



Think Business Insurance 2020 Awards  
**Life Insurer of the year**

Think Business Insurance 2019 & 2020 Awards  
**General Insurer of the year**



### Group and Company statements of financial position as at 31 December 2021

KSh's'000	Group		Company	
	2021	2020	2021	2020
<b>Assets</b>				
Intangible assets	1 415 357	1 419 927	-	-
Owners occupied properties	1 216 000	1 018 828	-	-
Investment properties	-	199 600	-	-
Equipment	183 423	183 363	-	-
Right-of-use-assets	62 964	86 928	-	-
Interests in subsidiaries	-	-	2 571 541	2 571 541
Deferred taxation	187 820	219 764	-	-
Deferred acquisition costs	147 548	117 389	-	-
Reinsurance assets	3 393 132	3 165 004	-	-
Short-term insurance	3 226 301	3 162 100	-	-
Long-term insurance	166 831	2 904	-	-
Financial investments	22 290 725	23 357 471	-	-
Policy and staff loans receivable	1 648 024	1 712 273	-	-
Prepayments, insurance and other receivables	1 292 202	1 344 148	-	16 733
Current taxation	157 946	107 817	-	-
Investment property held for sale	625 263	633 250	-	-
Cash and cash equivalents	7 855 904	5 735 467	10 151	10 319
<b>Total assets</b>	<b>40 476 308</b>	<b>39 301 229</b>	<b>2 581 692</b>	<b>2 598 593</b>
<b>Liabilities</b>				
Long-term policyholder liabilities	20 375 024	19 557 712	-	-
Insurance contracts	6 791 125	6 728 593	-	-
Investment contracts with discretionary participation features	3 065 074	3 928 866	-	-
Financial liabilities under investment contracts	10 518 825	8 900 253	-	-
Deferred taxation	1 050 886	1 117 704	-	-
Short-term insurance liabilities	7 615 459	7 111 631	-	-
Lease liabilities	78 863	99 501	-	-
Employee benefits	145 301	170 181	-	-
Intergroup balances with subsidiaries	-	-	24 796	44 469
Insurance and other payables	2 396 051	2 539 315	14 853	21 871
<b>Total liabilities</b>	<b>31 661 584</b>	<b>30 596 044</b>	<b>39 649</b>	<b>66 340</b>
<b>Equity</b>				
Ordinary shareholders' equity	8 501 900	8 405 118	2 542 043	2 532 253
Share capital	535 707	535 707	535 707	535 707
Share premium	1 490 480	1 490 480	1 490 480	1 490 480
Retained surplus	4 478 329	4 255 321	515 856	506 066
Other reserves	1 997 384	2 123 610	-	-
Non-controlling interests	312 824	300 067	-	-
<b>Total equity</b>	<b>8 814 724</b>	<b>8 705 185</b>	<b>2 542 043</b>	<b>2 532 253</b>
<b>Total equity and liabilities</b>	<b>40 476 308</b>	<b>39 301 229</b>	<b>2 581 692</b>	<b>2 598 593</b>

### Abridged Group and Company statements of changes in equity

KSh's'000	Group							Total equity
	Share capital	Share premium	FCTR <sup>(1)</sup>	Statutory reserve	Owner-occupied properties	Retained surplus	Non-controlling interests	
<b>Balance at 1 January 2020</b>	535 707	1 490 480	(194 928)	1 870 171	217 389	3 798 671	264 624	7 982 114
Total comprehensive income	-	-	28 249	-	44	659 335	35 443	723 071
Transfer between reserves	-	-	418	202 267	-	(202 685)	-	-
<b>Balance at 31 December 2020</b>	<b>535 707</b>	<b>1 490 480</b>	<b>(166 261)</b>	<b>2 072 438</b>	<b>217 433</b>	<b>4 255 321</b>	<b>300 067</b>	<b>8 705 185</b>
Total comprehensive income	-	-	16 625	-	-	80 157	12 757	109 539
Transfer between reserves	-	-	14	(142 865)	-	142 851	-	-
<b>Balance at 31 December 2021</b>	<b>535 707</b>	<b>1 490 480</b>	<b>(149 622)</b>	<b>1 929 573</b>	<b>217 433</b>	<b>4 478 329</b>	<b>312 824</b>	<b>8 814 724</b>

<sup>(1)</sup> FCTR – Foreign currency translation reserve

KSh's'000	Company			
	Share capital	Share premium	Retained surplus	Total equity
<b>Balance at 1 January 2020</b>	535 707	1 490 480	526 301	2 552 488
Total comprehensive income	-	-	(20 235)	(20 235)
<b>Balance at 31 December 2020</b>	<b>535 707</b>	<b>1 490 480</b>	<b>506 066</b>	<b>2 532 253</b>
Total comprehensive income	-	-	9 790	9 790
<b>Balance at 31 December 2021</b>	<b>535 707</b>	<b>1 490 480</b>	<b>515 856</b>	<b>2 542 043</b>

### Abridged Group and Company statements of cash flows

KSh's'000	Group		Company	
	2021	2020	2021	2020
Cash flows from operating activities	2 292 359	1 485 595	(168)	(2 540)
Cash flows from investing activities	(107 898)	(166 318)	-	-
Cash flows from financing activities	(33 306)	(30 623)	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2 151 155</b>	<b>1 288 654</b>	<b>(168)</b>	<b>(2 540)</b>
Cash and cash equivalents at the beginning of the year	5 735 467	4 419 078	10 319	12 859
Effects of exchange rates on cash and cash equivalents held	(30 718)	27 735	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>7 855 904</b>	<b>5 735 467</b>	<b>10 151</b>	<b>10 319</b>

