

KENYA REINSURANCE CORPORATION LTD

		IPREHENS		E
AS AT 31ST DECEMBER	2019 Unaudited	Unaudited	Unaudited	Audite
	Short term	Long term	Total	Tota
	Business	Business		.54
	2019	2019	2019	201
	KShs '000	KShs '000	KShs '000	KShs '00
NCOME				
Gross premiums written	15,477,937	2,043,406	17,521,343	14,838,39
ess: change in unearned premiums	(913,270)	-	(913,270)	190,99
ess: retrocession premiums	(979,053)	(98,402)	(1,077,455)	(823,408
NET EARNED PREMIUMS	13,585,614	1,945,004	15,530,618	14,205,97
nvestment income	2,866,683	848,013	3,714,696	3,386,17
Commissions recovered	25,222	29,520	54,742	41,22
air value gains on revaluation of investment properties	1,861,315	315,277	2,176,592	397,21
)ther income	52,969	-	52,969	54,87
hare of associate profits	587,444	-	587,444	180,86
	18,979,247	3,137,814	22,117,061	18,266,33
LAIMS AND BENEFITS				
ross claims incurred and policy holder benefits	(10,514,875)	(932,846)	(11,447,721)	(9,456,217
ess: Re-insurers share of claims and policy holder benefits	353,755	32,026	385,781	625,96
ET CLAIMS AND BENEFITS	(10,161,120)	(900,820)	(11,061,940)	(8,830,250
edant acquisition costs	(3,492,083)	(599,964)	(4,092,047)	(3,890,255
perating and other expenses	(1,805,137)	(238,315)	(2,043,452)	(2,019,834
rovision for doubtful debts	(743,428)	-	(743,428)	(424,145
OTAL CLAIMS, BENEFITS, AND OTHER EXPENSES	(16,201,768)	(1,739,099)	(17,940,867)	
ROFIT BEFORE TAX	2,777,478	1,398,715	4,176,194	3,101,85
NCOME TAX EXPENSE	(185,346)	(24,469)	(209,815)	(823,568
ROFIT FOR THE YEAR	2,592,133	1,374,245	3,966,379	2,278,28
THER COMPREHENSIVE INCOME				
ems that will not be reclassified subsequently to profit or loss:				
hare of gain on property revaluation of associate	1,812		1,812	40
emeasurement gains/ (losses) on defined benefit plans, net of tax	(60,119)		(60,119)	(22,305
tems that may be reclassified subsequently to profit or loss:				
eclassification adjustment relating to available-for-sale financial assets disposed in	(137,457)		(137,457)	(201,532
ne year				
et gains / (losses) on revaluation of available-for-sale quoted equity instruments	(52,777)		(52,777)	(328,495
et gains on revaluation of available-for-sale government securities	69,316		69,316	46,89
hare of movement in associate reserves:				
 – currency translation 	7,415		7,415	(45,990
 fair value reserve 	99,275		99,275	35,64
DTAL OTHER COMPREHENSIVE INCOME	(73,710)	-	(73,710)	(515,376
DTAL COMPREHENSIVE INCOME	2,518,423	1,374,246	3,892,669	1,762,90
	2,518,423	1,374,246	3,892,669	1,762,90
	2,518,423	1,374,246		
ARNINGS PER SHARE - basic and diluted	2,518,423	1,374,246		
ARNINGS PER SHARE - basic and diluted	2,518,423	1,374,246		3.2
ARNINGS PER SHARE - basic and diluted ley Ratios Capital Adequacy Ratio	2,518,423	1,374,246	2.55	3.2
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio	2,518,423	1,374,246	2.55 875%	3.2 2190 8420
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Folvency Ratio Claims Ratio	2,518,423	1,374,246	2.55 875% 1045%	3.2 2190 8420 640
ARNINGS PER SHARE - basic and diluted ey Ratios lapital Adequacy Ratio olvency Ratio laims Ratio			2.55 875% 1045% 65% 35%	3.2 2190 8420 640 400
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Folvency Ratio Claims Ratio Expense Ratio		31ST DEG	2.55 875% 1045% 65% 35%	3.2 2190 8420 640 400
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio	TION AS AT Unaudited Short term	31ST DE Unaudited Long term	2.55 2.55 875% 1045% 65% 35% CEMBER 20	3.2 2190 8420 640 400 019 Audite
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Folvency Ratio Claims Ratio Expense Ratio	FION AS AT Unaudited Short term Business	31ST DE Unaudited Long term Business	2.55 875% 1045% 65% 35% CEMBER 20 Unaudited Total	3.2 2190 8420 640 019 Audite Tot
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Folvency Ratio Claims Ratio Expense Ratio	TION AS AT Unaudited Short term Business 2019	31ST DE Unaudited Long term Business 2019	2.55 2.55 875% 1045% 65% 35% CEMBER 20 Unaudited Total 2019	3.2 2190 8420 640 019 Audite Tot 201
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Laims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT	FION AS AT Unaudited Short term Business	31ST DE Unaudited Long term Business	2.55 875% 1045% 65% 35% CEMBER 20 Unaudited Total	3.2 2190 8420 640 019 Audite Tot 201
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT	FION AS AT Unaudited Short term Business 2019 KShs '000	31ST DE Unaudited Long term Business 2019 KShs '000	2.55 2.55 1045% 65% 35% CEIMBER 20 Unaudited Total 2019 KShs '000	3.2 2194 8424 644 400 D19 Audite Tot 201 KShs '00
ARNINGS PER SHARE - basic and diluted ey Ratios capital Adequacy Ratio colvency Ratio claims Ratio capital StateMent of FINANCIAL POSIT CONSOLIDATED STATEMENT OF FINANCIAL POSIT	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491	31ST DE Unaudited Long term Business 2019	2.55 2.55 1045% 65% 35% CEMBER 20 Unaudited Total 2019 KShs '000 6,999,491	3.2 2194 8424 644 404 019 Audite Tot 201 KShs '00 1,749,87
ARNINGS PER SHARE - basic and diluted ey Ratios capital Adequacy Ratio colvency Ratio claims Ratio capital expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY hare capital evaluation reserve	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530	31ST DEC Unaudited Long term Business 2019 KShs '000 500,000	2.55 2.55 1045% 65% 35% CEMBER 2 Unaudited Total 2019 KShs '000 6,999,491 17,530	2194 8424 644 404 D19 Audite Tot 201 KShs '00 1,749,87 15,71
ARNINGS PER SHARE - basic and diluted ey Ratios apital Adequacy Ratio olvency Ratio ilaims Ratio xpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY hare capital evaluation reserve hir value reserve	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424)	31ST DE Unaudited Long term Business 2019 KShs '000	2.55 2.55 1045% 65% 35% CEMBER 2 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488)	3.2 2199 8422 644 400 019 Audite Tot 201 KShs '00 1,749,83 15,71 (68,670
ARNINGS PER SHARE - basic and diluted ey Ratios apital Adequacy Ratio olvency Ratio laims Ratio xpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY nare capital evaluation reserve in value reserve anslation reserve	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983	31 ST DE Unaudited Long term Business 2019 KShs '000 500,000 (10,064)	2.55 2.55 1045% 65% 35% CEMBER 2 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983	3.2 2194 8424 644 400 019 Audite Tot 201 KShs '00 1,749,83 15,71 (68,670 281,56
ARNINGS PER SHARE - basic and diluted ey Ratios apital Adequacy Ratio olvency Ratio laims Ratio xpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY hare capital evaluation reserve air value reserve anslation reserve atutory reserve	FION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0	31ST DEC Unaudited Long term Business 2019 KShs '000 500,000	2.55 2.55 1045% 65% 35% CEMBER 20 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183	3.2 3.2 3.2 3.2 3.2 3.2 3.2 4.2 4.2 4.2 4.2 5.7 1,749,87 15,77 (68,677 281,56 4,379,93
