

**OPPORTUNITY
INVESTMENT
COMPANY LIMITED**

OPPORTUNITY INVESTMENT COMPANY LIMITED
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OPPORTUNITY INVESTMENT COMPANY LIMITED
REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors are pleased to submit their report together with the audited financial statements of Opportunity Investment Company Limited for the year ended 31 December 2020.

Principal Activity

The Company was incorporated on 13 January 2006 as a private company limited by shares. Its principal activity is investment holding. The Company obtains funds from its investors for the purpose of providing those investors with investment management services and commits to its investors that its business purpose is to invest funds solely for investment income.

RESULTS

	2020	2019
	SCR	SCR
Retained earnings brought forward	74,838,613	74,847,767
(Loss)/profit for the year	(3,913,733)	1,475,800
Profit available for distribution	70,924,880	76,323,567
Exit of SWAN investment	(36,689,793)	-
Dividends	-	(1,484,954)
Retained earnings carried forward	34,235,087	74,838,613

Dividend

No dividend declared and paid during the year under review (2019: SCR 14,849.54 per share).

Statement of the Directors' Responsibilities

The Directors are responsible for the overall management of the affairs of the Company including its operations and the making of investment decisions.

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for SME's and in compliance with the Companies Act, 1972. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that fall within the accounting policies adopted by the Company as a whole; and making accounting estimates that are reasonable in the circumstances. The Directors have the general responsibility of safeguarding the assets owned by the Company. The Directors consider they have met their aforesaid responsibilities.

The company adopted International Financial Reporting Standards for SME's because the company has a very simple structure, and the application of Full International Financial Reporting Standards would not enhance the relevance, reliability or comparability of information disclosed in any way.

Directors And Their Interest In The Company

No directors holding office as at 31 December 2020 had any beneficial interest in the Company's shares at that date and the date of this report.

Auditors

The auditors, Pool & Patel have indicated their willingness to continue in office and their re-appointment will be proposed in the next Annual General Meeting in accordance with and subject to the provision of Section 155(2) of the Companies Act 1972.

Board Approval

Approved by the Board of Directors


Nisreen Abdul Majid


Jeffrey Moses

Date:


Menatic Verghese


Davis Laporte

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Opportunity Investment Company Limited

Opinion

We have audited the financial statements of Opportunity Investment Company Limited (the Company) on pages 4 to 12, which comprise the statement of financial position as at December 31, 2020, the statement of comprehensive income, and cash flow statement 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 give a true and fair view of the financial position of the company as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME's) and requirements of the Seychelles Companies Act, 1972.

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 Seychelles, and we have fulfilled our other 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.

Material uncertainty related to going concern

We draw your attention to note 15 of the financial statements which indicates as a result of spread of COVID 19, economic uncertainties have arisen which have negatively impacted the companies in the Seychelles. The extent of the impact on the company's operations and financial performance will depend on the duration and spread of the outbreak and its effect on the economy, employees, customers and suppliers, all of which remains uncertain presently. These events, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME's) and requirements of the Seychelles Companies Act, 1972, and for such internal control as management 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, management 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process:

INDEPENDENT AUDITOR'S REPORT (Cont...)

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.

In common with business of similar size and organization, the company's system of control is dependent upon the close involvement of management who are also shareholders. Where independent confirmation of the completeness of the accounting records was not available, we have accepted assurances from the management that the completeness of the company's record accurately reflects all the transactions undertaken during the year.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 management.
- Conclude on the appropriateness of management's 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.

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

Pool - Patel
POOL & PATEL
CHARTERED ACCOUNTANTS
11 May 2021

OPPORTUNITY INVESTMENT COMPANY LIMITED

Annual Financial Statements for the year ended 31 December 2020

Statement of Financial Position

Figures in Seychelles Rupee

	Note(s)	2020	2019
Assets			
Investment in associate	5	40,562,865	87,109,855
Non-Current Assets		40,562,865	87,109,855
Other receivables	6	48	48
Cash and cash equivalents	7	128,790	391,217
Current Assets		128,838	391,265
Total Assets		40,691,703	87,501,120
Equity and Liabilities			
Share capital	8	10,000	10,000
Retained income		34,235,087	74,838,613
Capital contributions	12	6,438,116	12,623,756
Equity		40,683,203	87,472,369
Other payables	9	8,500	28,750
Current Liabilities		8,500	28,750
Total Liabilities		8,500	28,750
Total Equity and Liabilities		40,691,703	87,501,120

The annual financial statements have been approved by the board on the and were signed by:


Nisreen Abdul Majid
Menatie Verghese
Jeffrey Moses
Davis Laporte

The notes on pages 8 to 12 form an integral part of these financial statements.

