



# Kenya Reinsurance Corporation Limited

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDING 30TH JUNE 2024

|  | Unaudited        | Unaudited        |
|--|------------------|------------------|
|  | 2024             | 2023             |
|  | KSh 000          | KSh 000          |
| Insurance revenue  | 10,305,651       | 8,584,316        |
| Insurance service expenses   | (9,515,142)      | (8,835,926)      |
| Net expenses from reinsurance contracts  | (183,847)        | 41,022           |
| <b>Insurance service result</b>  | <b>606,662</b>   | <b>(210,588)</b> |
| Investment income  | 2,656,612        | 2,134,539        |
| Net foreign exchange gains/ (losses)   | (800,250)        | 561,861          |
| <b>Investment income</b>   | <b>1,856,362</b> | <b>2,696,400</b> |
| Finance income (expenses) from insurance contracts   | 25,711           | 50,830           |
| Finance income (expenses) from reinsurance contracts                                       | (17,331)         | (14,443)         |
| <b>Net insurance finance income</b>  | <b>8,380</b>     | <b>36,387</b>    |
| <b>Net insurance and investment result</b>   | <b>2,471,404</b> | <b>2,522,200</b> |
| Other income   | 45,333           | 84,211           |
| Operating and other expenses   | (1,008,991)      | (931,911)        |
| <b>Profit before income tax</b>  | <b>1,507,746</b> | <b>1,674,500</b> |
| Income tax expense   | (452,322)        | (502,350)        |
| <b>Profit for the year</b>   | <b>1,055,424</b> | <b>1,172,149</b> |
| <b>OTHER COMPREHENSIVE INCOME</b>  |                  |                  |
| Items that will not be reclassified subsequently to profit or loss:                        |                  |                  |
| Net gains/ (losses) on revaluation of equity instruments instrument's classified as FVTOCI | (51,947)         | (52,547)         |
| Net gains/ (losses) on revaluation of government securities at FVTOCI                      | (49,944)         | (49,344)         |
| Net gains/ (losses) on revaluation of available-for-sale unquoted equity instruments       | 213,505          | -                |
| Net expense/gains on translation of foreign entities                                       | (985,941)        | -                |
| <b>TOTAL OTHER COMPREHENSIVE INCOME</b>  | <b>(874,327)</b> | <b>(101,891)</b> |
| <b>TOTAL COMPREHENSIVE INCOME</b>  | <b>181,097</b>   | <b>1,070,258</b> |
| <b>EARNINGS PER SHARE - basic and diluted</b>  | <b>0.38</b>      | <b>0.42</b>      |
| <b>Key Ratios</b>  |                  |                  |
| Capital Adequacy Ratio   | 875%             | 875%             |
| Combined Ratio   | 94%              | 102%             |
| Expense Ratio  | 10%              | 11%              |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024

|                                      | Unaudited         | Audited           |
|--------------------------------------|-------------------|-------------------|
|                                      | 2024              | 2023              |
|                                      | Total             | Total             |
|                                      | KSh '000          | KSh '000          |
| <b>ASSETS</b>                        |                   |                   |
| Property and equipment               | 104,502           | 121,839           |
| Investment properties                | 12,724,585        | 12,702,500        |
| Deferred tax asset                   | 29,964            | 33,918            |
| Defined benefit asset                | 44,511            | 44,511            |
| Investment in associate              | 10,407,449        | 10,407,449        |
| Intangible assets                    | 41,694            | 41,235            |
| Mortgage loans                       | 854,474           | 871,472           |
| Unquoted equity instruments          | 362,097           | 355,505           |
| Quoted equity instruments            | 1,150,259         | 1,041,400         |
| Corporate bonds                      | 44,763            | 44,747            |
| Government securities                | 24,828,703        | 21,049,100        |
| Reinsurance contract assets          | 1,103,285         | 731,500           |
| Income Tax Receivable                | 327,891           | 61,778            |
| Inventory                            | 20,787            | 17,981            |
| Other receivables                    | 614,710           | 360,452           |
| Right of Use Asset                   | 13,145            | 6,140             |
| Deposits with financial institutions | 12,087,940        | 16,837,492        |
| Cash and bank balances               | 916,801           | 1,248,996         |
| <b>TOTAL ASSETS</b>                  | <b>65,677,560</b> | <b>65,978,015</b> |
| <b>EQUITY</b>                        |                   |                   |
| Share capital                        | 6,999,491         | 6,999,491         |
| Revaluation reserve                  | 26,308            | 26,308            |
| Statutory reserve                    | 9,027,463         | 8,584,946         |
| Retained earnings                    | 30,206,400        | 29,053,364        |
| Fair value reserve                   | (853,984)         | (965,598)         |

