

| MUA INSURANCE RWANDA LTD - STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023 | | |
|--|--------------------|--------------------|
| | | *Restated |
| | 2023 | 2022 |
| | Frw '000 | Frw '000 |
| Insurance Revenue | 12,684,756 | 9,396,972 |
| Insurance Service Expense | (7,243,173) | (6,414,738) |
| Insurance Service Result Before Reinsurance Contracts Held | 5,441,583 | 2,982,234 |
| Allocation of Reinsurance Premium | (3,836,285) | (2,398,100) |
| Amounts recoverable from reinsurers for incurred claims | 1,126,609 | 657,785 |
| Net expense from reinsurance contracts held | (2,709,676) | (1,740,315) |
| Insurance service result | 2,731,907 | 1,241,919 |
| Investment income | 1,537,643 | 1,187,342 |
| (Allowance)/reversal of credit loss | (33,390) | 251 |
| Foreign exchange gains | 212,970 | 64,869 |
| Other operating income | 9,289 | - |
| Total income | 1,726,512 | 1,252,462 |
| Finance expenses for insurance contracts issued | (268,909) | (457,856) |
| Finance income for reinsurance contracts held | 275,723 | 350,034 |
| Net insurance financial result | 6,814 | (107,822) |
| Non attributable expenses | (908,891) | (611,282) |
| Finance costs | (23,649) | (17,662) |
| Profit before income tax | 3,532,693 | 1,757,615 |
| Income tax expense | (1,069,878) | (533,253) |
| Profit for the year | 2,462,815 | 1,224,361 |
| | | |
| Items that will not be reclassified subsequently to profit or loss | | |
| Change in fair value of equity instruments at fair value through other comprehensive income (net of tax) | 5,680 | 14,969 |
| Total comprehensive income for the year | 2,468,495 | 1,239,330 |

| MUA INSURANCE RWANDA LTD - STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 | | | |
|---|-------------------|-------------------|-------------------|
| | | *Restated | *Restated |
| | December | December | 1 Jan |
| | 2023 | 2022 | 2022 |
| | Frw '000 | Frw '000 | Frw '000 |
| ASSETS | | | |
| Cash and cash equivalents | 1,460,346 | 826,950 | 880,772 |
| Financial assets measured fair value through other comprehensive income | 147,378 | 139,502 | 118,118 |
| Short term deposit at amortised cost | 4,929,745 | 2,140,106 | 3,544,940 |
| Financial assets at amortised cost | 11,050,703 | 8,586,613 | 7,634,174 |
| Long term deposits at amortised cost | 497,500 | - | 398,160 |
| Sundry receivables | 978,867 | 380,357 | 257,895 |
| Due from related parties | - | - | 28,627 |
| Reinsurance contract assets | 2,145,901 | 4,146,384 | 5,185,599 |
| Insurance contract assets | 99,366 | 48,822 | 38,417 |
| Property and equipment | 78,948 | 54,093 | 37,632 |
| Intangible assets | 41,713 | 39,827 | 68,470 |
| Deferred income tax asset | 58,455 | 216,358 | 144,950 |
| Right-of-use assets | 157,890 | 206,471 | 246,871 |
| TOTAL ASSETS | 21,646,812 | 16,785,483 | 18,584,625 |
| EQUITY AND LIABILITIES | | | |
| LIABILITIES | | | |
| Current income tax | 238,396 | 307,642 | 71,258 |
| Due to related parties | 44,847 | 46,542 | 33,143 |
| Sundry payables | 1,892,562 | 2,377,871 | 2,209,457 |
| Reinsurance Contract Liabilities | 164,853 | 108,047 | 49,547 |
| Insurance Contract Liabilities | 9,988,913 | 7,050,422 | 10,533,322 |
| Lease liabilities | 224,496 | 270,709 | 302,978 |
| TOTAL LIABILITIES | 12,554,067 | 10,161,233 | 13,199,705 |
| EQUITY | | | |
| Share capital | 3,000,000 | 3,000,000 | 1,000,000 |
| Fair value through other comprehensive income reserve | 72,220 | 66,540 | 51,571 |
| Retained earnings | 6,020,525 | 3,557,710 | 4,333,349 |
| TOTAL EQUITY | 9,092,745 | 6,624,250 | 5,384,920 |
| TOTAL EQUITY AND LIABILITIES | 21,646,812 | 16,785,483 | 18,584,625 |