ARNINCS PER SHARE - basic and diluted ey Ratios apital Adequacy Ratio olvency Ratio laims Ratio xpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY hare capital evaluation reserve air value reserve anslation reserve tatutory reserve etained earnings	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026	3 1 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183	2.55 2.55 1045% 65% 35% CEMBER 22 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026	3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2
ARNINGS PER SHARE - basic and diluted ey Ratios capital Adequacy Ratio iolvency Ratio laims Ratio xpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT Aner capital evaluation reserve anslation reserve anslation reserve etained earnings OTAL EQUITY	FION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0	31 ST DE Unaudited Long term Business 2019 KShs '000 500,000 (10,064)	2.55 2.55 1045% 65% 35% CEMBER 20 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183	3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2
ARNINGS PER SHARE - basic and diluted ey Ratios capital Adequacy Ratio iolvency Ratio claims Ratio xpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT Anar capital evaluation reserve anslation reserve tainvalue reserve tatutory reserve etained earnings OTAL EQUITY SSETS	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606	3 1 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183	2.55 2.55 1045% 65% 35% EMBER 20 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725	3.2 2194 8424 644 400 019 Audite Tot 201 KShs '00 1,749,87 15,71 (68,67 281,56 4,379,93 22,014,60 28,373,03
ARNINGS PER SHARE - basic and diluted ey Ratios capital Adequacy Ratio colvency Ratio claims Ratio xxpense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY hare capital evaluation reserve air value reserve anslation reserve tatutory reserve etatutory reserve etatined earnings OTAL EQUITY SSETS roperty and equipment	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919	3 1 ST DE (Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183 6,244,119	2.55 2.55 1045% 65% 35% 2019 CEMBER 20 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 288,983 288,983 35,754,183 18,982,026 31,950,725 88,919	3.2 2194 8422 644 400 019 Audite Tot 201 KShs '00 1,749,8 15,7' (68,67) 281,56 4,379,93 22,014,6(28,373,0) 91,63
ARNINGS PER SHARE - basic and diluted ey Ratios Lapital Adequacy Ratio Jolvency Ratio Laims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT QUITY hare capital evaluation reserve air value reserve anslation reserve tatutory reserve etained earnings DTAL EQUITY SSETS roperty and equipment tangible assets	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919 180,046	3 1 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183	2.55 2.55 045% 1045% 65% 35% CEM BER 20 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725 88,919 473,804	3.2 3.2 3.2 2199 8429 644 400 D19 Audite Tot 201 KShs '00 1,749,87 15,71 (68,674 281,56 281,57 22,014,60 28,373,03 91,63 588,25
ARNINGS PER SHARE - basic and diluted ey Ratios apital Adequacy Ratio iolvency Ratio Claims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSI QUITY hare capital evaluation reserve air value reserve tatutory reserve t	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919 180,046 677,385	31 ST DE Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183 6,244,119 293,758	2.55 2.55 1045% 65% 35% 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725 88,919 473,804 677,385	3.2 2194 8422 644 400 D19 Audite Tot 201 KShs '00 1,749,83 15,71 (68,670 281,56 4,379,93 22,014,60 28,373,03 91,63 588,25 725,86
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Laims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT Analogy of the state of th	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919 180,046 677,385 10,330,225	3 1 ST DE (Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183 6,244,119	2.55 2.55 1045% 65% 35% 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725 88,919 473,804 677,385 12,080,000	3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2
ARNINCS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Laims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSIT Anarc capital evaluation reserve air value reserve tatutory reserve etained earnings OTAL EQUITY SSETS roperty and equipment tatangible assets lotrgage loans tivestment properties investment in associate	FION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919 180,046 677,385 10,330,225 5,169,908	31 ST DE Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183 6,244,119 293,758	2.55 2.55 1045% 65% 35% 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725 88,919 473,804 677,385	3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2 3.2
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSI QUITY hare capital tevaluation reserve air value reserve ranslation reserve tatutory reserve tetained earnings OTAL EQUITY ISSETS troperty and equipment thangible assets Aortgage loans trostment properties trostment in associate imployee defined benefit asset	TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919 180,046 677,385 10,330,225 5,169,908 0	31 ST DE Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183 6,244,119 293,758	2.55 2.55 1045% 65% 35% 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725 88,919 473,804 677,385 12,080,000 5,169,908 0	3.2 2190 8420 640 019 Audite Tot 201 KShs '00 1,749,87 15,71 (88,67 281,56 4,379,93 22,014,60 28,373,03 91,63 588,25 725,88 10,105,00 4,473,96
TOTAL COMPREHENSIVE INCOME EARNINGS PER SHARE - basic and diluted Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio CONSOLIDATED STATEMENT OF FINANCIAL POSI EQUITY Share capital Revaluation reserve Firanslation reserve Firanslation reserve Retained earnings TOTAL EQUITY SASETS Property and equipment Intangible assets Mortgage loans Investment properties Investment properties Investment prosociate Imployee defined benefit asset Inquoted equity instruments Inquoted equity instruments Inquoted equity instruments Inducted bonds Interest Interest Interest Interest Interest Interest Interest Interest Inducted equity instruments Inducted equity instruments Inducted bonds Interest Inte	FION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 288,983 0 18,982,026 25,706,606 88,919 180,046 677,385 10,330,225 5,169,908	31 ST DE Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,754,183 6,244,119 293,758	2.55 2.55 1045% 65% 35% CEMBER 20 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 288,983 5,754,183 18,982,026 31,950,725 88,919 473,804 677,385 12,080,000 5,169,908	3.2 2190 8420 640 400

