

# SANLAM ASSURANCES GENERALES PLC

## AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

### Statement of Financial Position as at 31 December 2022

Assets	2022	2021
	Frw	Frw
Property and equipment	2,948,904	3,077,514
Intangible assets	117,843	138,703
Investment properties	5,472,458	5,452,740
Investment in associates	283,424	611,531
Financial assets - treasury bonds	1,272,751	374,799
Financial assets -investment in equities	4,473,482	4,227,905
Deferred acquisition costs	619,454	520,087
Reinsurance assets	10,086,919	10,743,328
Insurance receivables	3,778,825	2,940,374
Sundry receivables	588,083	1,112,510
Due from related parties	328,960	466,282
Current income tax	1,506,330	1,456,230
Financial assets - short term deposit	6,475,785	5,459,392
Cash and cash equivalents	6,530,853	4,382,299
<b>Total Assets</b>	<b>44,484,071</b>	<b>40,963,694</b>
<b>Equity and Liabilities</b>		
<b>Equity and reserves</b>		
Share capital	7,956,851	5,466,220
Share premium	4,963,273	4,963,273
Revaluation reserves	3,098,971	3,049,193
Other reserves	4,541,805	4,541,805
Accumulated losses	(2,636,323)	(737,091)
	<b>17,924,577</b>	<b>17,283,400</b>
<b>Liabilities</b>		
Deferred income tax	1,165,341	1,984,511
Insurance contract liabilities	19,491,983	18,405,086
Trade and other payables	5,806,324	3,245,543
Due to related parties	95,846	45,154
	<b>25,394,153</b>	<b>23,680,294</b>
<b>Total Equity and Liabilities</b>	<b>44,484,071</b>	<b>40,963,694</b>

## Sanlam Assurances Générales Plc

### Statement of Comprehensive income as at 31 December 2022

	2022	2021
	Frw'000	Frw'000
Gross premiums earned	19,307,992	15,627,826
Insurance premiums ceded to reinsurers	(6,381,320)	(2,941,621)
<b>Net earned premiums</b>	<b>12,926,672</b>	<b>12,686,205</b>
Fees and reinsurance commission income	1,247,615	871,720
<b>Net insurance revenue</b>	<b>14,174,287</b>	<b>13,557,925</b>
Gross claims paid	(11,819,753)	(8,792,564)
Claims ceded	2,116,243	1,218,912
Net change in contract liabilities	308,710	(1,352,545)
<b>Net insurance claims incurred</b>	<b>(9,394,800)</b>	<b>(8,926,197)</b>
Cost of acquisition of insurance contracts	(1,355,889)	(1,133,477)
Employee benefits	(2,031,823)	(2,414,147)
Operating expenses	(2,109,769)	(2,067,080)
Impairment losses on financial assets	(2,863,029)	(20,934)
Depreciation	(143,969)	(157,565)
Amortisation	(38,638)	(17,590)
	<b>(8,543,117)</b>	<b>(5,810,793)</b>
<b>Underwriting loss</b>	<b>(3,763,627)</b>	<b>(1,179,065)</b>
Interest income at effective interest rate	812,261	613,034
Investment income	272,054	252,581
Fair value changes – equity instruments at FVOCI	(82,531)	116,498
Fair value changes - investment property	19,718	19,391
Share of profit from investments in associates	65,764	45,040
Other income	81,165	494,884
<b>Total investment income</b>	<b>1,168,431</b>	<b>1,541,428</b>
<b>Profit before income tax</b>	<b>(2,595,196)</b>	<b>362,363</b>
Income tax expense	695,964	(334,718)
<b>(Loss)/profit for the year</b>	<b>(1,899,232)</b>	<b>27,645</b>
Other comprehensive income:	49,778	-
<b>Total comprehensive income for the year</b>	<b>(1,849,454)</b>	<b>27,645</b>

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Statement of Changes in Equity as at 31 December 2022

	Share Capital Frw'000	Share premium Frw'000	Revaluation reserves Frw'000	Other reserves Frw'000	Accumulated losses Frw'000	Total Frw'000
<b>At January 2022</b>	5,466,220	4,963,273	3,049,193	4,541,805	(737,091)	17,283,400
Issue of shares	2,490,631	-	-	-	-	2,490,631
<b>Total</b>	2,490,631	-	-	-	-	2,490,631
<b>Comprehensive income for the year:</b>						
Loss for the year	-	-	-	-	(1,899,232)	(1,899,232)
<i>Other comprehensive income:</i>						
Revaluation surplus	-	-	49,778	-	-	49,778
<b>Total comprehensive income for the year</b>	-	-	49,778	-	(1,899,232)	(1,849,454)
<b>At 31 December 2022</b>	7,956,851	4,963,273	3,098,971	4,541,805	(2,636,323)	17,924,577

