Seychelles)
Limited

Date of issue: 6 August 2013

CORPORATE INFORMATION AND ADVISORS

Company Secretary and registered office

C. Payet (Mrs.): MBA (Leeds)

SACOS Tower

Palm Street

Victoria

Mahé

Seychelles

(PO Box 636)

Sponsor advisor

Constant Capital (Seychelles) Limited
(Registration number 84103 06-1)

F28-29, First Floor, Eden Plaza

Eden Island

Mahé

Seychelles

Independent auditors to SACOS

BDO Associates

Chartered Accountants

The Creole Spirit

Victoria

Mahé

Seychelles

(PO Box 18)

Legal advisors

Mr. K B Shah

Attorney-at-Law & Notary Public

House of Ansuya

Victoria, Mahé

Seychelles

Mr. D Lucas

Attorney-at-Law & Notary Public

Victoria House

Victoria, Mahé

Seychelles

Commercial Bankers

Bank of Boroda

Barclays Bank (Seychelles)

Habib Bank (Seychelles)

Nouvobanq

Seychelles Savings Bank Limited

The Mauritius Commercial Bank (Seychelles)
Limited

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SALIENT FEATURES

INTRODUCTION

These salient features contain a summary of the company and listing detailed in this pre-listing statement, which should be read in its entirety for a proper appreciation thereof.

OVERVIEW

SACOS Group Limited (previously the State Assurance Company Limited) is the holding company of subsidiaries which hold two of the four domestic insurance licenses in the Seychelles and as at 31 December 2012 had total assets of SCR 606.10 million.

SACOS Group through its three subsidiaries has three main activities – general insurance, life assurance and property investment.

SACOS' income streams are diversified and have been growing consistently although 2012 saw a slower growth rate than in previous years; 2012 was probably the company's most challenging year to date.

In 2012 growth in premium income for general insurance was curtailed, showing only a 4.8% increase due to stiff competition on rates from the competitors, however, the company was able to maintain its market share. There was also an increase in the number of claim payments in 2012. A major reversal incurred in a foreign exchange loss of SCR1.58 million from a gain of SCR4.37 million in 2011. However, premiums written for the life Fund were consistent with 2011 and the company's dominant market share was maintained. The operating expenses for 2012 increased by 26%, which includes the foreign exchange loss. All of this resulted in a 35% decrease in profits after tax for 2012.

2013 has seen a 25% increase in premium income for general insurance for the first six months to June 2013 over the first six months of 2012. This is partially due to recent legislation during 2012 making it mandatory for assets in Seychelles to be insured locally.

FINANCIAL INFORMATION

Annexures 1, 2 and 3 contain reports of the historical financial information relating to the consolidated figures of SACOS Group Limited.

Salient features extracted from the historical financial information are set out below:

	12 months ended 31 December 2012	12 months ended 31 December 2011	Percentage increase/(decrease)
Earnings per share	SCR 85	SCR 130	(35%)
Dividend per share	SCR 60	SCR 60	0%
Profit after tax	SCR 16 910 305	SCR 26 143 335	(35%)
Retained Earnings Carried Forward	SCR 76 315 637	SCR 71 405 332	7%
Total Assets	SCR 606 103 134	SCR 569 408 596	6.4%

Purpose of the Listing

The purpose of the listing is to:

- create a transparent market with liquidity which will ensure an accurate valuation of the Company on an ongoing basis;
- enhance the market value of the Company;
- enhance investor and general public awareness of the Company and its business;
- enjoy the flexibility of listed shares in order to take advantage of potential acquisitions; and
- broaden the shareholder base of the Company by affording members of the investing public, clients and business associates of the Company the opportunity of investing in its future capital growth.

The Executive Committee of Trop-X has formally approved the listing of 2 000 000 ordinary shares in the share capital of SACOS with effect from Thursday, 8 August 2013. The shares will trade on the Main Board of Trop-X under the abbreviated name "SACOS" with the share code "SAC" and ISIN SC1311001004.

SACOS will have share capital of at least SCR70 million on the listing date. The Company will have a public shareholding of at least 60 shareholders who will hold a minimum of 25% of the issued Ordinary Shares on the day of listing in accordance with the Trop-X Main Board requirements.

The Ordinary Shares to be listed will rank *pari passu* in all respects with the existing issued Ordinary Shares in the capital of the Company.

IMPORTANT DATES AND TIMES

Pre-listing Statement published

Tuesday, 6 August 2013

Listing of SACOS on Trop-X at (10.00)

Thursday, 8 August 2013

Notes:

1. The dates and times set out above are subject to change. Any such change will be published in a national newspaper of wide circulation.
2. The issued ordinary shares of SACOS will only trade on Trop-X as dematerialized shares. All shareholders holding certificated shares will accordingly be required to dematerialize their certificated shares if they wish to trade such shares on Trop-X.

