

| MUA INSURANCE RWANDA LTD - UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2024 |                  |                  |
|--|------------------|------------------|
|  | MAR 2024         | MAR 2023         |
|  | Frw'000          | Frw'000          |
| <b>Gross written premiums</b>  | <b>4,221,935</b> | <b>3,911,486</b> |
| Change in unearned premium   | (831,093)        | (1,312,864)      |
| Gross earned premium   | 3,390,842        | 2,598,622        |
| Less premium ceded to reinsurers   | 1,232,078        | 841,523          |
| <b>Net premium revenue</b>   | <b>2,158,765</b> | <b>1,757,099</b> |
| Commission earned  | 302,836          | 230,823          |
| Commission paid  | (394,231)        | (263,793)        |
| <b>Net Earned Commission</b>   | <b>(91,395)</b>  | <b>(81,250)</b>  |
| Gross claims paid  | 1,112,829        | 758,624          |
| Less: Amount recoverable from re-insurers  | (284,650)        | (109,574)        |
| change in outstanding claims   | 755,968          | 226,051          |
| <b>Net insurance claims incurred</b>   | <b>1,584,147</b> | <b>875,101</b>   |
| Management expenses  | 950,700          | 700,441          |
| <b>Net Underwriting profit/loss</b>  | <b>(467,477)</b> | <b>148,587</b>   |
| Investment income  | 439,451          | 321,841          |
| other operating income   | 18,266           | 44,859           |
| <b>Total operating income</b>  | <b>457,717</b>   | <b>366,700</b>   |
| <b>Profit before income tax</b>  | <b>(9,760)</b>   | <b>515,287</b>   |
| Income tax expense/(charge)  | (74,450)         | (206,506)        |
| <b>Net Profit or loss for the year</b>   | <b>(84,210)</b>  | <b>308,781</b>   |
| Other comprehensive income (Specify)   |                  |                  |
| Change in fair value on available-for-sale financial assets  | 2,184            | (303)            |
| <b>Total Comprehensive income for the year</b>   | <b>(82,026)</b>  | <b>308,478</b>   |

**MUA INSURANCE RWANDA LTD - UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024**

|   | <b>MAR 2024</b>   | <b>DEC 2023</b>   |
|---|-------------------|-------------------|
|   | <b>Frw'000</b>    | <b>Frw'000</b>    |
| <b>Assets</b>   |                   |                   |
| <b>Non- current assets</b>                            |                   |                   |
| Property and equipment                                | 310,255           | 78,949            |
| Right of use of asset                                 | 157,890           | 157,890           |
| Other Intangible assets                               | 38,983            | 41,713            |
| Held to maturity investments                          | 10,840,334        | 9,839,334         |
| Investment in quoted shares                           | 149,562           | 147,378           |
| Investment in deposits and investment funds           | 398,000           | 398,000           |
| <b>Total non -current assets</b>                      | <b>11,895,024</b> | <b>10,663,264</b> |
| <b>Current assets:</b>                                |                   |                   |
| Deferred acquisition costs                            | 851,040           | 705,731           |
| Deferred tax asset                                    | 338,106           | 338,106           |
| Premium Receivables                                   | 2,196,798         | 1,343,707         |
| Reinsurance Assets                                    | 3,510,497         | 3,730,068         |
| Other receivables                                     | 782,041           | 1,117,108         |
| Held to maturity investments                          | 1,210,974         | 850,974           |
| Term deposits   | 3,350,329         | 4,734,567         |
| Cash and bank balances                                | 2,675,071         | 1,460,346         |
| <b>Total current assets</b>                           | <b>14,914,856</b> | <b>14,280,606</b> |
| <b>Total assets</b>                                   | <b>26,809,880</b> | <b>24,943,871</b> |
| <b>Equity and Liabilities</b>                         |                   |                   |
| Share capital   | 3,000,000         | 3,000,000         |
| Capital reserve                                       | 74,405            | 72,221            |
| Profit/loss for the Year                              | (84,210)          | 1,856,120         |
| Accumulated loss/ Retained earnings                   | 5,350,896         | 3,494,776         |
| <b>Total Equity</b>                                   | <b>8,341,091</b>  | <b>8,423,117</b>  |
| Liabilities   |                   |                   |
| <b>Total Technical Provisions</b>                     | <b>13,146,807</b> | <b>11,549,569</b> |
| Insurance contract liabilities                        | 5,391,254         | 4,625,108         |
| Provision for Incurred but Not Reported claims (IBNR) | 1,173,115         | 1,173,115         |
| Provision for unearned premium                        | 6,582,438         | 5,751,346         |
| Reinsurance payable                                   | 1,187,270         | 1,370,801         |
| Amount due to related parties                         | 47,428            | 44,847            |
| Current tax payable                                   | 312,846           | 238,396           |
| Other payables  | 3,774,438         | 3,317,141         |
| <b>Total liabilities</b>                              | <b>18,468,789</b> | <b>16,520,754</b> |
| <b>Total equity and liabilities</b>                   | <b>26,809,880</b> | <b>24,943,871</b> |