Auditor's Report is on page 2 to 3

OPPORTUNITY INVESTMENT COMPANY LIMITED
Annual Financial Statements for the year ended 31 December 2020

Statement of Profit or Loss and Other Comprehensive Income

Figures in Seychelles Rupee	Note(s)	2020	2019
Dividend income	13	-	1,514,904
Expenditure			
Administrative	10	(50,603)	(39,104)
Decrease in fair value of associate	5	(3,863,130)	-
(Loss)/profit for the year		(3,913,733)	1,475,800
Other comprehensive loss	5	(36,689,793)	-
Total comprehensive (loss)/income for the year		(40,603,526)	1,475,800

The notes on pages 8 to 12 form an integral part of these financial statements.
Auditor's Report is on page 2 to 3

OPPORTUNITY INVESTMENT COMPANY LIMITED

Annual Financial Statements for the year ended 31 December 2020

Statement of Changes in Equity

	Note(s)	Share capital	Capital contribution reserve	Retained income	Total equity
Figures in Seychelles Rupee					
Balance at 01 January 2019	8	10,000	12,623,756	74,847,767	87,481,523
Profit for the year		-	-	1,475,800	1,475,800
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	1,475,800	1,475,800
Capital contribution		-	-	-	-
Dividends	13	-	-	(1,484,954)	(1,484,954)
Balance at 01 January 2020		10,000	12,623,756	74,838,613	87,472,369
Profit for the year		-	-	(3,913,733)	(3,913,733)
Other comprehensive loss		-	-	(36,689,793)	(36,689,793)
Total comprehensive income for the year		-	-	(40,603,526)	(40,603,526)
Capital contribution	12	-	(6,185,640)	-	(6,185,640)
Dividends	13	-	-	-	-
Balance at 31 December 2020		10,000	6,438,116	34,235,087	40,683,203

The notes on pages 8 to 12 form an integral part of these financial statements.

Auditor's Report is on page 2 to 3

OPPORTUNITY INVESTMENT COMPANY LIMITED

Annual Financial Statements for the year ended 31 December 2020

Statement of Cash Flows

Figures in Seychelles Rupee

	Note(s)	2020	2019
Cash flows from operating activities			
Profit for the year		(3,913,733)	1,475,800
Adjustments for:-			
Fair value adjustments on associates	5	3,863,130	-
		(50,603)	1,475,800
Changes in working capital			
Decrease in creditors	9	(20,250)	(1,106,166)
Net cash from operating activities		(70,853)	369,634
Cash flows from investing activities			
Share of bank balance paid to SWAN	5	(191,574)	-
Net cash used in investing activities		(191,574)	-
Cash flow from financing activities			
Dividend paid	11	-	(1,484,954)
Net cash from financing activities		-	(1,484,954)
Increase in cash and cash equivalents		(262,427)	(1,115,320)
Cash & cash equivalent and overdraft at 1 January		391,217	1,506,536
Cash & cash equivalents and overdraft at 31 December	7	128,790	391,217

The notes on pages 8 to 11 form an integral part of these financial statements.

Auditor's Report is on page 2 to 3

OPPORTUNITY INVESTMENT COMPANY LIMITED

Annual Financial Statements for the year ended 31 December 2020

Notes To The Financial Statements

1 General Information

Opportunity Investment Company Limited was incorporated on January 13, 2006 as a private Company limited by shares. The address of its registered office is P.O Box 576, Caravelle House, Victoria, Seychelles.

2 Basis of Preparation

These financial statements have been prepared in compliance with the International Financial Reporting Standard (IFRS) for Small and Medium-sized Entities (SMEs) issued by the International Accounting Standards Board. The basis of presentation is consistent with that of prior year. The financial statements are presented in Seychelles Rupees (SCR).

Explicit and unreserved statement of compliance

The financial statements of Opportunity Investment Company Limited comply with the requirements of the Companies Act 1972 and have been prepared in accordance with IFRS for SME's.

3 Significant Accounting Policies

a) Financial instruments - initial recognition and subsequent measurement

i. Date of recognition

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

ii. Initial recognition of financial instruments

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value, any directly attributable incremental costs of acquisition or issue, except for financial instrument are measured at fair value through profit and loss, the transaction costs are directly recognised through profit and loss.

iii. Investment in Associate

Company has elected to measure its investment in associates at fair value through profit and loss, in accordance with IFRS for SME's paragraph 14.9 – All investments in associates are listed on the Seychelles stock exchange (Trop-X), thus the fair value is easily determinable at year end.

Other liabilities

Other liabilities consist of payables and accrued expenses, which is subsequently measured at amortised cost.

OPPORTUNITY INVESTMENT COMPANY LIMITED
Annual Financial Statements for the year ended 31 December 2020

Notes To The Financial Statements

3 Significant Accounting Policies (Continued)

b) Derecognition Of Financial Assets And Financial Liabilities

i. Financial Assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ii. Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

c) Impairment Of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired, if and only if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

d) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand, bank balances, and short-term deposits with an original maturity of three months or less.

e) Revenue recognition

Dividend income is recognized when the Company's right to receive the payment is established, which is generally the last date of trade of the share. (Due to the fact that all current investments are listed).

f) Related Party

Related parties are parties with control or significant influence over the reporting entity and parties controlled or significantly influenced by the reporting entity. It can be corporate or individuals.