DEFINITIONS

In this Pre-listing Statement and the annexures thereto, unless otherwise stated or the context indicates a contrary intention, the following expressions shall have the meanings set out opposite them. Cognate expressions bear corresponding meanings, words denoting one gender shall import and include the others, natural persons shall import and include juristic persons and vice versa and the singular shall import and include the plural and vice versa, as follows:

“Act”	means the Seychelles Companies Act, 1972 (as amended);
“Articles”	means the articles of association of the Company;
“Board”	means the board of directors of SACOS Group Limited holding that office from time to time;
“Company”	means SACOS Group Limited;
“Executive Committee”	means the Executive Committee of SACOS Group Limited holding that office from time to time;
“IFRS”	means International Financial Reporting Standards;
“Listing”	means the admission of the issued shares of the Company to the list of securities of Trop-X;
“Listing Date”	means the date that SACOS Group Limited is admitted to the list of securities of Trop-X;
“Listings Requirements ”	means the Listings Requirements of Trop-X as amended from time to time by Trop-X;
“Ordinary Shares”	means the ordinary shares of SR35 in the share capital of the Company;

“Pre-Listing Statement”	means this document dated 6 August 2013 including the annexures;
“Registrar”	means the Registrar of Companies;
“SACOS”	means the SACOS Group Limited;
“Seychelles”	means the Republic of Seychelles;
“Shareholders”	means the holders of the Ordinary Shares at SR35 in the issued share capital of the Company;
“SCR”	means the Seychelles Rupee, being the official currency of the Republic of Seychelles;
“Trop-X”	means Trop-X (Seychelles) Limited a company incorporated under the company law of Seychelles, (registration number 879858-1) and licensed to operate as a Securities Exchange in terms of the Securities Act, 2007;
“USD”	means the United States Dollar, the official currency of the United States of America;



SACOS GROUP LIMITED

(Incorporated in the Republic of Seychelles)

(Registration number 820521-1)

(Share code "SAC" ISIN SC1311001004)

PRE-LISTING STATEMENT

1. INCORPORATION, NATURE OF BUSINESS AND PROSPECTS

The State Assurance Company Limited was established in 2005 and the company was incorporated on 23 November 2005 under the Companies Act, 1972 as a limited liability company in Victoria, Mahé, Seychelles, following the privatization of the State Assurance Corporation of Seychelles (SACOS). The latter was then the leading provider of insurance services in Seychelles and the first local insurance company formed in August 1980 under the State Assurance Corporation Act of Seychelles, regulated under the Insurance Act, 2008. In accordance with the resolution passed by shareholders effective 1 October 2011 the State Assurance Company Limited was renamed the SACOS Group Limited. At an Annual General Meeting on 2 July 2011 the shareholders unanimously agreed to a resolution to list the company on the Seychelles Securities Exchange.

In the early years of its existence as the State Assurance Corporation of Seychelles, the company operated partially as a reinsurer providing support for insurance companies already operating in Seychelles and partially underwriting direct insurance business. Over the years the company has grown to offer an expansive range of services including selling of life assurance products, handling of insurance claims, property management and the sale of vehicle spare parts.

SACOS is the holding company of three subsidiaries each offering an integrated service primarily in the fields of insurance and property management.

SACOS Group Limited

The main function of SACOS Group Limited through its subsidiaries is the underwriting of general insurance and life assurance business; real estate development and management; and the importation and sale of vehicle spare parts.

The company provides common services to its subsidiaries through six main divisions; finance and corporate affairs; marketing and public relations; human resources and administration; information technology; internal audit; and risk management and compliance.

SACOS Insurance Company Limited

This subsidiary is responsible for the selling and underwriting of all non-life insurance products and it handles all general insurance claims. The company also liaises with International Reinsurers for the placement of large risks.

SACOS Life Assurance Company Limited

SACOS Life Assurance is responsible for the selling and underwriting of various life assurance products. It also provides loans to life policyholders. The State Insurance Company of Mauritius Limited provides actuarial services to the subsidiary.

Sun Investment (Seychelles) Limited

The company's principal activity is to invest in property with a view to generating rental income and to provide property management and maintenance services for the group.

Licenses

The two insurance licenses for SACOS Insurance Company Limited and SACOS Life Assurance Company Limited are subject to an annual renewal by the Insurance Authority.

Recent Performance of the Group

SACOS' income streams are diversified and have been growing consistently although 2012 saw a slower growth rate than in previous years; 2012 was probably the company's most challenging year to date.