These unaudited financial statements were approved by the Board of Directors on 17<sup>th</sup> July 2024 and signed on its behalf by:



Herbert Gatsinzi

Director



Mireille Umwali

Director

| MUA INSURANCE RWANDA LTD - UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2024 |                  |                    |                                      |                  |
|--|------------------|--------------------|--------------------------------------|------------------|
|  | Share capital    | Available for sale | Accumulated losses/Retained earnings | TOTAL            |
| At 1st January 2023  | 3,000,000        | 66,540             | 3,494,776                            | 6,561,316        |
| Profit for the year  | -                | -                  | 1,856,120                            | 1,856,120        |
| Other comprehensive income   | -                | 5,681              | -                                    | 5,681            |
| <b>At 31 December 2023</b>   | <b>3,000,000</b> | <b>72,221</b>      | <b>5,350,896</b>                     | <b>8,423,117</b> |
| At 1st January 2024  | 3,000,000        | 72,221             | 5,350,896                            | 8,423,117        |
| Profit for the year  | -                | -                  | (84,210)                             | (84,210)         |
| Other comprehensive income   | -                | 2,184              | -                                    | 2,184            |
| <b>At 31 March 2024</b>  | <b>3,000,000</b> | <b>74,405</b>      | <b>5,266,686</b>                     | <b>8,341,091</b> |

| MUA INSURANCE(RWANDA) LTD - UNAUDITED STATEMENT OF CASH FLOWS OF AS AT 31 MARCH 2024 |                  |                    |
|--|------------------|--------------------|
|  | MAR 2024         | DEC 2023           |
|  | Frw'000          | Frw'000            |
| <b>Profit before tax</b>   | <b>(9,759)</b>   | <b>2,673,320</b>   |
| Adjustments for:   |                  | -                  |
| Depreciation properties of properties and equipment                                  | 14,358           | 34,465             |
| Amortisation   | 2,730            | 15,651             |
| Impairment provision   | -                | 33,390             |
| Change in provision bad debt   | 271,317          | 202,106            |
| Depreciation of right-of-use assets  | -                | 48,581             |
| Interest income/expense  | (442,403)        | (1,528,868)        |
| Dividend received  | -                | (19,785)           |
| Interest expense on lease liabilities  | -                | 37,895             |
| <b>Operating profit before changes in working capital</b>                            | <b>(163,757)</b> | <b>1,496,755</b>   |
| Changes in working capital   |                  |                    |
| Increase of premium outstanding  | (1,124,408)      | (158,184)          |
| Increase in deferred acquisition cost  | (145,309)        | (58,518)           |
| Decrease/(Increase) of reinsurance assets  | 219,571          | (1,529,003)        |
| (Decrease)/Increase in commission income   | (34,451)         | 196,342            |
| Increase/(Decrease) in due to related parties  | 2,581            | (1,694)            |
| Increase in other payable  | 422,842          | 840,616            |
| (Decrease)/Increase in reinsurance payable   | (191,977)        | 899,183            |
| Increase in technical reserves   | 1,597,240        | 3,261,430          |
| Decrease of other receivables  | 343,515          | 1,721,000          |
| <b>Cash generated from operating activities</b>                                      | <b>925,847</b>   | <b>6,667,927</b>   |
| Interest paid  | -                | (37,895)           |
| Tax paid in the year   | -                | (983,416)          |
| <b>Net cash flows generated from operating activities</b>                            | <b>925,847</b>   | <b>5,646,616</b>   |
| <b>Investment activities</b>   |                  |                    |
| Purchase of property equipment   | (245,664)        | (59,320)           |
| Purchase of intangible assets  | -                | (17,537)           |
| Investment in government securities  | (1,361,000)      | (2,476,471)        |
| Purchase of the investment in short term deposits                                    | 1,384,238        | (3,303,657)        |
| Dividend Received  | -                | 19,785             |
| Interests received   | 511,304          | 867,417            |
| <b>Net cash generated from investment activities</b>                                 | <b>288,878</b>   | <b>(4,969,783)</b> |
| <b>Cash flows from financing activities</b>  |                  |                    |
| Repayment of finance lease   | -                | (46,213)           |
| <b>Net cashflow from financing activities</b>  | <b>-</b>         | <b>(36,472)</b>    |
| Net(decrease)/increase in cash and cash equivalents                                  | 1,214,725        | 630,620            |
| <b>Cash and cash equivalents at the beginning of the year</b>                        | <b>1,460,346</b> | <b>829,726</b>     |
| <b>Cash and cash equivalents at the end of the year</b>                              | <b>2,675,071</b> | <b>1,460,346</b>   |