281,968		281,968	271,655
538,401		538,401	224,806
1,219,059	346,246	1,565,305	1,599,431
13,209,840	3,903,101	17,112,941	14,314,752
22,071		22,071	13,590
1,408,838		1,408,838	1,363,134
1,731,660	5,054,975	6,786,635	5,459,225
572,977	11,693	584,670	338,035
584,440		584,440	441,976
38,845,892	11,517,078	50,362,970	44,362,634
0	2,687,032	2,687,032	2,629,125
6,205,183		6,205,183	6,002,946
1,482,457	325,417	1,807,874	549,466
(1,218,165)	2,260,510	1,042,345	1,083,782
705,961		705,961	745,869
0	0	0	0
5,836,221		5,836,221	4,922,951
127,629		127,629	55,462
13,139,286	5,272,959	18,412,245	15,989,601
25,706,606	6,244,119	31,950,725	28,373,033
	538,401 1,219,059 13,209,840 22,071 1,408,838 1,731,660 572,977 584,440 38,845,892 0 6,205,183 1,482,457 (1,218,165) 705,961 0 5,836,221 127,629 13,139,286	538,401 1,219,059 346,246 13,209,840 3,903,101 22,071 1 1,408,838 5,054,975 572,977 11,693 584,440 1 38,845,892 11,517,078 6,205,183 2,2687,032 6,205,183 2,260,510 705,961 0 0 0 5,836,221 127,629 13,139,286 5,272,959	538,401 538,401 1,219,059 346,246 1,209,840 3,903,101 12,2071 22,071 1,408,838 1,408,838 1,731,660 5,054,975 584,440 584,670 584,440 584,640 38,845,892 11,517,078 6,205,183 6,205,183 1,482,457 325,417 1,482,457 325,417 1,482,457 325,417 1,482,457 325,417 1,042,345 705,961 0 0 0 0 1,042,345 5,836,221 127,629 127,629 13,139,286 5,272,959