In 2012 growth in premium income for general insurance was curtailed, showing only a 4.8% increase due to stiff competition on rates from the competitors, however, the company was able to maintain its market share. There was also an increase in the number of claim payments in 2012. A major reversal incurred in a foreign exchange loss of SCR1.58 million from a gain of SCR4.37 million in 2011. However, premiums written for the life Fund were consistent with 2011 and the company's dominant market share was maintained. The operating expenses for 2012 increased by 26%, which includes the foreign exchange loss. All of this resulted in a 35% decrease in profits after tax for 2012.

2013 has seen a 25% increase in premium income for general insurance for the first six months to June 2013 over the first six months of 2012. This is partially due to recent legislation during 2012 making it mandatory for assets in Seychelles to be insured locally.

Future Challenges

Going forward the Group faces a number of challenges primarily in the face of stiff competition on rates from the other two insurance companies which in the past has stalled projected growth. There has also been an increase in the number of claims payments which is likely to continue. There will continue to be the challenge of managing the impact of foreign exchange rates which can have a meaningful impact on profits. Investment income is likely to decline somewhat with a fall in interest rates.

Future Opportunities

In 2012 the authorities passed legislation making it mandatory for assets situated in Seychelles to be insured locally. This will give a boost to the insurance industry, and SACOS is well positioned to capitalize on this, to ensure growth in premium income. Discussions have been completed with the authorities to activate the Agriculture and Fisheries insurance. While this is a joint venture with the main competitor, there is good business to be secured over the next 12 months and beyond. The group will continue with its property purchases and development as demand for accommodation far outweighs availability and the group is well positioned to take advantage of this with their future developments. Due to the Company listing on the Seychelles Securities Exchange, Trop-X, the Company's tax rate will decrease in 2013.

2. SHARE CAPITAL

2.1. Authorized and issued share capital

The share capital of SACOS (see paragraph 2.2 below) is as follows:

Authorized

2 000 000 ordinary shares at SCR35 each

Issued

2 000 000 ordinary shares at SCR35 each

Share capital

SCR 70 000 000

All the Ordinary Shares in the authorized and issued share capital of the Company are of the same class and rank *pari passu* in every respect and the rights attaching thereto may only be varied with the approval of shareholders in general meeting.

On the winding-up of the Company, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the shareholders in specie or kind the whole or any part of the assets of the company (whether they shall consist of assets of the same kind or not) and may, for such purpose set such value as he deems fair upon any asset to be divided, and may determine how such division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may vest the whole or any part of such assets in nominees or agents on behalf, or for the benefit, of the shareholders as the liquidator thinks fit but so that no shareholder shall be compelled to accept any shares or other securities whereon there is any liability or amount unpaid.

The Articles stipulate that, subject to any special terms as to voting attaching to any share which may be issued and subject to the Act, on a show of hands every shareholder present or by proxy shall have one vote and on a poll he shall have the number of votes to which he is entitled by section 118 of the Act.

The Articles further provide that the Company in a general meeting or the directors may from time to time declare a dividend to be paid to the members in proportion to the number of Ordinary Shares held by them in each class. Dividends shall be declared payable to members recorded in the register on a date subsequent to the date of the declaration of the dividend or date of confirmation of the dividend, whichever is the later. Dividends shall be payable only out of the profits (whether current or past) of the Company and no dividend shall carry interest as against the Company.

2.2. Alteration of ordinary share capital

At 31 December 2012 the authorized ordinary share capital of SACOS consisted of 200 000 ordinary shares at SCR175 each and its issued ordinary share capital consisted of 200 000 ordinary shares at SCR175 each. At the Annual General Meeting of the Company held on 4 July 2013, the shareholders approved resolutions in terms of which they consented to increase the authorized share capital to SCR70 000 000, the distribution of a bonus share issue of one equity share of SCR175 each in proportion of one equity share for every equity share held and a share split of each equity share in a ratio of 5:1. The consequence of which the company has 2 000 000 authorized and issued ordinary shares at SCR35 each.

3. CONTROLLING AND MAJOR SHAREHOLDERS

At the date of this Pre-listing Statement, and based on an issued share capital of 2 000 000 Ordinary Shares, the beneficial interests of Shareholders holding 5% or more of the share capital of SACOS were (as far as the directors were aware) as follows:

	Number of Ordinary Shares held (all directly)	Percentage of issued capital of the Company
Opportunity Investment Company	744,410	37.22%
Government of Seychelles	400,000	20.00%

General

- In terms of the Insurance Act, 2008, no shareholder may hold more than 35% of an insurance company in the Seychelles without the express permission of the Insurance Authority.
- The Insurance Authority has given Opportunity Investment Company permission to hold its current 37.22%.
- Staff of the company currently holds approximately 13% of the shares of the company.