These financial statements were approved by the Board of Directors on 26th April 2024 and signed on its behalf by: -



Director



Director

MUA INSURANCE RWANDA LTD - STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

| | Share capital | FVOCI Reserve | Retained earnings | Total |
|---|------------------|---------------|-------------------|------------------|
| | Frw '000 | Frw '000 | Frw '000 | Frw '000 |
| For the year ended 31 December 2022 | | | | |
| At 1 January 2022 | 1,000,000 | 51,571 | 4,199,498 | 5,251,069 |
| Impact of initial application of IFRS 17 (Net of Tax) | - | - | 133,851 | 133,851 |
| Restated balance as at 1 January 2022 | 1,000,000 | 51,571 | 4,333,349 | 5,384,920 |
| Profit for the year | - | - | 1,224,361 | 1,224,361 |
| Other comprehensive income | - | 14,969 | - | 14,969 |
| Transactions with owners | | | | |
| Recapitalisation of retained earnings | 2,000,000 | - | (2,000,000) | - |
| As at 31 December 2022 | 3,000,000 | 66,540 | 3,557,710 | 6,624,250 |
| For the year ended 31 December 2023 | | | | |
| At 1 January 2023 | 3,000,000 | 66,540 | 3,557,710 | 6,624,250 |
| Profit for the year | - | - | 2,462,815 | 2,462,815 |
| Other comprehensive income | - | 5,680 | - | 5,680 |
| As at 31 December 2023 | 3,000,000 | 72,220 | 6,020,525 | 9,092,745 |

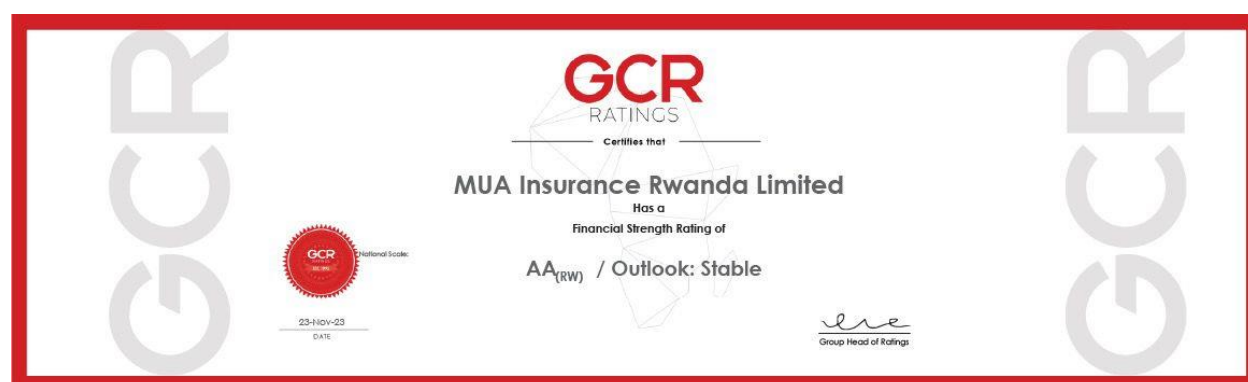
Explanatory notes

GWP up by 48% in 2023 compared to 15 % posted in 2022 owing to Implementation of new management strategies like successful partnership with intermediaries which facilitated sourcing of new businesses.

IFRS 17 Insurance Revenue and PAT increased by 35% and 99% respectively.

Investment income was up by 30 % in 2023 compared to 2022 and 13% above the budget 2023 due to an increase in investment portfolio and yield coupled with timely reinvestment.