UNAUDITED CONSOLIDATED	STATEMENT	OF CHANG	GES IN EQ	QUITY AS	AT 31ST D	ECEMBER	2019
	Share	Revaluation	Fair value	Translation	Statutory	Retained	
	capital	reserve	reserve	reserve	reserve	earnings	Total
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
At 1 January 2018	1,749,873	15,317	378,812	327,558	3,939,491	20,794,033	27,205,084
Profit for the year	0	0	0	0	440,446	1,837,836	2,278,282
Other comprehensive income	0	401	(447,482)	(45,990)	0	(22,305)	(515,376)
Total comprehensive income	0	401	(447,482)	(45,990)	440,446	1,815,531	1,762,906
Dividends declared – 2017						(594,957)	(594,957)
At 31 December 2018	1,749,873	15,718	(68,670)	281,568	4,379,937	22,014,607	28,373,033
At 1 January 2019	1,749,873	15,718	(68,670)	281,568	4,379,937	22,014,607	28,373,033
Profit for the period 31.12.2019	0	0	0	0	1,374,246	2,592,133	3,966,379
Other comprehensive income (loss)/income	0	1,812	(22,818)	7,415	0	(60,119)	(73,710)
Total comprehensive income	0	1,812	(22,818)	7,415	1,374,246	2,532,014	3,892,669
Dividends declared - 2018						(314,977)	(314,977)
Bonus issues shares from retained earnings	5,249,618					(5,249,618)	-
At 31 December 2019	6,999,491	17,530	(91,488)	288,983	5,754,183	18,982,026	31,950,725

=	0,333,431	,	(31,400)	200,000	-,,		51,550,725
CONSOLIDATED STATE	VENT OF C	ASH FLO	WS AS A	T 31ST I	DECEMBI	ER 2019	
					Una	udited	Audited
						2019	2018
					KS	hs '000	KShs '000
Net cash generated from operations					2,2	83,783	1,210,624
Interest received on corporate bonds						61,056	58,004
Interest received on government securities					1,8	92,961	1,823,523
Interest received on staff mortgages and loans						22,931	18,745
Interest received on deposits with financial insti-	tutions				4	43,677	215,445
Interest received on commercial mortgages						38,825	47,828
Tax paid in the year				_	(41	10,389)	(999,879)
Net cash generated from operating activitie	s				4,3	32,844	2,374,290
Cash flows from investing activities							
Purchase of investment property					(9	98,558)	(85,789)
Purchase of property and equipment					(3	30,953)	(49,572)
Proceeds on sale of property and equipment						-	
Proceeds on disposal of non-current assets held	l for sale					-	
Purchase of intangible assets					3)	38,361)	(194,395)
Purchase of government securities					(11,3-	47,233)	(7,751,243)
Proceeds on maturity of government securities					8,7	39,837	8,009,796
Purchase of quoted equity instruments					(15	52,911)	-
Proceeds on sale of quoted equity instruments					1	33,085	259,376
Proceeds on redemption of corporate bonds					3	05,925	5,925
Dividends received on quoted equity instrument	ts					95,347	187,742
Investment in Subsidiary							
Net cash generated from/ (used in) investin	g activities			-	(2,44	3,822)	381,840
Cash flows used in financing activities				-			
Dividends paid					(3	14,977)	(594,957)
Net increase/ (decrease) in cash and cash equi	valents			-	1,5	74,045	2,161,173
Cash and cash equivalents at 1 January				-	5,7	/97,260	3,635,590
Effect of unrealised exchange rate changes						-	649
Cash and cash equivalent at 31 December 2	019			-	7.3	71,305	5,797,260