4. DIRECTORS AND MANAGEMENT

4.1. The names, nationalities, qualifications and occupations of the directors of SACOS are as follows:

Name and nationality	Qualifications	Occupation
Patrice Bastide #	BSc. (Hons) Actuarial Science & Statistics, Indiana University of Penn, USA	Senior Manager, International Business of Swan Insurance, Mauritius
Willy Confait *	MA (Politics & Public Admin.) University of Warwick, UK	Chief Executive Officer, Seychelles Pension Fund
Jean Claude D'Offay *		Retired
Michel Felix *		Chairman SACOS, Business Consultant
Ashik Hassan *	BA (Hons) International Business, Kingston University, UK	Senior Trade Officer, Ministry of Finance, Trade Division
Antonio Lucas *	MBA, Curtin University, Australia	Chief Executive Officer, SACOS Group Limited
Jean Raguin *	Master's Degree Human Resource Development, University of Manchester, UK	Executive Manager, Risk Management, SACOS Group Limited
Louis Rivalland #	BSc. (Hons) Actuarial Science & Statistics	Group CEO, Swan Group, Mauritius
Yakub Suleman *	BSc. (Economics), Queens University, No. Ireland	Businessman

Mauritian * Seychellois

Elizabeth Charles who is a Director General of External Finance Management in the Ministry of Finance has been nominated as a director and her appointment is awaiting approval by the Insurance Authority.

4.2 Interests of directors

4.2.1 At the date of this Pre-Listing Statement, the beneficial interests of the directors of the Company in the Ordinary Shares are set out below:

Director	Number of Ordinary shares
P Bastide	Nil
W Confait	130
JC D'Offay	170
M Felix	180
A Hassan	Nil
A Lucas	3510
J Raguin	10
L Rivalland	Nil
Y Suleman	Nil
	4000

4.2.2 None of the directors of SACOS held any non-beneficial interest in the Company's issued share capital;

4.2.3 The directors of the Company had no direct or indirect beneficial interests in transactions entered into by it during the current or immediately preceding financial year or during an earlier financial year and which remain in any respect outstanding or unperformed;

4.2.4 The executive directors of the Company have service contracts with the Company, none of which have a notice period of more than one year;

4.2.5 The non-executive directors do not have contracts with the Company; and

4.2.6 At the date of this pre-listing statement, no family relations exist between a director or any person who performs an important administrative, management or supervisory function.

4.2.7 Remuneration of directors

The remuneration of the directors for the year ending 31 December 2012 was as follows:

	Fees for services (SCR)	Salary (SCR)	Total (SCR)
Executive			
A Lucas	14,118	752,400	766,518
G Ferley*	63,534	475,500	539,034
Non-executive			
W Confait	63,534	-	63,534
G DeGaye*	63,534	-	63,534
JC D'Offay	63,534	-	63,534
M Felix	128,820	-	128,820
L Rivalland	63,534	-	63,534
M Stravens*	27,178	-	27,178
Y Suleman	63,534	-	63,534
TOTAL	551,320	1,227,900	1,779,220

*They have resigned as directors.

At the Annual General Meeting on 4 July 2013 the shareholders approved a resolution granting the directors' remuneration of SCR586,000 for 2013. The shareholders also approved the Managing Director's (Chief Executive Officer) remuneration of approximately SCR827,640 for 2013.

4.3 Appointment, qualification and remuneration of directors

The Articles provide that:

- 4.3.1 The company may from time to time by ordinary resolution increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office;
- 4.3.2 The directors shall have power at any time and from time to time to appoint any person as a director, either to fill a casual vacancy, or as an additional director, but the total number of directors shall not at any time exceed the maximum number

thereof. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election, but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

- 4.3.3 The shareholding qualification for directors may be fixed by the company in general meeting, and unless and until so fixed no such qualification shall be required;
- 4.3.4 The directors shall be entitled to such remuneration as the company in general meeting may from time to time determine;
- 4.3.5 The directors may be paid all of their traveling, hotel and other expenses properly incurred by them attending and returning from meetings of the directors or any committee of the directors or general meetings of the company, or in connection with the business of the company.
- 4.3.6 A director who is in any way, whether directly or indirectly, interest in a contract or proposed contract with the company shall declare the nature of his interest in accordance with the Act;
- 4.3.7 No director shall vote as a director in respect of any contract or arrangement in which he is interested ,and if he does so vote, his vote shall not be counted, nor shall he be counted in the quorum present at the meeting; and
- 4.3.8 One-fifth of the directors shall be required to retire by rotation from office at the annual general meeting of the company in each year.

Sun Investment (Seychelles) Limited**Ms. Jane Joubert****General Manager, Operations**

She holds a Diploma in Management with the Seychelles Institute of management and a Certificate of Insurance Practice with the Chartered Insurance Institute and is also a certified member of the Chartered Insurance Institute.