Translation reserve

### TOTAL EQUITY

### LIABILITIES

|                                  |                   |                   |
|----------------------------------|-------------------|-------------------|
| Insurance contract liabilities   | 12,628,298        | 14,024,143        |
| Reinsurance contract liabilities | 334,293           | 2,484             |
| Deferred tax liability           | 2,037,836         | 2,037,836         |
| Income tax payable               | 405,906           | 772,622           |
| Other payables                   | 1,359,703         | 948,038           |
| Lease Liability                  | 15,514            | 18,108            |
| <b>TOTAL LIABILITIES</b>         | <b>16,781,550</b> | <b>17,803,231</b> |
| <b>NET ASSETS</b>                | <b>48,896,010</b> | <b>48,174,784</b> |

3,490,332

4,476,273

**48,896,010**

**48,174,784**

|  | Share capital    | Revaluation reserve | Fair value reserve | Translation reserve | Statutory reserve | Retained earnings | Total             |
|--|------------------|---------------------|--------------------|---------------------|-------------------|-------------------|-------------------|
|  | KSh'000'         | KSh'000'            | KSh'000'           | KSh'000'            | KSh'000'          | KSh'000'          | KSh'000'          |
| <b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b> |                  |                     |                    |                     |                   |                   |                   |
| <b>FOR THE YEAR ENDED 30 JUNE 2024</b>             |                  |                     |                    |                     |                   |                   |                   |
| <b>At 1 January 2023</b>                           | <b>6,999,491</b> | <b>33,697</b>       | <b>(619,671)</b>   | <b>1,431,996</b>    | <b>8,139,744</b>  | <b>25,007,516</b> | <b>40,992,773</b> |
| Profit for the year                                | -                | -                   | -                  | -                   | 445,202           | 4,527,925         | 4,973,127         |
| Other comprehensive income (loss)/income           | -                | (7,389)             | (345,927)          | 3,044,277           | -                 | 77,882            | 2,768,843         |
| <b>Total comprehensive income (restated)</b>       | <b>-</b>         | <b>(7,389)</b>      | <b>(345,927)</b>   | <b>3,044,277</b>    | <b>445,202</b>    | <b>4,605,807</b>  | <b>7,741,970</b>  |
| Dividends declared - 2023                          | -                | -                   | -                  | -                   | -                 | (559,959)         | (559,959)         |
| <b>At 31 December 2023 - Restated</b>              | <b>6,999,491</b> | <b>26,308</b>       | <b>(965,598)</b>   | <b>4,476,273</b>    | <b>8,584,946</b>  | <b>29,053,364</b> | <b>48,174,784</b> |
| <b>At 1 January 2024</b>                           | <b>6,999,491</b> | <b>26,308</b>       | <b>(965,598)</b>   | <b>4,476,273</b>    | <b>8,584,946</b>  | <b>29,053,364</b> | <b>48,174,784</b> |
| Profit for the year                                | -                | -                   | -                  | -                   | 293,713           | 761,711           | 1,055,424         |
| Prior year adjustments                             | -                | -                   | -                  | -                   | 148,804           | 391,325           | 540,129           |
| Other comprehensive income (loss)/income           | -                | -                   | 111,614            | (985,941)           | -                 | -                 | (874,327)         |
| <b>Total comprehensive income</b>                  | <b>-</b>         | <b>-</b>            | <b>111,614</b>     | <b>(985,941)</b>    | <b>442,517</b>    | <b>1,153,036</b>  | <b>721,226</b>    |
| <b>Total comprehensive income</b>                  | <b>-</b>         | <b>-</b>            | <b>111,614</b>     | <b>(985,941)</b>    | <b>442,517</b>    | <b>1,153,036</b>  | <b>721,226</b>    |
| Dividends declared - 2023                          | -                | -                   | -                  | -                   | -                 | -                 | -                 |
| <b>At 30 June 2024</b>                             | <b>6,999,491</b> | <b>26,308</b>       | <b>(853,984)</b>   | <b>3,490,332</b>    | <b>9,027,463</b>  | <b>30,206,400</b> | <b>48,896,010</b> |

