



**Resilient Growth:**  
Navigating a  
Sustainable Future

# ANNUAL FINANCIAL STATEMENTS **2024**



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## General Information

Directors	<p>Kofi Duffuor Abiola Ekundayo Senor Thomas-Sowe William Coker Samuel Amankwah Donald C. Kaye Olatoyosi Alabi Dr. George Agyekum Nana Donkor Adeyemo Adejumo Davis Iyasere</p>	<p>- Chairman - Group Managing Director/CEO</p>
Registered Office	<p>30 Junction Hill Station Freetown, Sierra Leone.</p>	
Bankers	<p>Ecobank Ghana Limited Ecobank Nigeria Limited Ecobank Sierra Leone Limited Ecobank Cote D'Ivoire Limited Guaranty Trust Bank Plc, Nigeria United Bank for Africa Cote D'Ivoire Limited United Bank for Africa, Sierra Leone Limited Access Bank Ghana Limited Access Bank Sierra Leone Limited Bank of Sierra Leone Trust Bank Gambia Limited Union Trust Bank Limited</p>	
Company Secretary	<p>Patricia V Wright</p>	
Auditors	<p>Baker Tilly Sierra Leone Chartered Accountants Baker Tilly House 37 Siaka Stevens Street Freetown- Sierra Leone.</p>	



## Directors' Report

The Directors present their report together with the audited financial statements of the WAICAREinsurance Corporation Plc (the "Corporation") standing alone and its Subsidiaries (together referred to as the "Group") for the year ended 31 December 2024.

### Directors' responsibility statement

The Directors are responsible for the consolidated and separate preparation of financial statements that give a true and fair view of WAICA Reinsurance Corporation Plc and its subsidiaries, comprising the consolidated and separate statements of financial position at 31 December 2024, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2009 as amended. In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

### Principal activity

The principal activities of the Group are to operate international, national, regional and sub regional reinsurance offices and institutions and to provide technical assistance to members of West Africa Insurance Companies Association (WAICA) and any other insurance and reinsurance institutions from around the world. The Group also provides fund management services to organizations and private individuals. There was no change in the Group's business during the year.

### The Group

The Group comprises of WAICA Reinsurance Corporation Plc (the Parent Group) and six subsidiaries:

- WAICA Re Capital Ghana Limited – incorporated and domiciled in Ghana and provides fund management services.
- WAICA Re Kenya Limited – incorporated and domiciled in Kenya and provides reinsurance services.
- WAICA Re Zimbabwe (Pvt) Limited – acquired and domiciled in Zimbabwe and provides reinsurance services.
- WAICA Re DIFC Limited - incorporated and domiciled in United Arab Emirates to provide insurance management services.
- Afin Bank Limited - Incorporated and domiciled in United Kingdom to provide financial services.
- WAICA Re UK Limited - Incorporated and domiciled in the United Kingdom to provide investment services.

### Results

The financial results of the Corporation and its subsidiaries for the year ended 31 December 2024 are set out in the attached financial results, highlights of which are as follows:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Profit after tax (attributable to equity holders)	<b>34,534</b>	36,043	<b>28,086</b>	27,175
to which is added the balance brought forward on retained earnings	<b>55,442</b>	31,093	<b>37,006</b>	21,604
	<b>89,976</b>	67,136	<b>65,092</b>	48,779
Out of which is transferred (to)/from:				
Contingency reserves	<b>(5,617)</b>	(5,600)	<b>(5,617)</b>	(5,600)
Transaction cost: right offer	-	-	-	(79)
Bonus share issued	-	(94)	-	(94)
Dividend paid to shareholders	<b>(8,000)</b>	(6,000)	<b>(8,000)</b>	(6,000)
<b>31 December</b>	<b>76,359</b>	55,442	<b>51,475</b>	37,006



## Directors' Report (continued)

### Share capital

Details of the Group's share capital are shown in note 16 to these financial statements.