4.5 General

The directors of SACOS have all completed and signed the Director's Declaration required in terms of Schedule 13 of the Listings Requirements and have confirmed that they have not been:

- disqualified by any court from acting as a director of a company or from acting in the management or conduct of the affairs of any company or been the subject of any public criticisms by statutory or regulatory authorities (including recognized professional bodies);
- convicted of any offence involving dishonesty, fraud or embezzlement or convicted in any jurisdiction of any criminal offence (without the option of paying a fine) or any offence under legislation relating to the Act;
- adjudged bankrupt or declared insolvent or entered into any individual voluntary compromise arrangements or creditor's liquidation or been sequestrated in any jurisdiction or been a director of any company or a partner of any partnership at the time or within the twelve months preceding any of the following events taking place: receivership, compulsory liquidation, creditor's voluntary liquidation, administration, company voluntary arrangements or any composition or arrangement with creditors generally or any class of creditors; and /or
- barred from entry into any profession or occupation.

In addition, the directors have:

- undertaken to comply with the Listings Requirements and to discharge their duties in ensuring such compliance whilst directors; and
- acknowledged that certain of the Listings Requirements affect them directly in their personal capacities as well as in their capacities as directors and have undertaken to be bound by and to comply with all such requirements whilst they are directors.

Details of the companies and partnerships (other than the subsidiaries of SACOS) of which the directors have been directors or partners within the period of 5 years preceding the date of this document and are still directors or partners are set out below:

Mr. W Confait	Opportunities Investment Company (Seychelles)
Mr. M. Felix	Sterling Investment (Pty) Limited (Seychelles)
Mr. L Rivalland	Swan Group (Mauritius)
Mr. Y Suleman	Amalgamated Tobacco (Seychelles)

5. CORPORATE GOVERNANCE

SACOS is fully committed to effective corporate governance and is committed to continued implementation of any recommendation where appropriate, and to the Listings Requirements:

- It endeavours to conduct its business in accordance with the principles of accountability, transparency and integrity.
- These principles and standards are to ensure that shareholders and other stakeholders can obtain assurance that ethical management and prudent risk approaches are followed.
- To ensure that such principles and standards are maintained the necessary structures have been set in place by the Board, which retains full effective control over SACOS and its subsidiaries and monitors the executive management.

Ongoing attention is being given to matters of corporate governance and the Board is of the opinion that the company is materially compliant with the Listings Requirements of Trop-X.

5.1 Board of directors

SACOS is managed by a Board of Directors comprising seasoned professionals with experience in the field of insurance, finance and law. They are the major decision makers and the body to which the Executive Committee reports. The Executive Committee comprises senior management members from the group and its subsidiaries and they are responsible for SACOS' daily operations.

Non-executive directors are chosen with regard to their experience in fields of business ancillary to that of the Company or in general business and are required to provide a worthwhile contribution to the Company. In addition to the scheduled board and committee meetings, there is also ongoing informal communication between the executive and non-executive directors.

The appointment of executive and non-executive directors is subject to approval by the Insurance Authority and then to shareholders' confirmation at the annual general meeting. Rotation of the Board occurs based on a fifth of the directorate being subject to re-election each year at the annual general meeting. There are a maximum of 10 Board members.

5.2 Board Committees

There are two formal committees, being an audit and risk committee and a finance and investment committee, which in each case comprises non-executive directors and with a non-executive director acting as Chairperson, with executive directors attending the audit and risk committee by invitation and with an executive director on the finance and investment committee.

In addition, the Board has adopted policies relating to appointments to the Board and the division of responsibilities of directors.

Appointments to the Board are formal and transparent, and a matter for the Board as a whole.

The policy relating to the division of responsibilities of directors evidences a clear balance of power and authority at board level to ensure that no one director has unfettered powers of decision-making.

5.3 Audit and risk committee

Mr. D'Offay	Chairman
Mr. Confait	Member
Mr. Felix	Member
Mr. Woodcock	Internal Auditor
Mr. Lucas	by Invitation
Mrs. Payet	by Invitation
Mr. Raguin	by Invitation (acts as secretary)

5.4 Finance and investment committee

Mr. Confait	Chairman
Mr. D'Offay	Member
Mr. Felix	Member
Mr. Lucas	Member
Mr. Suleman	Member
Mrs. Payet	by Invitation (acts as secretary)

5.5 Accounting records and internal control

The Board has ensured that adequate systems of internal control are designed, maintained and complied with.

