



Secured Solid Partnership

EAST AFRICA REINSURANCE COMPANY LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Life Business KShs'000	Non-Life Business KShs'000	Total 2023 KShs'000	Restated Total 2022 KShs'000
INCOME				
Insurance revenue	981,774	4,208,981	5,190,755	4,385,562
Insurance service expense	(853,540)	(3,686,974)	(4,540,514)	(4,176,570)
Net expenses from retrocession contracts held	(43,015)	(295,569)	(338,584)	139,222
Insurance Service Result	85,219	226,438	311,657	348,214
Investment income	196,665	729,446	926,111	844,481
Finance expenses from insurance contracts issued	(4,563)	(5,261)	(9,824)	(83,888)
Finance income from retrocession contracts	784	6,118	6,902	17,137
Net Financial Result	192,886	730,303	923,189	777,730
Other income/(expense)	16,273	16,067	32,340	(71,484)
	16,273	16,067	32,340	(71,484)
PROFIT BEFORE TAXATION	294,378	972,808	1,267,186	1,054,460
Income tax expense	(88,313)	(287,745)	(376,058)	(265,948)
PROFIT FOR THE YEAR	206,065	685,063	891,128	788,512
Other comprehensive income, net of tax	-	55,437	55,437	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	206,065	740,500	946,565	788,512
Proposed final dividend			200,000	200,000
Earnings per share (KShs)			594	526

STATEMENT OF FINANCIAL POSITION

	Life Business KShs'000	Non-Life Business KShs'000	Total 2023 KShs'000	Restated Total 2022 KShs'000
ASSETS				
Intangible assets	-	5,948	5,948	46,036
Property and equipment	-	428,591	428,591	390,204
Investment property	-	735,000	735,000	735,000
Insurance contract assets	192,114	862,973	1,055,087	877,517
Reinsurance contract assets	178,450	420,300	598,750	604,784
Investment in subsidiary	-	289,611	289,611	-
Government securities at amortised cost	1,256,352	3,744,487	5,000,839	5,265,938
Equity investments at fair value through profit or loss	5,416	11,884	17,300	33,957
Real estate investment trusts (REITs)	-	177,802	177,802	170,607
Corporate bonds	28,608	29,118	57,726	75,774
Mortgages	-	17,308	17,308	29,568
Deposits with financial institutions	726,886	2,223,922	2,950,808	1,899,009
Cash and bank balances	38,586	164,594	203,180	301,228
Other receivables	54,145	111,393	165,538	92,308
TOTAL ASSETS	2,480,557	9,222,931	11,703,488	10,521,930
EQUITY				
Share capital	500,000	1,000,000	1,500,000	1,500,000
Revaluation reserve	-	243,885	243,885	206,777
General reserve	833,375	-	833,375	627,310
Retained earnings	-	4,316,016	4,316,016	3,812,624
TOTAL EQUITY	1,333,375	5,559,901	6,893,276	6,146,711
LIABILITIES				
Insurance contract liabilities	700,544	2,972,420	3,672,964	3,502,201
Reinsurance contract liabilities	61,762	31,981	93,743	43,966
Deferred tax liability	357,160	60,917	418,077	336,762
Other payables	27,716	479,744	507,460	451,813
Current income tax payable	-	117,968	117,968	40,477
TOTAL LIABILITIES	1,147,182	3,663,030	4,810,212	4,375,219
TOTAL EQUITY AND LIABILITIES	2,480,557	9,222,931	11,703,488	10,521,930

KEY RATIOS

Capital adequacy ratio	256%	405%	344%	338%
Return on Equity	15%	12%	13%	13%

The above statement of profit or loss and other comprehensive income and statement of financial position are extracts from the Company's financial statements which were audited by KPMG Kenya and received an unqualified opinion.

These financial statements were approved by the Board of Directors on 23 February 2024 and signed on its behalf by:

A. K. Wainaina
Chairman

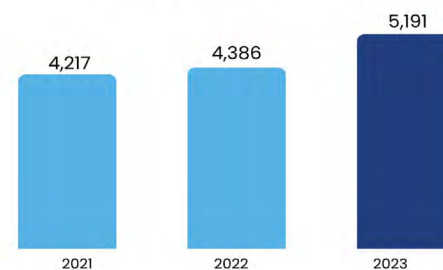
J. K. Kimeu
Director

P. K. Maina
Director

INSURANCE REVENUE

The insurance revenue grew by 18% over the period, amounting to KShs 5.2 Billion in 2023.

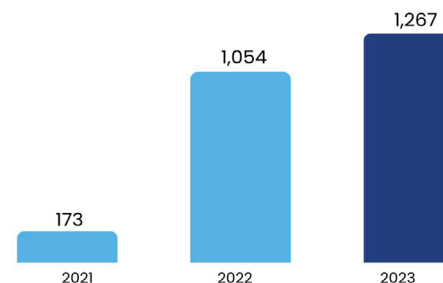
Insurance Revenue (KShs Millions)



PROFIT BEFORE TAX

The Company reported consistent profitability over the 3 year period.

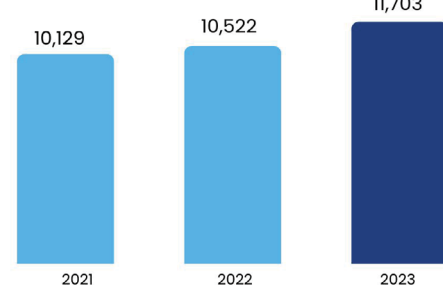
Profit Before Tax (KShs Millions)



TOTAL ASSETS

Total assets grew by 11% in the last financial year.

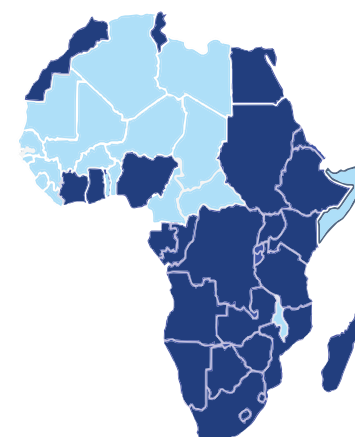
Total Assets (KShs Millions)



SECURED SOLID PARTNERSHIP

Effective November 2023, the Company expanded its operations and established its first subsidiary, East Africa Reinsurance (Tanzania) Company Limited Tanzania.

A Truly Pan-African Reinsurer



Map Key
● Our presence

AM BEST
Financial Strength: B
Issuer Credit: bb+
Outlook: Stable

GCR RATINGS
International Scale: B
National Scale: AA+
Outlook: Stable

KENYA | TANZANIA

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