KENYA REINSURANCE CORPORATION LTD

DECEMBER 2	019			
	Unaudited	Unaudited	Unaudited	Audite
	Short term	Long term		
	Business	Business	Total	Tota
	2019 KShs '000	2019 KShs '000	2019 KShs '000	201 KShs '00
NCOME	KSRS UUU	KSRS UUU	KSRS UUU	KSRS UU
Gross premiums written	14,332,826	2,040,656	16,373,482	14,047,04
ess: change in unearned premiums	(836,587)		(836,587)	208,66
ess: retrocession premiums	(793,553)	(98,402)	(891,955)	(803,958
ET EARNED PREMIUMS	12,702,686	1,942,254	14,644,940	13,451,74
nvestment income	2,818,516	863,114	3,681,630	3,365,24
Commissions recovered	6,327	29,520	35,847	34,42
air value gains on revaluation of investment properties	1,861,315	315,277	2,176,592	397,21
Other income	52,969	-	52,969	54,87
hare of associate profits	587,444	-	587,444	180,86
OTAL INCOME	18,029,257	3,150,165	21,179,422	17,484,36
LAIMS AND BENEFITS				
ross claims incurred and policy holder benefits	(10,123,244)	(929,998)	(11,053,242)	(9,167,62)
ess: Re-insurers share of claims and policy holder benefits	353,755	32,026	385,781	625,96
IET CLAIMS AND BENEFITS	(9,769,489)	(897,972)	(10,667,461)	(8,541,66
Edant acquisition costs	(3,196,101)	(599,140)	(3,795,241)	(3,650,38
Derating and other expenses	(1,686,095)	(240,060)	(1,926,155)	(1,900,568
Provision for doubtful debts	(748,757)	(, ,	(748,757)	(358,47
OTAL CLAIMS, BENEFITS AND OTHER EXPENSES	(15,400,442)	(1,737,172)	(17,137,614)	(14,451,08
PROFIT BEFORE TAX	2,628,815	1,412,993	4,041,808	3,033,27
NCOME TAX EXPENSE	(158,303)	(22,539)	(180,842)	(823,568
PROFIT FOR THE YEAR	2,470,512	1,390,454	3,860,966	2,209,70
THER COMPREHENSIVE INCOME	2,410,512	1,550,454	3,000,500	2,205,10
ems that will not be reclassified subsequently to profit or loss:				
hare of gain on property revaluation of associate	1,812		1,812	40
temeasurement gains/ (losses) on defined benefit plans, net of tax	(60,119)		(60,119)	(22,305
concasarement gains/ (1035c3) on defined bencht plans, net of tax	(00,113)		(00,113)	(22,30)
tems that may be reclassified subsequently to profit or loss:				
Reclassification adjustment relating to available-for-sale financial assets	(177457)		(177 457)	(201 57)
lisposed in the year	(137,457)		(137,457)	(201,532
Net (losses) / gains on revaluation of available-for-sale quoted equity	(57.052)		(57.052)	(720.40)
nstruments	(53,952)		(53,952)	(328,495
Net gains on revaluation of available-for-sale government securities	69,316		69,316	46,89
Share of movement in associate reserves:				<i>(</i>
 currency translation 	7,415		7,415	(45,990
– fair value reserve	99,275		99,275	35,64
TOTAL OTHER COMPREHENSIVE INCOME	(77,710)			
		-	(73710)	(515 376
	(73,710)	1 300 464	(73,710)	(515,376
	2,396,802	1,390,454	3,787,256	1,694,32
		- 1,390,454	· · ·	
ARNINGS PER SHARE - basic and diluted		- 1,390,454	3,787,256	1,694,32
OTAL COMPREHENSIVE INCOME ARNINGS PER SHARE - basic and diluted Key Ratios Capital Adequacy Ratio		1,390,454	3,787,256 2.48 875%	1,694,32 3.1 219
ARNINGS PER SHARE - basic and diluted (ey Ratios Capital Adequacy Ratio Solvency Ratio		1,390,454	3,787,256 2.48 875% 986%	1,694,32 3.1 219 842
ARNINGS PER SHARE - basic and diluted Rey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio		1,390,454	3,787,256 2.48 875% 986% 68%	1,694,32 3.1 219 842 65
ARNINGS PER SHARE - basic and diluted tey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio		- 1,390,454	3,787,256 2.48 875% 986%	1,694,32 3.1 219 842
ARNINGS PER SHARE - basic and diluted tey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio	2,396,802	31ST DEC	3,787,256 2.48 875% 986% 68% 35% EMBER 201	1,694,32 3.1 219 842 65 40
ARNINGS PER SHARE - basic and diluted Arey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio	2,396,802 TION AS AT Unaudited	31ST DEC Unaudited	3,787,256 2.48 875% 986% 68% 35%	1,694,32 3.1 219 842 65 40
ARNINGS PER SHARE - basic and diluted (ey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio	2,396,802 TION AS AT Unaudited Short term	31ST DEC Unaudited Long term	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited	1,694,32 3.1 2194 842 655 404 9 Audite
ARNINGS PER SHARE - basic and diluted (ey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio	2,396,802 TION AS AT Unaudited Short term Business	31ST DEC Unaudited Long term Business	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total	1,694,32 3.1 219 8424 65 400 9 Audite Tot
ARNINGS PER SHARE - basic and diluted tey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio	2,396,802 2,396,802 TION AS AT Unaudited Short term Business 2019	31ST DEC Unaudited Long term Business 2019	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019	1,694,32 3.1 219 842 65 40 9 Audite Tot 201
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Caims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POSI	2,396,802 TION AS AT Unaudited Short term Business	31ST DEC Unaudited Long term Business	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total	1,694,32 3.1 219 842 65 40 9 Audite Tot 201
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POSI	2,396,802 TION AS AT Unaudited Short term Business 2019 KShs '000	31ST DEC Unaudited Long term Business 2019 KShs '000	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000	1,694,32 3.1 219 842 65 40 9 9 Audite 201 KShs '00
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Caims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POSI QUITY hare capital	2,396,802 TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491	31ST DEC Unaudited Long term Business 2019	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491	1,694,32 3.1 219 842 65 40 9 9 Audite 70 KShs '00 1,749,87
ARNINGS PER SHARE - basic and diluted ey Ratios Capital Adequacy Ratio Solvency Ratio Caims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POST QUITY hare capital evaluation reserve	2,396,802 2,396,802 TION AS AT Unaudited Short term Business 2019 KShs'000 6,499,491 17,530	31ST DECC Unaudited Long term Business 2019 KShs '000 500,000	3,787,256 2.48 875% 986% 68% 35% 2019 KShs '000 6,999,491 17,530	1,694,32 3.1 842 65 40 9 Audite 70t 201 KShs '00 1,749,87 15,71