The company's solvency margin remained strong with a solvency margin ratio of 234%.


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MUA INSURANCE(RWANDA) LTD - STATEMENT OF CASH FLOWS AS AT YEAR ENDED 31 DECEMBER 2023

| | | *Restated |
|--|--------------------|--------------------|
| | 2023 | 2022 |
| | Frw '000 | Frw '000 |
| Cash flows from operating activities | | |
| Profit before income tax | 3,532,693 | 1,757,615 |
| Adjustment for; | | |
| Depreciation of property and equipment | 34,465 | 28,225 |
| Amortization of intangible assets | 15,651 | 33,443 |
| Interest income | (1,528,868) | (1,184,293) |
| Impairment provision | 33,390 | 251 |
| Depreciation of right-of-use assets | 48,581 | 48,581 |
| Lease modification | - | (3,978) |
| Interest expense on lease liabilities | 37,895 | 44,783 |
| Net foreign exchange gain | (134,141) | (22,466) |
| Dividends income | (19,785) | (14,143) |
| Operating profit before changes in working capital | 2,019,881 | 688,018 |
| Changes in working capital | | |
| Decrease of Reinsurance contract assets | 2,000,483 | 1,039,216 |
| (Increase) of Insurance contract assets | (50,544) | (10,404) |
| Decrease of Due from related parties | - | 31,957 |
| Increase of Reinsurance contract liabilities | 56,806 | 58,500 |
| Increase/(decrease) of Insurance contract liabilities | 2,938,491 | (3,482,899) |
| (Decrease)/increase of Sundry payables | (485,310) | 168,412 |
| (Increase) of Sundry receivables | (598,512) | (122,462) |
| Increase of Interest receivables on term deposit | (296,158) | (50,860) |
| Increase of Interest receivables on Government securities | (70,138) | (67,032) |
| (Decrease)/increase of Due to related parties | (1,694) | 13,399 |
| Cash generated from/ (used in) operating activities | 5,513,305 | (1,734,155) |
| Interest paid on lease liabilities | (37,895) | (44,783) |
| Income tax paid | (983,416) | (374,693) |
| Interest received | 1,528,868 | 1,184,293 |
| Net cash generated from/ (used in) operating activities | 6,020,862 | (969,338) |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (59,320) | (44,686) |
| Purchase of intangible assets | (17,537) | (4,800) |
| Dividends received | 19,785 | 14,143 |
| Investment in government securities at amortised cost | (2,406,333) | (893,229) |
| (Purchase)/maturities of the investment in long term deposits | (500,000) | - |
| (Purchase)/maturities from investment in short term deposits at amortised cost | (2,507,499) | 1,857,754 |
| Net cash (used in)/generated from investing activities | (5,470,904) | 929,182 |
| Cash flows from financing activities | | |
| Payment of principal portion of lease liabilities | (46,213) | (36,472) |
| Net increase/(decrease) in cash and cash equivalents | 503,745 | (76,628) |
| Cash and cash equivalent at the beginning of the year | 829,726 | 883,888 |
| Net foreign exchange gain | 134,141 | 22,466 |
| Cash and cash equivalent at the end of the year | 1,467,612 | 829,726 |
| Reconciled to; | | |
| Cash in hand | 813 | 8 |
| Cash at bank | 1,466,799 | 829,718 |
| | 1,467,612 | 829,726 |