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	Share Capital Frw'000	Share premium Frw'000	Revaluation reserves Frw'000	Other reserves Frw'000	Accumulated losses Frw'000	Total Frw'000
<b>At 1 January 2021</b>	5,466,220	4,963,273	3,008,878	4,541,805	(764,736)	17,215,440
<b>Comprehensive income for the year:</b>						
Profit for the year	-	-	-	-	27,645	27,645
<i>Other comprehensive income:</i>						
Revaluation surplus	-	-	40,315	-	-	40,315
<b>Total comprehensive income for the year</b>	-	-	40,315	-	27,645	27,645
<b>At 31 December 2021</b>	5,466,220	4,963,273	3,049,193	4,541,805	(737,091)	17,283,400



## Sanlam Assurances Générales Plc

### Statement of Cash Flows as at 31 December 2022

	2022	2021
	Frw'000	Frw'000
<b>(Loss)/profit before income tax</b>	<b>(2,595,196)</b>	<b>362,363</b>
<b>Adjustment for non-cash items:</b>		
Depreciation	143,969	157,565
Amortization	38,638	17,590
Allowance for doubtful debts	2,864,205	360,523
Investment income	(1,084,315)	(865,615)
Gain on disposal of property plant and equipment	-	(28,301)
Gain/Loss on disposal of equity shares	-	12,191
Fair value gains on investments	(809,437)	945,116
Fair value gain on revaluation of investment properties	(19,718)	(19,391)
Dividends received	(65,764)	(45,040)
Adjustments on property, plant and equipment	25,631	7,827
Net foreign exchange gains on cash and cash equivalent	(13,363)	(14,712)
Impairment loss on cash and cash equivalent	-	6,218
Impairment loss on other financial assets	65,679	60,640
	<b>(1,449,671)</b>	<b>956,974</b>
<b>Changes in working capital</b>		
Due from related parties	137,322	164,895
Reinsurance assets	636,010	(580,879)
Insurance receivables	(3,702,656)	(324,198)
Deferred acquisition cost	(99,367)	(95,077)
Sundry receivables	522,940	(93,818)
Insurance contract liabilities	1,086,897	1,983,829
Trade and other receivables/payables	2,560,781	321,754
Due to related parties	50,692	(14,245)
Income tax receivables and others	42,691	10,946
	<b>1,235,310</b>	<b>1,373,207</b>
<b>Cash flows generated from/(used in) operating activities</b>	<b>(214,361)</b>	<b>2,330,181</b>
Dividends received	65,764	45,040
Income tax paid	(215,997)	(96,645)
<b>Net cash generated/(used) on operating activities</b>	<b>(364,594)</b>	<b>2,278,576</b>
<b>Cash flows from investing activities</b>		
Proceeds from matured short term deposits	5,459,392	4,146,578
Purchase of short-term deposits	(6,475,785)	(5,459,392)

Acquisition of property and equipment	(40,990)	(113,810)
Proceeds from disposal of assets	-	34,982
Acquisition of intangible assets	(17,778)	(9,148)
Investment income received	1,084,315	865,615
<b>Cash flows generated from/ (used in) investing activities</b>	<b>9,154</b>	<b>(535,175)</b>
<b>Cash flows from financing activities</b>		
Issue of share capital	2,490,631	-
<b>Cash flows generated from financing activities</b>	<b>2,490,631</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,135,191</b>	<b>1,743,401</b>
Cash and cash equivalents at 1 January	4,382,299	2,630,404
Effect of exchange rate fluctuation on cash and cash equivalent	13,363	14,712
Expected credit loss on cash and cash equivalent	-	(6,218)
<b>Cash and cash equivalents at 31 December</b>	<b>6,530,853</b>	<b>4,382,299</b>

#### Additional information:

A.	Solvency coverage	31 December 2022	31 December 2021
		Amount in Frw'	Amount in Frw'
1	Solvency Margin Required	2,712,808,684	2,619,890,548
2	Admitted Assets I.3 less I.4 and I.5	32,282,355,221	28,729,956,976
3	Less admitted Liabilities as per III.C.3	28,508,692,300	25,520,802,600
4	<b>Solvency Margin Available (I.6 less I.7)</b>	<b>3,773,662,921</b>	<b>3,209,154,376</b>
5	<b>Excess or Deficiency of solvency required (I.8 less I.2)</b>	<b>1,060,854,237</b>	<b>589,263,828</b>
6	<b>Solvency Coverage Ratio (I.8 divided by I.2)</b>	<b>139.11%</b>	<b>122.49%</b>
<b>B. Capital strength</b>			
		31 December 2022	31 December 2021
1	TAC (Total Available Capital)	Frw 14,393,903,963	Frw 14,044,062,648
2	RCR (Risk Based Capital Required)	Frw 16,855,543,840	Frw 16,346,564,446
3	CAR (Capital Adequacy Ratio)	85%	86%
<b>C. EARNING RISK</b>			
		31 December 2022	31 December 2021
1	Claims ratio	71.13%	68.9%
2	Management expenses ratio	54.37%	35.9%
3	Underwriting expenses ratio	2.96%	4.12%
4	Combined ratio	128.46%	109%
<b>D. INVESTMENT EXPOSURE</b>			
		31 December 2022	31 December 2021
1	Investment exposures	Frw 3,753,484,895	Frw 4,156,382,462



