

**STATEMENT OF PROFIT OR LOSSES AND
OTHER COMPREHENSIVE INCOME FOR THE
YEAR ENDED 31 DECEMBER 2019**

| | Notes | Dec-19 Frw '000 | Dec-18 Frw '000 |
|---|-------|--------------------|--------------------|
| Gross written Premium | 5 | 11,992,771 | 7,535,638 |
| Reinsurance written premium (premium ceded to reinsurers) | | (499,787) | (312,546) |
| Net Written premium | | 11,492,984 | 7,223,092 |
| Provision for Unearned premium | 6 | (32,813) | (350,758) |
| Net Insurance Premium revenue | | 11,460,171 | 6,872,334 |
| Investment Income | 7 | 3,730,424 | 1,940,544 |
| Investment surpluses/(losses) | 8 | (533,981) | (46,287) |
| Income from reinsurance contracts ceded | 9 | 243,396 | 144,808 |
| Other income | 10 | 192,884 | 149,168 |
| Net income | | 15,092,894 | 9,060,567 |
| Net insurance claims | 11 | 8,094,079 | 5,174,091 |
| Cost of acquisition of insurance contracts | 12 | 1,002,455 | 640,870 |
| Staff costs | 13 | 1,026,178 | 662,967 |
| Operating expenses | 14 | 1,723,345 | 916,697 |
| Depreciation charge | 16 | 112,840 | 87,121 |
| Profit for the year from operating activities | | 3,133,997 | 1,578,821 |
| Finance costs | | - | - |
| Profit before tax | | 3,133,997 | 1,578,821 |
| Income tax charge | 15 | (968,661) | (559,984) |
| Profit for the period/year | | 2,165,336 | 1,018,837 |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods net of taxes: | | - | - |
| Net gain/(loss) on revaluation of assets | | (38,675) | - |
| Net gain/loss on available for sale shares net of tax | | - | - |
| Other comprehensive (loss)/income for the year | | - | - |
| Total comprehensive income for the year, net of tax | | 2,126,661 | 1,018,837 |

The notes on pages 16 to 58 are an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

| | Notes | Dec-19 Frw '000 | Dec-18 Frw '000 |
|--|--------|--------------------|--------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property and Equipment | 16 | 975,523 | 873,048 |
| Investment Properties | 17 | 6,737,035 | 5,236,266 |
| Financial assets – Available for sale Equity | 18 | 2,580,194 | 963,228 |
| Financial assets – Available for sale Bonds | 19 | 20,628,591 | 7,879,863 |
| Total non-current assets | | 30,921,343 | 14,952,405 |
| Current Assets | | | |
| Due from related parties | | 202,881 | - |
| Due from Re-insurers | | 82,593 | - |
| Trade and other receivables | 20 | 667,631 | 560,288 |
| Cash and cash equivalents | 21 | 5,447,521 | 4,888,258 |
| Total current assets | | 6,400,626 | 5,448,546 |
| Total Assets | | 37,321,969 | 20,400,951 |
| Equity and Liabilities | | | |
| Equity | | | |
| Share capital | 22 (a) | 1,276,520 | 1,000,000 |
| Retained earnings | 22 (b) | 6,054,824 | 2,542,878 |
| Other reserves | 22 (c) | 3,485,099 | 2,575,478 |
| Total equity | | 10,816,443 | 6,118,356 |
| Non-Current Liabilities | | | |
| Insurance liabilities | 23 | 22,733,384 | 12,399,242 |
| Deferred tax liability | 24 | 1,034,804 | 970,795 |
| Total non-current liabilities | | 23,768,188 | 13,370,037 |
| Current Liabilities | | | |
| Due to related parties | | - | 134,194 |
| Current tax payable | 25 | 723,408 | 98,030 |
| Due to Re-insurers | 26 | 285,477 | 174,764 |
| Trade and other payables | 27 | 1,728,453 | 505,571 |
| Total current liabilities | | 2,737,338 | 912,558 |
| Total Equity and Liabilities | | 37,321,969 | 20,400,951 |

The financial statements set out on pages 12 to 58 were approved by the Board of Directors on 12 May 2020 and are signed on its behalf by:

Director.....