## CONSOLIDATED STATEMENT OF CASHFLOWS AS AT 30TH JUNE 2024

|   | Unaudited        | Audited            |
|---|------------------|--------------------|
|   | 2024             | 2023               |
|   | KSh '000         | KSh '000           |
| <b>Cash flows from operating activities</b>                               | <b>1,935,049</b> | <b>(2,102,134)</b> |
| Dividends received  | 102,642          | 118,146            |
| Interest received   | 1,665,118        | 3,654,035          |
| Tax paid in the year  | (1,341,165)      | (1,246,611)        |
| <b>Net cash generated from operating activities</b>                       | <b>2,361,645</b> | <b>423,436</b>     |
| <b>Cash flows from investing activities</b>                               |                  |                    |
| Purchase of investment property   | (22,085)         | (81,445)           |
| Purchase of property and equipment  | 692              | (49,380)           |
| Purchase of unquoted equity instruments                                   | (6,592)          | (1,592)            |
| Purchase of intangible assets   | (458)            | (12,938)           |
| <b>Net cash used in investing activities</b>                              | <b>(28,443)</b>  | <b>(145,355)</b>   |
| <b>Cash flows from financing activities</b>                               |                  |                    |
| Dividends paid  | -                | (559,959)          |
| <b>Net cash used in financing activities</b>                              | <b>-</b>         | <b>(559,959)</b>   |
| <b>Net increase in cash and cash equivalents</b>                          | <b>2,333,202</b> | <b>(281,878)</b>   |
| <b>Cash and cash equivalents at 1 January</b>                             | <b>5,144,032</b> | <b>5,232,119</b>   |
| <b>Effects of Movements in exchange rate on cash and cash equivalents</b> | <b>-</b>         | <b>193,791</b>     |
| <b>Cash and cash equivalent at 30 June</b>                                | <b>7,477,234</b> | <b>5,144,032</b>   |

| COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDING 30TH JUNE 2024 | Unaudited        | Unaudited        |
|---|------------------|------------------|
|   | 2024             | 2023             |
|   | KSh '000         | KSh '000         |
| Insurance revenue   | 8,914,274        | 7,428,284        |
| Insurance service expenses  | (8,106,566)      | (8,143,970)      |
| Net expenses from reinsurance contracts   | (313,532)        | 86,986           |
| <b>Insurance service result</b>   | <b>494,176</b>   | <b>(628,700)</b> |
| Investment income   | 2,490,226        | 2,016,544        |
| Net foreign exchange gains/(losses)   | (810,018)        | 610,926          |
| <b>Investment income</b>  | <b>1,680,208</b> | <b>2,627,469</b> |
| Finance income (expenses) from insurance contracts  | 16,004           | 54,774           |
| Finance income (expenses) from reinsurance contracts  | (18,699)         | (15,028)         |
| Net insurance finance income  | (2,695)          | 39,747           |
| <b>Net insurance and investment result</b>  | <b>2,171,689</b> | <b>2,038,516</b> |
| Other income  | 45,331           | 84,211           |
| Operating and other expenses  | (850,912)        | (810,138)        |
| <b>Profit before income tax</b>   | <b>1,366,108</b> | <b>1,312,589</b> |
| Income tax expense  | (409,832)        | (393,777)        |
| <b>Profit for the year</b>  | <b>956,276</b>   | <b>918,812</b>   |
| <b>OTHER COMPREHENSIVE INCOME</b>   |                  |                  |
| Items that will not be reclassified subsequently to profit or loss:                                     |                  |                  |
| Net gains/ (losses) on revaluation of equity instruments instrument's classified as FVTOCI              | (51,947)         | (52,547)         |
| Net gains/ (losses) on revaluation of government securities at FVTOCI                                   | (49,944)         | (49,344)         |
| Net gains/ (losses) on revaluation of available-for-sale unquoted equity instruments                    | 213,505          | -                |
| <b>TOTAL OTHER COMPREHENSIVE INCOME</b>   | <b>111,614</b>   | <b>(101,891)</b> |
| <b>TOTAL COMPREHENSIVE INCOME</b>   | <b>1,067,890</b> | <b>816,921</b>   |
| <b>EARNINGS PER SHARE - basic and diluted</b>   | <b>0.34</b>      | <b>0.33</b>      |
| <b>Key Ratios</b>   |                  |                  |
| Capital Adequacy Ratio  | 875%             | 875%             |
| Combined Ratio  | 94%              | 108%             |
| Expense Ratio   | 10%              | 11%              |