### Group and Company statements of comprehensive income for the year ended 31 December 2021

KSh's'000	Group		Company	
	2021	2020	2021	2020
<b>Revenue</b>				
Insurance premiums	11 411 462	11 176 458	-	-
Reinsurance premiums	(4 682 805)	(4 490 596)	-	-
<b>Net insurance premiums</b>	<b>6 728 657</b>	<b>6 685 862</b>	-	-
Revenue from contracts with customers	1 335 589	1 110 002	-	-
Investment income	46 649	131 203	200 000	185 000
Interest income on financial assets using the effective interest rate method	643 753	506 922	-	-
Fair value adjustments to assets held at fair value through profit and loss	2 158 708	1 423 735	-	-
<b>Total income</b>	<b>10 913 356</b>	<b>9 857 724</b>	<b>200 000</b>	<b>185 000</b>
Claims and policyholder benefits under insurance contracts	(8 201 331)	(6 792 094)	-	-
Insurance claims recovered from reinsurers	1 968 149	1 840 201	-	-
Change in long-term policyholder assets and liabilities	965 187	1 263 759	-	-
Liabilities under insurance contracts	(62 532)	330 352	-	-
Investment contracts with discretionary participation features	863 792	960 793	-	-
Applicable to reinsurers	163 927	(27 386)	-	-
Fair value adjustment to long-term policyholder liabilities under investment contracts	(854 885)	(520 967)	-	-
Acquisition costs	(1 686 566)	(1 669 611)	-	-
General marketing and administration expenses	(2 781 576)	(2 922 819)	(190 210)	(205 235)
Finance costs	(10 788)	(12 296)	-	-
<b>Profit before taxation</b>	<b>311 546</b>	<b>1 043 897</b>	<b>9 790</b>	<b>(20 235)</b>
Taxation	(229 719)	(367 951)	-	-
<b>Total earnings</b>	<b>81 827</b>	<b>675 946</b>	<b>9 790</b>	<b>(20 235)</b>
<b>Other comprehensive income</b>	<b>27 712</b>	<b>47 125</b>	<b>-</b>	<b>-</b>
<i>Items that may be reclassified subsequently to profit or loss</i>	27 712	47 081	-	-
Foreign currency translation	27 712	47 081	-	-
<i>Items that may not be reclassified subsequently to profit or loss</i>	-	44	-	-
Owner-occupied properties – fair value adjustment	-	(36 871)	-	-
Income and capital gains tax relating to owner-occupied properties fair value adjustment	-	(14)	-	-
Change in long-term policyholder insurance liabilities (application of shadow accounting)	-	36 929	-	-
<b>Total comprehensive income</b>	<b>109 539</b>	<b>723 071</b>	<b>9 790</b>	<b>(20 235)</b>
Total earnings attributable to:				
Shareholders' equity	80 157	659 335	9 790	(20 235)
Non-controlling interests	1 670	16 611	-	-
	81 827	675 946	9 790	(20 235)
Total comprehensive income attributable to:				
Shareholders' equity	96 782	687 628	9 790	(20 235)
Non-controlling interests	12 757	35 443	-	-
	109 539	723 071	9 790	(20 235)
<b>Basic earnings per share</b>	Shs	Shs		
Basic earnings per share	0.15	1.23		

### Message from the directors

The directors are pleased to present extracts of the Group and Company audited annual financial statements for the year ended 31 December 2021. These are extracts from the financial statements as audited by PricewaterhouseCoopers LLP which received an unqualified opinion.

The results demonstrate the group's resilience amid the unprecedented global crisis brought about by the spread of the Covid-19 coronavirus. The pandemic's negative impacts on claims and the second order pressures on economic activity, has resulted in another tough year for the Group. Despite this, the directors and management are proud to note our achievements of being judged both the Life and General insurer of the year in the 2021 at the Think Business Awards for the third year running.

### Results

The Group remained resilient, delivering on top-line growth. This demonstrates solid business fundamentals, regarding the future of the business.

The Group recorded reduced profitability, on account of increased claims costs in our long-term business due to the continuing impact of the pandemic and resultant ongoing maintenance of a pandemic reserve to cover the estimated future short-term impacts. Our general insurance businesses in Kenya and Tanzania also experienced increased claims costs mostly in the motor private class.

The Company and its subsidiaries have maintained a strong capital base and have sufficient liquidity as well as the ability to meet their obligations. The longer-term impacts of Covid-19 remain uncertain but recent experience is demonstrating vaccine and herd immunity are combining to significantly lower incidents of extreme illness. Society appears to be adapting to coping with the virus and returning to normal activities.

The Group is proud to have stood by our customers at their most vulnerable moments, demonstrating the purpose for our being.

### Dividends

Taking into consideration the Group's relative lower full year earnings, prevailing uncertain covid-19 and volatile economic circumstances, the directors do not recommend any dividend.

### Annual general meeting

The date for the 2022 Annual General Meeting will be advised in a notice to be published in due course.

The annual financial statements and reports were approved by the board on 24 March 2022 and signed on its behalf by

<b>P Odera</b> Chairman	<b>R Shah</b> Director	<b>M du Toit</b> Managing Director	<b>C Kioni</b> Company Secretary
----------------------------	---------------------------	---------------------------------------	-------------------------------------