Director..... *H. Esperance*

The notes on pages 16 to 58 are an integral part of these financial statements

Sanlam Vie Plc (*Formerly Soras Vie Limited*)
Annual report and financial statements
For the year ended 31 December 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

| | Note | Share Capital | Revaluation Reserve | Available for sale Reserve | Non-distributable Reserve | Retained Earnings | Total |
|---|------|------------------|---------------------|----------------------------|---------------------------|-------------------|-------------------|
| | | Frw '000 | Frw '000 | Frw '000 | Frw '000 | Frw '000 | Frw '000 |
| Year ended 31 December 2018 | | | | | | | |
| At 1 January 2018 | | 1,000,000 | 571,525 | (46,804) | 2,003,953 | 2,302,459 | 5,831,133 |
| Government securities at amortised cost | | | | | | 126,002 | 126,002 |
| Investment at FVOCI | | | | 46,804 | | (46,804) | - |
| Transfer to Retained earnings | | | | | | (157,616) | (157,616) |
| Profit for the year | | - | - | - | - | 1,018,837 | 1,018,837 |
| Dividend paid | | - | - | - | - | (700,000) | (700,000) |
| At December 2018 | | 1,000,000 | 571,525 | - | 2,003,953 | 2,542,878 | 6,118,356 |
| Year ended 31 December 2019 | | | | | | | |
| At 1 January 2019 | | 1,000,000 | 571,525 | - | 2,003,953 | 2,542,878 | 6,118,356 |
| Acquired through business combination | 28 | 276,520 | 948,296 | - | - | 640,988 | 1,865,804 |
| Transfer to Retained earnings | | | | | | 1,623,480 | 1,623,480 |
| Other comprehensive income for the year | | | 43,467 | | | - | 43,467 |
| Adjustment revaluation reserve | | | (82,142) | | | 82,142 | - |
| Profit for the year | | | | | | 2,165,336 | 2,165,336 |
| Dividends paid | | - | - | - | - | (1,000,000) | (1,000,000) |
| At 31 December 2019 | | 1,276,520 | 1,481,146 | - | 2,003,953 | 6,054,824 | 10,816,443 |

The notes on pages 16 to 58 are an integral part of these financial statements

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

| Items | Notes | 2019 | 2018 |
|---|-------|---------------------|------------------|
| | | Frw '000 | Frw '000 |
| Profit before income tax | | 3,133,997 | 1,578,821 |
| Adjustment for: | | | |
| Depreciation of Property Plant and Equipment | | 112,840 | 72,493 |
| Loss on revaluation of investment property | | 697,779 | - |
| Business combination transactions | | | |
| - Change in share capital | | 276,520 | - |
| - Change in revaluation reserves | | 909,621 | - |
| - Transfers to retained earnings | | 2,346,610 | - |
| Net movement in Insurance liabilities and Investment contract liabilities | | 10,334,142 | 2,048,498 |
| Operating profit before changes in operating working capital | | 17,811,509 | 3,699,812 |
| Working capital changes: | | | |
| -Trade and other receivables | | (109,393) | 72,962 |
| -Due from related parties | | (202,881) | - |
| -Due to related parties | | (134,194) | (64,440) |
| -Trade and other payables | | 1,222,883 | 30,735 |
| -Due to re- insurers | | 110,713 | (17,883) |
| -Due from re- insurers | | (82,593) | (13,024) |
| Net cash flows from operations | | 18,616,044 | 3,708,162 |
| Income tax paid | | (279,274) | (460,194) |
| Net cash flows generated from operating activities | | 18,336,770 | 3,247,968 |
| Investing activities: | | | |
| Proceeds from sale of property and equipment | | - | 32,288 |
| Financial assets – Available for sale Bonds | | (12,748,728) | (4,456,633) |
| Short term deposits | | (2,196,498) | 5,754,229 |
| Purchase of property and equipment | | (215,315) | (61,357) |
| Financial assets – Available for sale Equity | | (1,616,966) | 309,617 |
| Net cash flows generated from/(used in) investing activities | | (16,777,507) | 1,578,143 |
| Financing activities: | | | |
| Dividend paid | | (1,000,000) | (700,000) |
| Net cash flows used in financing activities | | (1,000,000) | (700,000) |
| Net increase in cash and cash equivalents | | 559,263 | 4,126,111 |
| Cash and cash equivalents at 1 January | | 4,888,258 | 762,147 |
| Cash and cash equivalents at 31 December | | 5,447,521 | 4,888,258 |