OPPORTUNITY INVESTMENT COMPANY LIMITED
Annual Financial Statements for the year ended 31 December 2020

Notes To The Financial Statements

3 Significant Accounting Policies (Continued)

g) Capital Contribution

Owners may make a contribution to the entity by transferring cash or through the provision of interest-free loans. Contributions from the owners in their capacity as owners of the entity are distinguished from transfers that arise from trading activities in the normal course of business. The contributions are non-reciprocal in nature. Non-reciprocal transfers involve the giving of assets or services, or liabilities forgiven, without the transferee being obliged to give something of benefit in exchange.

4 Significant Accounting Judgments, Estimates and Assumptions

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 Investment in Associate

	2020	2019
	SCR	SCR
Balance at January 1,	87,109,855	87,109,855
Additions	-	-
Exit of SWAN	(42,683,860)	-
Fair value adjustment through profit and loss	(3,863,130)	-
Balance at December 31,	<u>40,562,865</u>	<u>87,109,855</u>
Exit of SWAN		
Exit cost	42,683,860	-
Capital contribution (note 12)	(6,185,640)	-
Other cost	191,574	-
Total Cost	<u>36,689,794</u>	<u>-</u>

The Company recognizes investments in associates at fair value through profit and loss. A fair market value is easily obtained due to the fact that the investment is publicly traded.

In 2019, the shareholders of OICL decided to restructure the company with the exit of SWAN as per agreement signed by both parties on 22 November 2019. The exit agreement entails the exchange as follows; SWAN will receive 49% of shares held by the company in SACOS and in exchange SPF will received the 49% shares held by SWAN in OICL. The exit of SWAN was finalised in 2020.

The total number of shares held in SACOS Group at 31 December 2020 is 386,313 (2019: 757,477) shares. The shares are valued at a market price of SCR 105 (2019: SCR 115) per share. SACOS Group is listed on Trop-X stock exchange.

Details of the Company's associate at 31 December 2020 are as follows:

Name of associate	Country of incorporation	Portion of ownership interest	Principal activity
SACOS Group	Seychelles	19.31%	Investment holding, insurance and life assurance services.

OPPORTUNITY INVESTMENT COMPANY LIMITED
Annual Financial Statements for the year ended 31 December 2020

Notes To The Financial Statements

6 Other Receivables

	2020	2019
	SCR	SCR
Constant Capital (Seychelles) Limited	48	48

7 Cash in hand and at bank

	2020	2019
	SCR	SCR
Current accounts	71,951	334,378
Call deposit	56,839	56,839
	<u>128,790</u>	<u>391,217</u>

8 Authorised And Issued Share Capital

Authorised, Issued and Fully-paid
100 ordinary shares of SCR 100 each

2020	2019
SCR	SCR
<u>10,000</u>	<u>10,000</u>

9 Other Payables

	2020	2019
	SCR	SCR
Audit fee accruals	-	28,750
Other payable	8,500	-
	<u>8,500</u>	<u>28,750</u>

10 Administrative Expenses

	2020	2019
	SCR	SCR
Auditor's remuneration	28,750	28,750
Miscellaneous	20,500	8,400
Bank Charges	1,353	1,954
	<u>50,603</u>	<u>39,104</u>

11 Dividends

No dividend was declared during the year under review (2019: SCR 14,849.54 per share).

12 Capital Contribution

Capital contribution relates to funds received from shareholders for further investment in SACOS Group.

	2020	2019
	SCR	SCR
Seychelles Pension Fund		
Deposit on shares	1,020,000	1,020,000
Advance against equity	5,418,116	5,418,116
	<u>6,438,116</u>	<u>6,438,116</u>
Swan International Limited		
Deposit on shares	-	980,000
Advance against equity	-	5,205,640
	-	<u>6,185,640</u>
Total contribution	<u>6,438,116</u>	<u>12,623,756</u>

OPPORTUNITY INVESTMENT COMPANY LIMITED
Annual Financial Statements for the year ended 31 December 2020

Notes To The Financial Statements

13 Related Party Transactions

	Relationship	2020 SCR	2019 SCR
Investment			
SACOS Group Limited	Associate	<u>40,562,865</u>	<u>87,109,855</u>
Dividend Income			
SACOS Group Limited	Associate	<u>-</u>	<u>1,514,904</u>
Dividend expense			
Seychelles Pension Fund	Shareholder	-	757,327
Swan International Limited	Shareholder	<u>-</u>	<u>727,627</u>
		<u>-</u>	<u>1,484,954</u>

14 Others

Based on information provided, the Company did not have any contingent liabilities nor capital commitments contracted for, or approved by the Board of Directors as at 31 December 2020 (2019: nil).

15 Events after reporting date

In view of the global coronavirus pandemic in 2020, uncertainty remains as to the entity's going concern due to economic activities globally being severely affected. Following the world-wide outbreak of the virus, countries have acted to close their borders and confine their population. Such actions are impacting all industries across the world and as a result, local trade is being severely affected. The economic impact of the virus is yet to be assessed. Significant uncertainty therefore arises on the going concern of the company.

The requirement, in accordance with IAS 10 "Events after the Reporting Period", is to account for the significant changes in business and economic conditions as non-adjusting event.

The directors of the company are confident that they will continue to operate despite such difficult times and they are therefore of the opinion that the going concern basis of preparation of these financial statements remains appropriate in the foreseeable future.