### Capital management

WAICA Re monitors its internal capital requirements based on a risk-based economic capital model that is based on Solvency 2 principles with modifications to take into account the environment that WAICA Re operates in. The capital model comprises an underwriting risk, credit risk, market and operational risk modules. The capital requirements are calculated at a Group level but the subsidiaries independently monitor capital levels based on local requirements.

The Solvency Capital Ratio increased to 120% in 2024 from 118% in 2023.

The required capital increased from USD 129m in 2023 to USD 150m in 2024 while the available capital increased from USD 159m to USD 189m over the same period.

To further strengthen capital adequacy the Group will be raising additional capital through a private placement in 2025.

The table below summarizes the capital position as at 31 December 2024

In thousands of United States Dollars

	31 December 2024	31 December 2023
<b>Economic capital</b>		
Premium and reserves risk capital	<b>90,287</b>	75,633
Catastrophe Risk Capital	<b>37,462</b>	34,056
Total	<b>127,749</b>	109,689
Underwriting risk	<b>102,317</b>	90,378
Credit risk	<b>29,049</b>	23,612
Market risk	<b>63,002</b>	52,208
Total	<b>194,368</b>	166,198
Diversification risk	<b>44,728</b>	37,509
Basic required capital	<b>149,640</b>	128,690
Operational risk	<b>7,580</b>	6,639
Total economic capital requirement	<b>157,220</b>	135,329
Shareholders fund	<b>188,732</b>	159,170
<b>Solvency capital ratio</b>	<b>120%</b>	118%

### Related party transactions

Information regarding directors' interests in ordinary shares of the Corporation and remuneration is disclosed in Note 36 to the financial statements. Other than their contracts as directors, no director had a material interest in any contract to which the Corporation was a party during the year. Related party transactions and balances are also disclosed in Note 36 to the financial statements.

### Dividend

In respect of the year ended 31 December 2024 result, the Board of Directors proposed a dividend of US\$ 0.14705 per share amounting to US\$ 8,500,277 to be paid to existing Shareholders whose names appear in the register of the Corporation as at the date of the Annual General Meeting. (2023: Dividend of US\$ 8,000,261).



## Directors' Report (continued)

### Particulars of entries in the interest register

The Directors who served within the year and their interest in the Corporation's equity are as follows:

Directors	Year ended 31 December 2024		Year ended 31 December 2023	
	No. of Shares	Percentage Holding	No. of Shares	Percentage Holding
Kofi Duffuor – Chairman	300, 689	0.58%	280,689	0.49%
Abiola Ekundayo	100,854	0.17%	100,854	0.17%
Senor Thomas-Sowe	21,646	0.04%	21,646	0.04%
William Coker	24,116	0.04%	24,116	0.04%
Samuel Amankwah	-	-	-	-
Donald C. Kaye	-	-	-	-
Olatoyosi Alabi	-	-	-	-
Dr. George Agyekum Nana Donkor	-	-	-	-
Adeyemo Adejumo	-	-	-	-
Davis Iyasere	-	-	-	-

### Auditor

In accordance with Section 308 of the Companies Act 2009 of Sierra Leone, a resolution for the re-appointment of Baker Tilly as auditors of the Corporation is to be proposed at the forthcoming Annual General Meeting.

### Employment of disabled people

The Group does not discriminate against disabled persons as it is clearly stated that there shall not be any discrimination against a qualified individual with disability with regards to recruitment, advancement, training, compensation, discharge or other terms, conditions or privileges of employment'.

### Health, safety and welfare at work

The Group has retained the services of a medical facilities for all employees of the Group and a conducive office environment is maintained for staff and visitors, with adequate lighting and ventilation.

### Employee involvement and training

There are various forums where the staff meet and discuss issues that relate to them and their progress at the workplace, these include unit meetings, and regular general meetings.

There is an approved training schedule for staff, and the Group also has a staff performance appraisal process through which staff are appraised and promotions and /or increments made.