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APPENDIX 2: QUANTITATIVE DISCLOSURES

| Item | Amount/Ratio | |
|---|---|--|
| | Current Period (December 2019) | Previous period(December 2018) |
| A. Solvency coverage | | |
| Solvency Required | 500,000,000 | 500,000,000 |
| Admitted Assets | 34,199,866,079 | 18,600,552,692 |
| Admitted Liabilities | 28,464,116,300 | 15,296,283,706 |
| Solvency Available | 5,735,749,779 | 3,013,450,167 |
| Solvency surplus(Gap) | 5,235,749,779 | 2,513,450,167 |
| Solvency Coverage Ratio | 1147% | 603% |
| B. Capital strength | | |
| TAC | 10,675,037,979 | 5,826,916,310 |
| RBC required | 5,026,601,556 | 2,499,086,068 |
| CAR | 212% | 233% |
| C.Earning risk | | |
| Claim ratio | 50% | 42% |
| Management expense ratio | 23% | 21% |
| Underwriting expense ratio | 9% | 9% |
| Combined ratio(For General insurance only) | N/A | N/A |
| D. Investment exposure | | |
| Investment exposure | Properties 18% ; Investment in Gov bonds 55% and bank deposits 15%, Total asset: 37,321,968,540 | Properties 26%,Investment in Gov bonds 41%, bank deposits 24% Total asset 20,400,951,045 |
| Earning asset ratio | 55% | 39% |
| Investment properties ratio | 18% | 26% |
| Equity asset ratio | 7% | 3% |
| E. Liquidity Risk | | |
| Liquidity Ratio | 234% | 597% |
| Liquidity stress test ratio | 213% | 543% |
| F.Exposure to related parties | | |
| Loans to Directors and senior managers | 0 | 0 |
| Loans to employees/staff | 0 | 0 |
| Loans to Subsidiaries and affiliates | | |
| Loans to shareholders and holding companies | 0 | 0 |
| Investment in related parties | 0 | 0 |
| G. Operational risk | | |
| Number and types of fraud and their corresponding amounts | 0 | 0 |
| H. Business composition | | |
| Number of policyholders per branch | 126,050 | 98,854 |
| Number of policies in force per branch | 103,098 | 80,854 |
| I. Management and Board composition | | |
| Number of Board members(Independent and non-independent) | 5 independent, 2 non independent | 4 independent, 2 non independent |
| Number of Board committees | 3 | 3 |
| Number of senior manager by gender | 7 Male, 2 Female | 7 Male, 2 Female |
| J. Staff | | |
| Total number of non-managerial staff by gender | 17Males/12Female | 14Males/10 Female |
| K. Insurance intermediaries | | |
| Number of insurance agents | 219 | 168 |
| Number of loss adjuster | N/A | N/A |
| L. Branches | | |
| Number of branches per province including Kigali City | 1 | 1 |

Appendix IV: Product performance account

| Product type | Gross written premium (1) | Ceded premium (2) | Net Premium written (1-2) | Total claims by maturity, death or others (4) | Surrenders (5) | Bonuses paid in cash or deduction of premium/increase in actuarial liabilities (6) | Annuities and Maturities paid (7) | Net claims, surrenders and benefits (8) (4+5+6+7) | Net Commission paid (-) (9) | Management expenses (-) (10) | Technical profit/loss (11) (3-8-9-10) |
|--------------------|---------------------------|-------------------|---------------------------|---|------------------|--|-----------------------------------|---|-----------------------------|------------------------------|---------------------------------------|
| Ordinary life | 7,165,412 | 52,149 | 7,113,262 | 705,812 | 3,692,565 | 1,903,982 | 654,422 | 6,956,781 | 620,553 | 1,747,999 | (2,212,071) |
| Traditional life | - | - | - | - | - | - | - | - | - | - | - |
| Term life | - | - | - | - | - | - | - | - | - | - | - |
| Credit life | 2,094,931 | 274,883 | 1,820,048 | 705,210 | - | 280,858 | - | 986,068 | 183,117 | 534,323 | 116,540 |
| Funeral and others | 2,102,248 | 144,938 | 1,957,310 | - | - | 151,231 | - | 151,231 | 149,823 | 437,174 | 1,219,082 |
| Industrial life | - | - | - | - | - | - | - | - | - | - | - |
| Bond investment | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | 630,180 | 27,817 | 602,364 | - | - | - | - | - | 48,962 | 142,867 | 410,535 |
| TOTAL | 11,992,771 | 499,787 | 11,492,984 | 1,411,022 | 3,692,565 | 2,336,071 | 654,422 | 8,094,080 | 1,002,455 | 2,862,363 | (465,914) |