| Product performance account | | | | | | | | | | |
|---|-------------|-------------|-------------|-----------|-----------|-----------|-----------------|----------|-----------|-------------|
| | Fire | Engineering | Motor | Misc | Marine | Liability | Financial risks | Travel | Bond | Total |
| | | | | | | | | | | |
| Insurance Revenue | 2,863,508 | 2,039,534 | 5,489,279 | 761,369 | 274,145 | 562,784 | 308,625 | 51,947 | 333,565 | 12,684,756 |
| Insurance Service Expenses | (680,366) | (1,243,044) | (4,237,769) | (420,781) | (102,892) | (262,231) | (158,636) | (28,970) | (108,484) | (7,243,173) |
| Net Expenses from Reinsurance Contracts | (1,407,597) | (639,919) | (134,738) | (238,556) | (55,115) | (162,118) | (139,213) | (24,300) | 91,877 | (2,709,676) |
| INSURANCE SERVICE RESULT | 775,545 | 156,571 | 1,116,772 | 102,032 | 116,139 | 138,436 | 10,777 | (1,323) | 316,958 | 2,731,906 |
| NET FINANCIAL RESULT (excluding investment return) | (1,401) | (9,512) | (151,665) | (11,813) | (3,415) | (15,133) | 3,262 | (234) | 196,725 | 6,814 |
| Net underwriting results | 774,144 | 147,059 | 965,107 | 90,219 | 112,724 | 123,303 | 14,039 | (1,557) | 513,683 | 2,738,720 |

| MUA INSURANCE (RWANDA) LTD - QUANTITATIVE DISCLOSURES | | | |
|--|--|-------------------------|-------------------------|
| Item | Formula/ description | Amount/ Ratio | |
| | | 2023 | 2022 |
| | | Frw'000 | Frw'000 |
| A. Solvency coverage | | | |
| a. Solvency required | | 1,331,248 | 1,085,644 |
| b. Admitted assets | | 20,783,496 | 15,785,982 |
| c. Admitted liabilities | | 17,675,710 | 13,181,627 |
| d. Solvency available | | 3,107,786 | 2,604,355 |
| e. Solvency surplus (gap) | | 1,776,538 | 1,518,711 |
| f. Solvency coverage ratio | | 234% | 240% |
| B. Capital Strength | | | |
| a. TAC (Total Available Capital) | | 6,965,344 | 5,641,269 |
| b. RCR (Risk Based Capital Required) | | 4,657,052 | 3,921,198 |
| c. CAR (Capital Adequacy ratio) | | 150% | 144% |
| a. Claims Ratio | Net Claims Incurred/ Net Earned Premiums | 49% | 54% |
| b. Management Expenses Ratio | Management expenses/ Net Earned Premiums | 41% | 35% |
| c. Underwriting expenses ratio | Net commission expenses/ net earned Premiums | -2% | 1% |
| d. Combined Ratio (For General insurance Only) | Claims ratio+ Management expenses ratio+ Underwriting expenses ratio | 88% | 90% |
| D. INVESTMENT EXPOSURE | | | |
| a. Investment Exposure (s) | Any investment above ten percent of total assets (name and amount) | | |
| b. Earning assets ratio | Earning Assets/ total assets | 77% | 65% |
| c. Investment property ratio | Investment property/ total assets | - | - |
| d. Equities assets ratio | Investment Equities/ total assets | 1% | 1% |
| E. Liquidity Risk | Liquid assets/ current liabilities | | |
| a. Liquidity Ratio (LCR) | | 141% | 116% |
| F. Exposures to related parties | | | |
| a. Loans to employees/ staff | | 168,760 | 6,019 |
| F. Business composition | | | |
| a. Number of policyholders | | 10,241 | 9,274 |
| b. Number of policies in force | | 25,371 | 21,683 |
| G. Management and Board Composition | | | |
| a. Number of Board members (Independent and non-independent) | | 6 | 6 |
| b. Number of Board committees | | 3 | 3 |
| c. Number of senior management staff by gender | | 8 males and 1 female | 7 males |
| H. Staff | | | |
| a. Total Number of non-managerial Staff by gender | | 22 Males and 21 females | 17 Males and 16 females |
| I. Insurance Intermediaries | | | |
| a. Number of insurance agents | | 84 | 74 |
| b. Number of loss adjusters/ assessors | | 16 | 8 |
| L. Branches | | | |
| a. Number of Branches by Province including Kigali City | | 20 | 15 |