Name	Nationality	Position
Kofi Duffuor	Ghanaian	Board Chairman
Ezekiel Abiola Ekundayo	Nigerian	Group MD/CEO
William Coker	Gambian	Non-Executive
Senor Thomas Sowe	Gambian	Non-Executive
Samuel Amankwah	Ghanaian	Non-Executive
Donald Charles Kaye	Sierra Leonean	Independent Non-Executive
Adeyemo Adejumo	Nigerian	Independent Non-Executive
Dr. George Agyekum Nana Donkor	Ghanaian	Independent Non-Executive
Olatoyosi Alabi	Nigerian	Independent Non-Executive
Davis Iyasere	Nigerian	Non-Executive



## Directors' Report (continued)

### Biographical information of directors

The Board consists of a Non-Executive Chairman, four (4) Independent Non-Executive Directors, four (4) Non- Executive Directors and one (1) Managing Director. The Independent Non- Executive Directors and Non-Executive Directors are independent of management and free from management constraints that could interfere with the exercise of their objective and independent judgments. The Directors collectively possess strong functional knowledge, expertise, and experience to make valuable contributions to the group.

#### Mr. Kofi Duffuor

Mr. Kofi Duffuor is the former Chief Executive Officer of Star Assurance Group Limited, Ghana. Prior to his elevation to the highest executive position in 2020, he was the Managing Director of the Group's General Insurance Subsidiary — Star Assurance Co. Ltd. He was instrumental in Star Assurance's restructuring in 1996, as the General Manager. With hard work and dedication, Kofi and his executive team moved Star Assurance from almost the bottom of the league of insurance companies to become the third largest non-life insurance company in Ghana. Star Assurance has also won the prestigious Chartered Institute of Marketing Ghana (CIMG) Insurance Company of the Year award twice under his leadership.

Mr. Duffuor in March 2011 was unanimously appointed by the West African Insurance Companies Association (WAICA) to chair the Board of the newly established WAICA Reinsurance Corporation PLC, a multinational reinsurance company, headquartered in Freetown, Sierra Leone, which currently has a balance sheet size of over US\$260 million as a result of his business acumen and great leadership skills, a position he still occupies. He was once an executive member of the Ghana Insurers Association and also chairman of the Association's Finance and Secretariat's Board Committee. Kofi was adjudged the Best CEO of the Year 2018 — General Insurance Category by the CEOS Network Ghana. He is also a recipient of Ghana Business Leaders Excellence GOLD Award.

Kofi holds a Master of Business Administration degree in Entrepreneurial Management from the University of Ghana. Kofi had his insurance training in the United Kingdom. He is a Chartered Insurer and Fellow of the prestigious Chartered Insurance Institute (FCII) UK. He is also a Fellow of the Chartered Insurance Institute of Ghana (FCIIG). He is well oriented in insurance management, business development, and marketing. He has over thirty (30) years' experience in insurance underwriting, claims management, and insurance marketing. He has attended several conferences and seminars both at home and abroad in insurance management and financial management.

He has attended several conferences and seminars both at home and abroad in insurance management and financial management.

He is married and the marriage is blessed with four (4) children.

#### Mr. Ezekiel Abiola Ekundayo

Mr. Ezekiel Abiola Ekundayo is a seasoned insurance Practitioner with more than 35 years of experience in the insurance industry.

He started this worthwhile career in 1984 with a broking firm in Lagos, Nigeria. He worked with WAPIC Insurance Company Limited, Nigeria, for few years before joining Globe Reinsurance PLC in 1989. The hard-working and resourceful Ezekiel was consistently identified with the company's growth, and in recognition of his contributions, he was appointed Executive Director in 2000 and later confirmed as the Deputy Managing Director in 2001. Ezekiel continued to be result-driven and goal-oriented, and he was eventually appointed as the Managing Director /CEO of the company in 2007.

He piloted Globe Re to the Francophone countries on the West African Coast, thus making Globe Re the first Nigerian Reinsurance company to do business with the Francophone world. Ezekiel Ekundayo joined WAICA Reinsurance Corporation in July 2011 as the Pioneer MD/CEO. He started this noble Corporation from the zero level and grew it to become one of the fastest growing/leading reinsurance companies in Africa today.