6. PURPOSE OF THE LISTING

The purpose of the Listing is to:

- create a transparent market with liquidity which will ensure an accurate valuation of the Company on an ongoing basis;
- enhance the market value of the company;
- enhance investor and general public awareness of the Company and its business and place in the insurance and investment sector;

- enjoy the flexibility of listed shares in order to take advantage of potential acquisitions; and
- broaden the shareholder base of the Company by affording members of the investing public, clients and business associates of the Company the opportunity of investing in its future capital growth.

Trop-X has formally approved the listing of 2 000 000 Ordinary Shares in the share capital of SACOS with effect from 10.00am on Thursday, 8 August 2013. The Ordinary Shares will trade on the Main Board of Trop-X under the abbreviated name "SACOS" with the share code "SAC" and ISIN SC1311001004.

SACOS will have stated capital of at least SCR70 million on the Listing Date. The Company will have a public shareholding of at least 60 shareholders who will hold a minimum of 25% of the Ordinary Shares on the day of listing in accordance with the Trop-X Main Board requirements.

7. HISTORICAL FINANCIAL INFORMATION

Annexure 1 contains a report of historical audited balance sheet information relating to SACOS for the years ended 31 December 2012, 2011 and 2010. Annexure 2 contains a report of historical audited income statement information relating to SACOS for the years ended 31 December 2012, 2011 and 2010. Annexure 3 contains a report of historical audited cash flow statement information relating to SACOS for the years ended 31 December 2012, 2011 and 2010.

The company has undertaken to present its financial statements in accordance with the International Financial Reporting Standards (IFRS) and this will be concluded by January 2014.

8. BORROWINGS AND OTHER INDEBTEDNESS

8.1 Directors' borrowing powers

The Articles provide the following in regard to the borrowing powers exercisable by the directors:

“Subject to the provisions of the Act, the directors may exercise all the powers of the company to borrow money, and to hypothecate, mortgage or charge its undertaking, assets and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities as security for any loan to, or debt, liability or obligation of the company or any third party.”

8.2 Material loans to SACOS and its subsidiaries

At the date of this Pre-listing Statement, SACOS and its subsidiaries had no material loans outstanding.

8.3 Material commitments, lease payments and contingent liabilities

8.3.1 Contingent liabilities

At the date of this Pre-listing Statement, SACOS and its subsidiaries had no contingent liabilities.

8.3.2 Capital expenditure commitments

At the date of this Pre-listing Statement, SACOS and its subsidiaries had the following capital expenditure commitments:

	Total SCR '000
Commitments:	
- contracted (Pointe Larue)	11,000
- authorized but not contracted (Beau Bel)	16,500
Capital commitments	27,500

8.3.3 Off balance sheet financing

At the date of this Pre-listing Statement neither SACOS nor its subsidiaries has any material off-balance sheet commitment or finance.

8.3.4 Loan capital outstanding

At the date of this Pre-listing Statement neither SACOS nor its subsidiaries has any loan capital outstanding.

9. LOANS RECEIVABLE

At the date of this Pre-listing Statement there are SCR25 million loans on life policies payable to SACOS Life Assurance Limited. SACOS or its subsidiaries have not made loans to or furnished security for the benefit of any director or manager or any associate of any director or manager.

10. DIVIDENDS

10.1 The dividend policy of SACOS will be determined by its Board from time to time, as is regarded to be prudent in the circumstances; and dividends may consist of scrip

dividends or cash. Subject to such prudential requirements it is the intention of the Board to declare appropriate dividends for the next two years.

- 10.2 Over the past five years SACOS has paid the following dividends for the years ending 31 December:

2012	SCR 60 per share at SCR175 (SCR 6 per share at SCR35)
2011	SCR 60 per share at SCR175 (SCR 6 per share at SCR35)
2010	SCR 50 per share at SCR175 (SCR 5 per share at SCR35)
2009	SCR 40 per share at SCR175 (SCR 4 per share at SCR35)
2008	SCR 40 per share at SCR175 (SCR 4 per share at SCR35)

- 10.3 It is anticipated that the next dividend will be in respect of the financial year ending 31 December 2013.

11. MATERIAL CONTRACTS

The directors of SACOS report that there was no material contracts entered into by SACOS or its subsidiaries during the two years preceding the date of this Pre-Listing Statement, which were not in the ordinary course of business.

12. IMMOVABLE PROPERTY OWNED

12.1 At the date of this Pre-listing Statement, SACOS and its subsidiaries owned the following immovable properties:

Property	Net Book Value at 31 Dec 2012 (SCR)
SUN INVESTMENT COMPANY LTD	
Pointe Larue	16 075 384
Pointe Larue Phase 2	2 561 725
Beoliere	5 721 468
Sans Soucis	5 094 485
Glacis	9 305 068
SACOS INSURANCE COMPANY LTD	
Providence property	3 440 000
TOTAL:	42 198 130

12.2 The group carries its investment properties at fair value, with changes in fair value being recognized in the income statement. The group last engaged an independent professional Valuer to determine the fair value at December 31, 2011. The Valuer used a mix of valuation techniques consisting of discounted cash flow model and comparable market data.