ARNINGS PER SHARE - basic and diluted Tey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POST QUITY hare capital evaluation reserve air value reserve	2,396,802 2,396,802 TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424)	31ST DEC Unaudited Long term Business 2019 KShs '000	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488)	1,694,32 3.1 842: 65: 40: 9 9 Audite 701 KShs '00 1,749,81 15,71 (68,67/
ARNINGS PER SHARE - basic and diluted tey Ratios Capital Adequacy Ratio Solvency Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POST QUITY hare capital tevaluation reserve air value reserve ranslation reserve	2,396,802 2,396,802 TION AS AT Unaudited Short term Business 2019 KShs'000 6,499,491 17,530	31ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064)	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763	1,694,32 3.1 842 65 40 9 9 Audite 70 KShs '00 1,749,87 15,7' (68,67 282,34
CARNINGS PER SHARE - basic and diluted Capital Adequacy Ratio Solvency Ratio Capital Adequacy Ratio Company Statement of Financial Post COMPANY STATEMENT OF FINANCIAL POST COMPANY STATEMENT OF FINANCIAL POST COMPANY STATEMENT OF FINANCIAL POST Company Statement of the second company Stat	2,396,802 2,396,802 Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 289,763	31ST DECC Unaudited Long term Business 2019 KShs '000 500,000	3,787,256 2,48 875% 986% 68% 68% 35% Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407	1,694,32 3.1 842: 65; 40 9 Audite 200 KShs '00 1,749,8; 15,77 (68,67) 282,34 4,320,95
ARNINGS PER SHARE - basic and diluted Sey Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POSI QUITY hare capital tevaluation reserve air value reserve tatutory reserve tatutory reserve tetained earnings	2,396,802 2,396,802 TION AS AT Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 289,763 (81,424) 289,763	31 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,711,407	3,787,256 2.48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407 19,011,450	1,694,32 3.1 842: 65; 40; 9 Audite 201 KShs '00; 1,749,8; 15,7; (68,67); 282,34; 4,320,95; 22,165,65;
ARNINGS PER SHARE - basic and diluted tey Ratios Capital Adequacy Ratio Solvency Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POST QUITY hare capital levaluation reserve air value reserve ranslation reserve tatutory reserve tetained earnings OTAL EQUITY	2,396,802 2,396,802 Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 289,763	31ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064)	3,787,256 2,48 875% 986% 68% 68% 35% Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407	1,694,32 3.1 842 65 40 9 9 Audite 70 KShs '00 KShs '00 1,749,8 15,7' (68,67 282,34 4,320,92 22,165,65
ARNINGS PER SHARE - basic and diluted Sey Ratios Capital Adequacy Ratio Solvency Ratio Caims Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POSI QUITY hare capital evaluation reserve air value reserve tatutory res	2,396,802	31 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,711,407	3,787,256 2,48 875% 986% 68% 68% 35% Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407 19,011,450 31,938,153	1,694,32 3.1 842 65 40 9 Audite 20 KShs '00 1,749,8 15,7 (68,67 282,33 4,320,9 22,165,62 28,465,87
ARNINGS PER SHARE - basic and diluted Sey Ratios Capital Adequacy Ratio Solvency Ratio Expense Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POSI Autor of the serve serve air value reserve air value reserve tatutory reserve tetained earnings OTAL EQUITY ISSETS TOPERTY and equipment	2,396,802 2,396,802 TION AS AT Unaudited Short term Business 2019 KShs'000 6,499,491 17,530 (81,424) 289,763 19,011,450 25,736,810 66,794	31ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,711,407 6,201,343	3,787,256 2,48 875% 986% 68% 35% 2019 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407 19,011,450 31,938,153 66,794	1,694,32 3.1 842 65 40 9 Audite 70 KShs '00 KShs '00 1,749,8 15,7 (68,67 282,3 4,320,9 22,165,65 28,465,8
ARNINGS PER SHARE - basic and diluted tey Ratios Capital Adequacy Ratio Solvency Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POST QUITY hare capital levaluation reserve air value reserve ranslation reserve tatutory reserve tetatined earnings OTAL EQUITY ISSETS roperty and equipment tangible assets	2,396,802	31 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,711,407	3,787,256 2,48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407 19,011,450 31,938,153	1,694,32 3.1 842 65 40 9 9 Audite Tot 201 KShs '00 1,749,8 15,7' (68,67 282,33 4,320,99 22,165,65 28,465,83 68,55
ARNINGS PER SHARE - basic and diluted Capital Adequacy Ratio Solvency Ratio Caniss Ratio Expense Ratio COMPANY STATEMENT OF FINANCIAL POST COMPANY STATEMENT OF FINANCIAL POST Advance Company Statement of the serve tatutory reserve tatutory reserve tatuto	2,396,802 2,396,802 Unaudited Short term Business 2019 KShs '000 6,499,491 17,530 (81,424) 289,763 (81,424) 29,785 (81,424) 29,785 (81,424) 289,763 (81,424) 289,763 (81,424) 289,763 (81,424) 289,763 (81,424) 289,763 (81,424) 29,785 (81,425) 29,785 (81,425) 29,785 (81,425) 29,785 (81,425) 29,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785 (81,425) 20,785	31 ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,711,407 6,201,343 293,758	3,787,256 2,48 875% 986% 68% 33% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407 19,011,450 31,938,153 66,794 473,804 668,075	1,694,32 3.1 842 65 40 9 Audite 201 KShs '00 1,749,87 15,71 (68,67 (28,23 4,320,95 22,165,65 28,465,87 588,25 716,55
ARNINGS PER SHARE - basic and diluted Key Ratios Capital Adequacy Ratio Solvency Ratio Claims Ratio Expense Ratio	2,396,802	31ST DEC Unaudited Long term Business 2019 KShs '000 500,000 (10,064) 5,711,407 6,201,343	3,787,256 2,48 875% 986% 68% 35% EMBER 201 Unaudited Total 2019 KShs '000 6,999,491 17,530 (91,488) 289,763 5,711,407 19,011,450 31,938,153	1,694,32 3.1 2194 842 655 404 9 Audite