**MUA INSURANCE(RWANDA) LTD - PRODUCT PERFORMANCE ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2024**

| Product type      | Gross premium written | Ceded premium      | Net premium written | Change in unearned premium | Net earned premium | Net commission income | Net claims incurred | Management expense | Technical profit/loss |
|-------------------|-----------------------|--------------------|---------------------|----------------------------|--------------------|-----------------------|---------------------|--------------------|-----------------------|
| Motor             | 2,253,138             | (84,718)           | 2,168,420           | (736,672)                  | 1,431,748          | (179,631)             | (1,154,948)         | (715,562)          | (618,394)             |
| Property          | 698,996               | (299,161)          | 399,835             | (159,607)                  | 240,228            | (6,558)               | (144,144)           | (49,358)           | 40,169                |
| Liability         | 187,917               | (32,272)           | 155,645             | (63,055)                   | 92,590             | (6,147)               | (22,377)            | (20,924)           | 43,142                |
| Transportation    | 118,159               | (40,578)           | 77,581              | (19,114)                   | 58,467             | 7,310                 | (161,225)           | (12,873)           | (108,321)             |
| Accident & health | 313,232               | (88,054)           | 225,178             | (57,672)                   | 167,506            | 1,934                 | (59,533)            | (85,870)           | 24,037                |
| Engineering       | 483,022               | (320,818)          | 162,204             | (12,845)                   | 149,359            | 70,106                | (41,875)            | (14,634)           | 162,956               |
| Guarantee         | 167,471               | (136,725)          | 30,746              | (11,879)                   | 18,867             | 21,591                | (44)                | (51,479)           | (11,065)              |
| <b>Total</b>      | <b>4,221,935</b>      | <b>(1,002,326)</b> | <b>3,219,609</b>    | <b>(1,060,844)</b>         | <b>2,158,765</b>   | <b>(91,395)</b>       | <b>(1,584,147)</b>  | <b>(950,700)</b>   | <b>(467,476)</b>      |

**Key highlights for the Financial Period**

GWP was up in Q1 2024 by 8% compared to same period in Q1 2023 and below the budget by 9% largely due to reduction in engineering and Misc. Accident business by 57% and 33% owing largely to non-renewal of major accounts

The net earned premium for the period increased by 23% but below the budget by 15% in line with non-realization of the GWP.

Underwriting profit decreased by 43 % due to large claims in Marine, motor, and fire.