| COMPANY STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024 | Unaudited         | Audited           |
|--|-------------------|-------------------|
|  | 2024              | 2023              |
|  | KSh '000          | KSh '000          |
| <b>ASSETS</b>  |                   |                   |
| Property and equipment                                       | 51,725            | 51,033            |
| Investment properties  | 12,724,585        | 12,702,500        |
| Defined benefit asset  | 44,511            | 44,511            |
| Investment in subsidiary                                     | 2,761,398         | 2,761,398         |
| Investment in associate                                      | 10,407,449        | 10,407,449        |
| Intangible assets  | 41,694            | 41,235            |
| Mortgage loans   | 842,159           | 855,545           |
| Unquoted equity instruments                                  | 362,097           | 355,505           |
| Quoted equity instruments                                    | 1,150,259         | 1,041,400         |
| Corporate bonds  | 44,763            | 44,747            |
| Government securities  | 23,964,742        | 20,230,436        |
| Inventory  | 16,057            | 12,055            |
| Reinsurance contract assets                                  | 1,103,285         | 611,491           |
| Income tax receivable  | 222,214           | -                 |
| Due from related party                                       | 122,464           | 109,913           |
| Other receivables  | 328,747           | 317,329           |
| Deposits with financial institutions                         | 8,365,768         | 12,291,563        |
| Cash and bank balances                                       | 196,214           | 267,110           |
| <b>TOTAL ASSETS</b>  | <b>62,750,131</b> | <b>62,145,220</b> |
| Equity   |                   |                   |
| Share capital  | 6,999,491         | 6,999,491         |
| Revaluation reserve  | 26,308            | 26,308            |
| Fair value reserve   | (853,984)         | (965,598)         |
| Translation reserve  | 3,490,332         | 3,490,332         |
| Statutory reserve  | 9,010,019         | 8,569,566         |
| Retained earnings  | 28,788,601        | 28,052,548        |
| <b>TOTAL EQUITY</b>  | <b>47,460,767</b> | <b>46,172,647</b> |

| Liabilities                    | 2024              | 2023              |
|--------------------------------|-------------------|-------------------|
|                                | KSh '000          | KSh '000          |
| Insurance contract liabilities | 11,912,630        | 12,414,897        |
| Deferred tax liability         | 2,037,836         | 2,037,836         |
| Income tax payable             | 188,766           | 382,085           |
| Due to related party           | 337,254           | 337,253           |
| Other payables                 | 812,878           | 800,502           |
| <b>TOTAL LIABILITIES</b>       | <b>15,289,364</b> | <b>15,972,573</b> |
| <b>Net Assets</b>              | <b>47,460,767</b> | <b>46,172,647</b> |

| COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024 | Share capital    | Revaluation reserve | Fair value reserve | Translation reserve | Statutory reserve | Retained earnings | Total             |
|--|------------------|---------------------|--------------------|---------------------|-------------------|-------------------|-------------------|
|  | KSh'000'         | KSh'000'            | KSh'000'           | KSh'000'            | KSh'000'          | KSh'000'          | KSh'000'          |
| <b>At 1 January 2023</b>   | <b>6,999,491</b> | <b>33,697</b>       | <b>(619,671)</b>   | <b>1,358,080</b>    | <b>8,082,586</b>  | <b>24,577,852</b> | <b>40,432,035</b> |
| Profit for the year  | -                | -                   | -                  | -                   | 486,980           | 3,956,773         | 4,443,753         |
| Other comprehensive income (loss)/income                               | -                | (7,389)             | (345,927)          | 2,132,252           | -                 | 77,882            | 1,856,818         |
| <b>Total comprehensive income (restated)</b>                           | <b>-</b>         | <b>(7,389)</b>      | <b>(345,927)</b>   | <b>2,132,252</b>    | <b>486,980</b>    | <b>4,034,655</b>  | <b>6,300,571</b>  |
| Dividends declared - 2023  | -                | -                   | -                  | -                   | -                 | (559,959)         | (559,959)         |
| <b>At 31 December 2023 - Restated</b>                                  | <b>6,999,491</b> | <b>26,308</b>       | <b>(965,598)</b>   | <b>3,490,332</b>    | <b>8,569,566</b>  | <b>28,052,548</b> | <b>46,172,647</b> |
| <b>At 1 January 2024</b>   | <b>6,999,491</b> | <b>26,308</b>       | <b>(965,598)</b>   | <b>3,490,332</b>    | <b>8,569,566</b>  | <b>28,052,548</b> | <b>46,172,647</b> |
| Profit for the year  | -                | -                   | -                  | -                   | 440,453           | 515,823           | 956,276           |
| Prior year adjustments   | -                | -                   | -                  | -                   | -                 | 220,230           | 220,230           |
| Other comprehensive income (loss)/income                               | -                | -                   | 111,614            | -                   | -                 | -                 | 111,614           |
| <b>Total comprehensive income</b>                                      | <b>-</b>         | <b>-</b>            | <b>111,614</b>     | <b>0</b>            | <b>440,453</b>    | <b>736,053</b>    | <b>1,288,120</b>  |
| <b>Total comprehensive income</b>                                      | <b>-</b>         | <b>-</b>            | <b>111,614</b>     | <b>0</b>            | <b>440,453</b>    | <b>736,053</b>    | <b>1,288,120</b>  |
| Dividends declared - 2023  | -                | -                   | -                  | -                   | -                 | -                 | -                 |
| <b>At 30 June 2024</b>   | <b>6,999,491</b> | <b>26,308</b>       | <b>(853,984)</b>   | <b>3,490,332</b>    | <b>9,010,019</b>  | <b>28,788,601</b> | <b>47,460,767</b> |