The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long term occupancy rate. The valuation of investment properties as at December 31, 2012, was based on the Directors' best estimates, subsequently confirmed by an external Valuer.

12.3 The Life Assurance Fund compromise SCR166,519,555 of investment properties. Under Section 45 of the Insurance Act, 2008, a Long Term Insurer is required to have its insurance liabilities valued and certified by an Actuary. The Actuary is also the one

to recommend the amount of the surplus arising in the Life Assurance Fund for the year to be transferred to shareholders. The surplus is, per the Insurance Act, shared in the ratio of 90;10 between policyholders and shareholders.

13. WORKING CAPITAL STATEMENT

The directors of SACOS are of the opinion and have reasonable grounds for believing that the working capital available to SACOS and its subsidiaries is sufficient for its present requirements and will remain adequate for the twelve months following the date of this document.

14. COSTS

The costs to be incurred in the Listing are estimated to be approximately SCR700 000 and include the listing fee, advisors fees, printing, advertising and meetings.

15. LITIGATION STATEMENT

There are no legal or arbitration proceedings or proceedings which are pending or threatened of which the Company is aware that may have or have had in the previous 12 months a material effect on the financial position of SACOS or its subsidiaries.

16. LEGISLATIVE CONSIDERATIONS

Immovable Property

In Gazette No 8 of 11 February 2013, the Minister of Land Use and Housing exempted the purchase or acquisition by a non-Seychellois of shares of companies listed on the Seychelles Securities Exchange and owning immovable property or rights therein in Seychelles from the application of section 12 (1) of the Immovable Property (Transfer Restriction) Act.

Transfer of Shares

In the Companies Ordinance (Amendment) Act, 2012, a new section 84 (a) was added allowing for shares and debentures of a company listed on the Seychelles Securities Exchange to be transferred by electronic means.

Stamp Duty

Schedule 3(4)(c) of the Securities Act 2007, exempts the payment of stamp duty on all instruments constituting, evidencing or relating to securities or transfer of or other dealings in listed companies or other listed securities.

17. RESPONSIBILITY STATEMENT

The directors of SACOS whose names are given in paragraph 4 of this document collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the document contains all information required by law and the Listings Requirements.

18. EXPERTS' CONSENTS

The auditors have consented in writing to act in the capacities stated in this Pre-listing Statement, and, where applicable to the inclusion of their reports in this Pre-listing Statement in the form and context in which they appear and have not withdrawn such consents prior to the Issue of this Pre-listing Statement.

19. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered office of the Company at SACOS Towers, Palm Street, Victoria from 1 August 2013:

1. Pre-Listing Statement (signed);
2. Memoranda and Articles of Association of SACOS;

3. Signed financial statements of SACOS for the period ended 31 December 2012;
4. Reports of the auditors, copies of which are set out in Annexures 1,2 and 3 to this Pre-listing Statement; and
5. Written consents of the auditors and sponsor advisor to the publication of their names and, where applicable, their reports in the form and context in which they appear in this Pre-Listing Statement.

Signed at Victoria by A Lucas for and on behalf of all the directors of the Company being duly authorized in terms of the separate powers of attorney granted to him.

A Lucas
Chief Executive Officer
2 August 2013

ANNEXURE 1 HISTORICAL BALANCE SHEETS RELATING TO SACOS

	2012	2011	2010
	SCR	SCR	SCR
ASSETS			
Non-current assets			
Property and equipment	3 018 459	3 545 603	3 443 425
Intangible assets	1 120 498	1 157 819	1 127 116
Investment properties	42 198 130	39 224 075	35 130 953
Investment in subsidiaries	-	-	-
Held-to-maturity financial assets	48 886 173	84 610 021	67 508 929
	95 223 260	128 537 518	107 210 423
Current assets			
Inventories	8 163 319	8 901 108	7 709 452
Held-to-maturity financial assets	85 657 652	35 700 416	36 369 702
Amounts receivable from group companies	4 447 536	9 116 123	15 210 438
Trade and other receivables	34 704 409	31 952 456	21 090 069
Cash and cash equivalents	10 386 782	13 537 365	17 034 400
	143 359 698	99 207 468	97 414 062
Life Business Assets	367 520 176	341 663 610	321 572 667
Total assets	606 103 134	569 408 596	526 197 153
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	35 000 000	35 000 000	35 000 000
Share premium	23 239 094	23 239 094	23 239 094
Retained earnings	76 315 637	71 405 332	55 261 997
Total equity	134 554 731	129 644 426	113 501 091
LIABILITIES			
Technical provisions			
Outstanding claims and IBNR	19 079 500	24 585 180	19 390 792
Unearned premiums	46 550 123	46 432 365	44 357 698
Life Assurance Fund	367 520 176	341 663 610	321 572 667
	433 149 799	412 681 155	385 321 157
Non-current liabilities			
Mortgage Protection Fund	885 598	1 728 165	1 728 165
Fisheries and Agricultural Fund	2 000 000	2 000 000	2 000 000
	2 885 598	3 728 165	3 728 165
Current liabilities			
Trade and other payables	27 377 880	22 094 755	12 951 952
Amounts payable to group company	1 117 684	-	-
Bank overdraft	3 815 569	-	-
Current tax liabilities	3 201 873	1 260 095	10 694 788
	35 513 006	23 354 850	23 646 740
Total liabilities	471 548 403	439 764 170	412 696 062