The reduction in underwriting profit coupled with management expenses also affected the Insurance profit downing it by 410% on the account of increase in claims and provision for bad debts

Loss ratio for the period ended March 2024 was up by 23% and above the budget by 20% owing to huge claims for marine, motor, workman compensation and fire.

Commission ratio was up by 2% on the account of reduction in engineering business and increase in business through intermediation.

Expense ratio excluding depreciation and provisions was up by 4% in Q1 2024 and above the budget for Q1 by 14% largely due to increase in provision for bad debts

Combined ratio excluding depreciation and provisions was up by 30% owing to increase in loss ratio.

Investment income was up by 38 % in Q1 2024 compared to Q1 2023 due to an increase in portfolio and yield.

PAT was down largely due to a decrease in underwriting profit.

| MUA INSURANCE (RWANDA) LTD - QUANTITATIVE DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2024 |  |                         |                         |
|--|--|-------------------------|-------------------------|
| Item   | Formula/ description   | Amount/ Ratio           |                         |
|  |  | 2024                    | 2023                    |
|  |  | Frw'000                 | Frw'000                 |
| <b>A. Solvency coverage</b>  |  |                         |                         |
| a. Solvency required   |  | 1,618,152               | 1,331,248               |
| b. Admitted assets   |  | 22,008,110              | 17,902,251              |
| c. Admitted liabilities  |  | 19,769,985              | 15,750,834              |
| d. Solvency available  |  | 2,238,125               | 2,151,417               |
| e. Solvency surplus (gap)  |  | 619,972                 | 820,169                 |
| f. Solvency coverage ratio   |  | 138%                    | 162%                    |
| <b>B. Capital Strength</b>   |  |                         |                         |
| a. TAC (Total Available Capital)   |  | 6,679,055               | 5,690,088               |
| b. RCR (Risk Based Capital Required)   |  | 5,905,018               | 4,121,764               |
| c. CAR (Capital Adequacy ratio)  |  | 113%                    | 138%                    |
| a. Claims Ratio  | Net Claims Incurred/ Net Earned Premiums                             | 73.0%                   | 49.8%                   |
| b. Management Expenses Ratio   | Management expenses/ Net Earned Premiums                             | 44.0%                   | 39.9%                   |
| c. Underwriting expenses ratio   | Net commission expenses/ net earned Premiums                         | 4.2%                    | 1.9%                    |
| d. Combined Ratio (For General insurance Only)   | Claims ratio+ Management expenses ratio+ Underwriting expenses ratio | 122%                    | 92%                     |
| <b>D. INVESTMENT EXPOSURE</b>  |  |                         |                         |
| a. Earning assets ratio  | Earning Assets/ total assets   | 60%                     | 64%                     |
| b. Equities assets ratio   | Investment Equities/ total assets                                    | 1%                      | 1%                      |
| <b>E. Liquidity Risk</b>   |  |                         |                         |
| a. Liquidity Ratio (LCR)   | Liquid assets/ current liabilities                                   | 102%                    | 103%                    |
| <b>F. Exposures to related parties</b>   |  |                         |                         |
| a. Loans to employees/ staff   |  | 132,693                 | 8,542                   |
| <b>F. Business composition</b>   |  |                         |                         |
| a. Number of policyholders   |  | 4,207                   | 3,573                   |
| b. Number of policies in force   |  | 7,552                   | 6,154                   |
| <b>G. Management and Board Composition</b>   |  |                         |                         |
| 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   |  | 7 Males and 1 Female    | 7 males                 |
| <b>H. Staff</b>  |  |                         |                         |
| a. Total Number of non-managerial Staff by gender  |  | 23 Males and 22 Females | 17 Males and 16 females |
| <b>I. Insurance Intermediaries</b>   |  |                         |                         |
| a. Number of insurance agents  |  | 78                      | 65                      |
| b. Number of loss adjusters/ assessors   |  | 16                      | 8                       |
| <b>L. Branches</b>   |  |                         |                         |
| a. Number of Branches by Province including Kigali City                                  |  | 19                      | 16                      |