The unaudited financial statements were approved by the Board of Directors on 26th March 2020 and were signed on its behalf by: Iadiah Mwarania Chiboli Shakaba Chairman Anthony Munyao Director **Principal Officer**

The financial statements for the full year ended 31 December 2019 have been audited by the appointed auditor on behalf of the Auditor General as per the public Audit Act 2015

The audit of the financials statements for the full year ended 31 December 2019 is not complete pending the appointment of the Auditor General

PERFORMANCE COMMENTARY

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS Gross written premiums grew by 18% from KShs 14.84 billion in the year 2018 to KShs 17.52 billion in 2019. Net earned premiums grew by 9% from KShs 14.21 billion in 2018 to KShs 15.53 billion in 2019 Investment income grew by 10% from KShs 3.39 billion to KShs 3.71 billion,driven by adhering to the Corporation's investment strategy Claims incurred in year 2019 grew by 25% to KShs 11.06 billion up from KShs 8.83 billion in 2018. Cedant acquisition costs increased by 5% form KShs. 3.89 billion to KShs. 4.09 billion in line with an increase of 18% in gross premium written. Operating expenses increased by 5% form KShs. 2,020 million as at 31 December 2018 to KShs.2,043 million as at 31st December 2019. Profit before tax for the year stood at KShs 4.18 billion, an increase of 35% from last year profit before tax of KShs 3.1 billion.The growth was due to high gross premiums written, significant growth in the share of profit from our investment in associate in Zep Re and gains on revaluation of investments property The asset base increased from KShs 44.36 billion in 2018 to KShs 50.36 billion in 2019, a growth of 14%. The Shareholders funds increased from KShs 28.37 billion in 2018 to KShs 31.95 billion in 2019 a growth of 13%.

K

Niko Fiti Na Kenya Re ABILITY BEYOND DISABILITY

Investment in Subsidiary	463,408		463,408	187,782
Employee defined benefit asset	-		-	
Unquoted equity instruments	205,733		205,733	202,231
Corporate bonds	156,450		156,450	475,912
Reinsurance Receivables	1,951,839	124,585	2,076,424	3,296,200
Premium and loss reserves	158,820		158,820	170,731
Due from related party	85,508	-	85,508	93,820
Other receivables	516,970		516,970	212,125
Quoted equity instruments	1,219,059	346,246	1,565,305	1,599,431
Government securities	13,069,364	3,903,101	16,972,465	14,314,752
Inventory	21,973	-	21,973	13,492
Deferred acquisition costs	1,285,548		1,285,548	1,249,752
Deposits with financial institutions	1,231,785	5,006,347	6,238,132	5,212,505
Cash and bank balances	346,207	6,761	352,968	161,216
Income Tax Receivable	565,720		565,720	410,956
TOTAL ASSETS	37,693,432	11,430,573	49,124,005	43,553,214
LIABILITIES				
Long term reinsurance contract liabilities	-	2,687,032	2,687,032	2,629,125
Short term reinsurance contracts liabilities	5,706,891		5,706,891	5,553,840
Reinsurance payables	1,283,243	281,688	1,564,931	440,611
Deferred tax liability	(1,234,837)	2,260,510	1,025,673	1,083,782
Other payables	628,511		628,511	708,769
Income tax payable	0	-	0	
Unearned premiums	5,409,247		5,409,247	4,572,660
Defined benefit liability	127,629		127,629	55,462
Due to related Party	35,938		35,938	43,091
TOTAL LIADILITIEC	11 056 633	5,229,230	17,185,852	15,087,340
TOTAL LIABILITIES NET ASSETS	11,956,622 25,736,810	6,201,343	31,938,153	28,465,874