2	Investment property ratio	12.30%	13.1%
3	Equity assets ratio	40.00%	42.0%
<b>E.</b>	<b>LIQUIDITY RISK</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
	Liquidity ratio (LCR)	66%	59%
<b>F.</b>	<b>EXPOSURES TO RELATED PARTIES</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
1	Loans to Employees	Frw 209,166	Frw 9,370,649
2	Loans to subsidiaries and affiliates	Frw 326,930,639	Frw 466,281,567
<b>G.</b>	<b>BUSINESS COMPOSITION</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
1	Number of policyholders per branch	30,610	47,457
2	Number of policies in force per branch	70,506	67,323
<b>H.</b>	<b>MANAGEMENT AND BOARD COMPOSITION</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
1	Number of Board members (independent and non-independent)	Five (5) independent and Two (2) non-independent	Five (5) independent and Two (2) non-independent
2	Number of Board committees	3	3
3	Number of Senior management staff	10 (8Male, 2 Female)	10 (8Male, 2 Female)
<b>I.</b>	<b>STAFF</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
1	Total number of non-managerial staff	110 (66Male, 44 Female)	116 (68Male, 48 Female)
<b>J.</b>	<b>INSURANCE INTERMEDIARIES</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
1	Number of insurance agents	269	389
2	Number of loss adjusters/assessors	4	4
<b>K.</b>	<b>BRANCHES</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
1	Number of Branches by Province including Kigali City	Kigali City: 17 (14 independent); Southern Province:7 (5 independent); Northern Province:3 (2 independent); Eastern Province:9 (7 independent) and Western Province: 4 (1 independent).	City: 17 (14 independent); Southern Province:7 (5 independent); Northern Province:5 (4 independent); Eastern Province:9 (7 independent) and Western Province: 6 (4 independent).

Sanlam Assurances Générales Plc

PRODUCT PERFORMANCE ACCOUNT 31 DECEMBER 2022

INSURANCE BRANCH	Gross written premium	Policy administrative fees	Change in Unearned premium	Premium ceded (Gross) (-)	Reinsurance & Coinsurance commission	Claims paid	Reinsurance portfolio claims paid	Change in OSCR	Claims incurred (-)	Commission paid (-)	Management expenses (-)	Net underwriting P&L
MOTOR	5,509,738	124,595	237,398	1,340,588	2,256	5,263,842	642,133	(125,001)	4,496,708	542,653	2,956,321	(3,937,080)
PROPERTY	1,777,179	35,640	73,911	1,143,071	374,985	458,637	350,775	(23,081)	84,780	122,313	846,842	(83,113)
LIABILITY	899,445	2,230	(12,866)	691,395	79,355	4,360	-	31,596	35,956	74,664	421,209	(229,329)
TRANSPORTATION	109,042	150	23,963	55,737	11,351	29	-	(15)	14	4,246	51,008	(14,425)
ACCIDENT	282,753	10,111	(30,762)	18,015	4,504	18,854	-	14,735	33,589	30,726	136,809	108,991
MEDICAL	9,078,423	83,860	615,623	906,858	240,960	5,858,368	575,683	(101,445)	5,181,240	522,065	1,559,771	617,687
ENGINEERING	2,276,552	1,695	2,029	2,075,625	212,912	4,090	398	(4,932)	(1,241)	40,972	1,064,262	(690,489)
GUARANTEE	299,402	23,850	15,246	150,031	39,162	(330,947)	4,733	(100,567)	(436,247)	18,250	151,004	464,130
<b>TOTAL</b>	<b>20,232,534</b>	<b>282,131</b>	<b>924,541</b>	<b>6,381,320</b>	<b>965,484</b>	<b>11,277,233</b>	<b>1,573,723</b>	<b>(308,710)</b>	<b>9,394,800</b>	<b>1,355,889</b>	<b>7,187,227</b>	<b>(3,763,627)</b>

Note: A big underwriting loss of Frw 3.7 billion is due to the provisions made to resolve the legacy issues resulted from long outstanding receivables.

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## Duration and accessibility

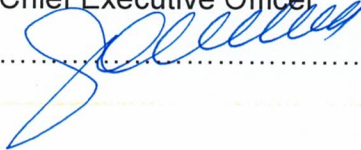
⚡ These published annual audited financial statements can also be found on our official website: <https://rw.sanlam.com> or you can also reach out on our offices at Sanlam Assurances Générales Plc, Head Office: KN 3 av, KN 71 St, P.O Box: 942 Kigali.

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Chief Executive Officer



Chairman of Board of Directors