ANNEXURE 2 HISTORICAL INCOME STATEMENTS RELATING TO SACOS

	2012	2011	2010
	SCR	SCR	SCR
Revenue	119 566 168	113 455 705	110 749 237
Underwriting surplus	34 368 677	35 311 866	28 740 453
Profit on sale of spares	47 801	196 169	76 413
Investment income	7 850 801	5 899 599	5 703 022
Rental income	1 335 635	1 527 146	1 168 244
	43 602 914	42 934 780	35 688 132
Other income*	1 641 496	5 003 529	5 522 849
Increase in fair value of investment properties	2 944 055	4 093 122	3 193 723
	48 188 465	52 031 431	44 404 704
Other operating expenses *	(24 069 335)	(18 736 686)	(16 985 455)
Depreciation of property and equipment	(1 316 812)	(1 339 481)	(1 124 356)
Amortisation of intangible assets	(37 321)	(37 321)	(1 300)
Shareholders' share of surplus of Life Assurance Fund	1 101 238	1 704 516	900 000
Profit before tax	23 866 235	33 622 459	27 193 593
Tax charge	(6 955 930)	(7 479 124)	(7 389 373)
Net profit for the year	16 910 305	26 143 335	19 804 220

* Re-stated for elimination of intercompany transactions

ANNEXURE 3 HISTORICAL CASH FLOW STATEMENTS RELATING TO SACOS

	2012	2011	2010
	SCR	SCR	SCR
Cash flows from operating activities			
Profit before tax	23 866 235	33 622 459	27 193 592
<i>Adjustments for:</i>			
Depreciation of property and equipment	1 316 812	1 339 481	1 124 356
Amortisation of intangible assets	37 321	37 321	1 300
Increase in fair value of investment properties	(2 944 055)	(4 093 122)	(3 193 723)
Profit on disposal of equipment	-	(353 491)	(110 355)
Movement in outstanding claims and IBNR	(5 505 680)	5 194 388	3 130 125
Movement in unearned premium	117 758	2 074 667	6 996 908
Amortisation of Mortgage Protection Fund	(842 567)	-	(1 971)
	16 045 824	37 821 703	35 140 232
<i>Changes in working capital:</i>			
- Change in trade and other receivables	(2 751 953)	(10 862 387)	7 755 444
- Change in inventories	737 789	(1 191 656)	(4 820 504)
- Change in amounts receivable from group companies	4 668 587	6 094 315	(8 220 659)
- Change in trade and other payables	5 283 125	9 142 804	(6 808 858)
- Change in amounts payable to group company	1 117 684	-	-
	25 101 056	41 004 779	11 308 693
Tax paid	(5 014 152)	(16 913 817)	(2 584 448)
Net cash inflow from operating activities	20 086 904	24 090 962	20 461 207
Cash flows from investing activities			
Purchase of property and equipment	(789 668)	(1 441 659)	(1 225 818)
Purchase of Intangibles	-	(68 024)	(653 256)
Proceeds from sale of property and equipment	-	353 491	139 999
Proceeds from sale of intangible assets	-	-	6 500
Purchase of investment property	(30 000)	-	-
Movement in held-to-maturity financial assets	(14 233 388)	(16 431 805)	(14 942 357)
Net cash outflow from investing activities	(15 053 056)	(17 587 997)	(16 674 932)
Cash flows from financing activity			
Dividend paid	(12 000 000)	(10 000 000)	(8 000 000)
Net decrease in cash and cash equivalents	(6 966 152)	(3 497 035)	(4 213 725)
Movement in cash and cash equivalents			
At January 1,	13 537 365	17 034 400	21 248 125
Decrease during the year	(6 966 152)	(3 497 035)	(4 213 725)
At December 31,	6 571 213	13 537 365	17 034 400