UNAUDITED COMPANY STAT	EMENT (E CHANGE	S IN FOI	IITV AS A	T 31ST D	ECEMBE	2 2019
CRAODILE COMPANY SIA	Share	Revaluation	Fair value	Translation	Statutory	Retained	2013
	capital	reserve	reserve	reserve	reserve	earnings	Total
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
At 1 January 2018	1,749,873	15,317	378,812	328,338	3,885,371	21,008,791	27,366,502
Profit for the year	0	0	0	0	435,582	1,774,123	2,209,705
Other comprehensive income	0	401	(447,482)	(45,990)	0	(22,305)	(515,376)
Total comprehensive income	0	401	(447,482)	(45,990)	435,582	1,751,818	1,694,329
Dividends declared – 2017						(594,957)	(594,957)
At 31 December 2018	1,749,873	15,718	(68,670)	282,348	4,320,953	22,165,652	28,465,874
At 1 January 2019	1,749,873	15,718	(68,670)	282,348	4,320,953	22,165,652	28,465,874
Profit for the period 31.12.2019	0	0	Ó	0	1,390,454	2,470,512	3,860,966
Other comprehensive income (loss)/income	0	1,812	(22,818)	7,415	0	(60,119)	(73,710)
Total comprehensive income	0	1,812	(22,818)	7,415	1,390,454	2,410,393	3,787,256
Dividends declared - 2018						(314,977)	(314,977)
Bonus issues shares from retained earnings	5,249,619					(5,249,619)	
At 31 December 2019	6,999,492	17,530	(91,488)	289,763	5,711,407	19,011,450	31,938,153

COMPANY STATEMENT OF CASH FLOWS AS AT 315	F DECEMBER 201	9
	Unaudited	Audited
	2019	2018
	KShs '000	KShs '000
Net cash generated from operations	2,089,547	1,196,722
Interest received on corporate bonds	61,056	58,004
Interest received on government securities	1,871,787	1,823,523
Interest received on staff mortgages and loans	22,763	18,348
Interest received on deposits with financial institutions	435,129	184,563
Interest received on commercial mortgages	38,825	47,828
Tax paid in the year	(393,713)	(999,879)
Net cash generated from operating activities	4,125,394	2,329,109
Cash flows from investing activities		
Purchase of investment property	(98,558)	(85,789)
Purchase of property and equipment	(25,554)	(37,940)
Proceeds on sale of property and equipment	-	-
Proceeds on disposal of non-current assets held for sale	- (00.701)	(104 705)
Purchase of intangible assets	(88,361)	(194,395)
Purchase of government securities	(11,226,222)	(7,751,243)
Proceeds on maturity of government securities Purchase of quoted equity instruments	8,739,837 (152,911)	8,009,796
Proceeds on sale of guoted equity instruments	133,085	259,376
Proceeds on redemption of corporate bonds	305,925	5,925
Dividends received on quoted equity instruments	95,347	187,742
Investment in Subsidiary	(275,626)	101,142
Net cash generated from/ (used in) investing activities	(2,593,038)	393,472
Cash flows used in financing activities	(_,,	
Dividends paid	(314,977)	(594,957)
Net increase/ (decrease) in cash and cash equivalents	1,217,379	2,127,624
Cash and cash equivalents at 1 January	5,373,721	3,245,755
Effect of unrealised exchange rate changes	0	342
Cash and cash equivalent at 31 December 2019	6,591,100	5,373,721

DIVIDENDS The Board of Directors recommend a payment of Kes 0.10 dividend per share

AUDIT OPINION

The audit of the financials statements for the full year ended 31 December 2019 is not complete pending the appointment of the Auditor General

KEY AUDIT MATTERS Evaluation whether the disclosures made in the consolidated and separate financial statements reflect the Group's credit risk and impairment provision on the receivables.

Assessment of the completeness of the disclosures regarding the reinsurance contract liabilities in the consolidated and separate financial statements

Determination of the adequacy of the premium revenue recognition and un-earned premium reserves are well supported.

By Order of the Board

Charles Kariuki **Company Secretary**