| COMPANY STATEMENT OF CASHFLOWS AS AT 30TH JUNE 2024                       | 2024             | 2023             |
|---|------------------|------------------|
|   | KSh '000         | KSh '000         |
| Cash flows from operating activities                                      | 2,202,526        | (471,653)        |
| Dividends received  | 102,642          | 118,146          |
| Interest received   | 1,551,173        | 3,378,040        |
| Tax paid in the year  | (1,341,165)      | (986,817)        |
| <b>Net cash generated from operating activities</b>                       | <b>2,515,177</b> | <b>2,037,716</b> |
| <b>Cash flows from investing activities</b>                               |                  |                  |
| Purchase of investment property   | (22,085)         | (81,445)         |
| Purchase of property and equipment  | (692)            | (6,275)          |
| Purchase of unquoted equity instruments                                   | (6,592)          | (1,592)          |
| Purchase of intangible assets   | (458)            | (12,938)         |
| <b>Net cash used in investing activities</b>                              | <b>(29,826)</b>  | <b>(102,250)</b> |
| <b>Cash flows from financing activities</b>                               |                  |                  |
| Dividends paid  | -                | (559,959)        |
| <b>Net cash used in financing activities</b>                              | <b>-</b>         | <b>(559,959)</b> |
| <b>Net increase in cash and cash equivalents</b>                          | <b>2,485,351</b> | <b>1,375,507</b> |
| <b>Cash and cash equivalents at 1 January</b>                             | <b>3,129,785</b> | <b>1,720,772</b> |
| <b>Effects of Movements in exchange rate on cash and cash equivalents</b> |                  | <b>33,506</b>    |
| <b>Cash and cash equivalent at 30 June</b>                                | <b>5,615,136</b> | <b>3,129,785</b> |

The unaudited financial statements for the period ended 30th June 2024 were approved by the Board of Directors on 15th August 2024 and were signed on its behalf by:

Dr. Hillary M. Wachinga  
Principal Officer

Hon. Catherine Kimura  
Chairman

David Muthusi  
Director

#### PERFORMANCE COMMENTARY

**FINANCIAL HIGHLIGHTS**  
Insurance revenue increased by 20% from KSh 8.6 billion in June 2023 to KSh 10.3 billion in June 2024. Insurance services expenses increased by 8% from KSh 8.8 billion in June 2023 to KSh 9.5 billion in June 2024. Net service insurance result grew by 388% from a loss of KSh 0.2 billion to a technical profit of KSh 0.6 billion in June 2024. Investment income increased by 24% from KSh 2.1 billion in June 2023 to KSh 2.7 billion in June 2024. Operating expenses increased by 8% from KSh 0.9 billion as at June 2023 to KSh 1.0 billion as at June 2024. Profit before tax as at June 2024 stood at KSh 1.5 billion, a decrease of 10% from profit before tax of KSh 1.7 billion as at June 2023 and this was mainly driven by forex losses of KSh 0.8 billion as at June 2024 compared to forex gains of KSh 0.56 billion as at June 2023. The asset base decreased marginally by 0.5% from KSh 65.9 billion as at December 2023 to KSh 65.68 billion as at June 2024. The Shareholders funds increased by 1.5% from KSh 48.2 billion as at December 2023 to KSh 48.9 billion as at June 2024.

#### DIVIDENDS

The Board of Directors did not recommend payment of an interim dividend

By Order of the Board  
Charles Kariuki  
Company Secretary