Under his leadership, the Corporation embarked on strategic business expansion which resulted in the establishment of four (4) Subsidiaries and four (4) regional offices within a short period. Ezekiel was appointed the Group Managing Director/CEO in September 2018, and he sits on the Boards of the subsidiary companies.

His experience as an insurance practitioner covers wide areas of the profession, including brokerage, marketing, underwriting, reinsurance, investment and risk management. He has varied experience in executive management and technical fields, having attended courses, both locally and internationally. Some of the courses he has attended include Leading the Team Course at Lagos Business school, Nigeria, Reinsurance strategic management at the prestigious Wit Business School, University of Witwatersrand, Johannesburg, South Africa and Managing people Effectively at D&B Business Training Services, London. He is a bilingual executive who speaks English and French fluently.



## Directors' Report (continued)

### Mr. Ezekiel Abiola Ekundayo (continued)

Ezekiel Abiola Ekundayo believes in insurance education and workforce development, as a result of which he has continued to train the younger professionals who can confidently take over tomorrow the mantle of leadership in the insurance profession. He is a member of the Governing Council, West African Insurance Institute. Member, Society of Fellows, West African Insurance Institute. He was conferred with the Fellowship of WAII for Academic Excellence and Development of the West African Insurance Institute, The Gambia, in 2019.

He graduated from the Lagos state polytechnic, Nigeria, where he studied Insurance, and he holds a Master of Business Administration (MBA) from the Lagos State University. He is a Fellow of the Chartered Insurance Institute, London (with specialization in Reinsurance) and Chartered Institute of Marketing, Nigeria.

### Mr. William B. Coker

A Gambian by birth and nationality, Mr. William B. Coker started his insurance career in 1980 with the Gambia National Insurance Corporation and rose through the ranks to become its first Deputy Managing Director/Deputy CEO in 1994 and later in 1998 was appointed its Managing Director/CEO. William held this position until 2005 after which he was appointed to the position of Secretary General/CEO of the West Africa Insurance Companies Association (WAICA) — a sub-regional body of insurance institutions in West Africa, which he, upon assuming office, implemented a successful turn around of the institution which at the time was quite dormant and ineffective, given its mandate. He also served on the Governing Council of WAICA. WAICA is the parent body of WAICA Reinsurance Corp. and William was very instrumental/a Key Driver in the setting up and establishment of WAICA Reinsurance Corporation Plc and has been serving on that Board of Directors.

William is a Chartered Insurer after having attending the CII College of Insurance in Sevenoaks, Kent, U.K. and qualifying in 1992 as an Associate of the Chartered Insurance Institute of London, U.K. He attended the prestigious Maastricht School of Management, Netherlands and earned a Postgraduate Diploma (with Distinction) in General and Strategic Management in 1995.

William is currently a part-time lecturer at the West African Insurance Institute, (WAII) in The Gambia and is a Fellow of that Institute. He was also a part-time lecturer at the Ghana Insurance College in Accra, and is a Fellow of the Chartered Insurance Institute of Ghana.

- Mr. Coker served on the Board of Directors of the Gambia Telecommunications Company.
- He was among the Select Committee of Gambians who were tasked by the President of the Republic of the Gambia with the setting up and establishment of the University of The Gambia. He was retained to serve on that university's Governing Council for its formative years.
- He also served on the Board of Directors of AGIB Bank, The Gambia.
- He worked with ECOWAS and the African Trade Insurance Agency (Chairing some Committees) to facilitate the creation of an Investment Guaranty Mechanism for West Africa.
- He worked with the West African Monetary Institute (WAMI) on the Harmonisation of Insurance Laws in West Africa Project. This is an on-going work.
- He was a Member, Board of Governors of The Roman Ridge School, Accra, Ghana and the Methodist Primary School, The Gambia (both Private schools).
- He was a Member of the first African Continental Panel of Judges for the African Insurance Awards instituted by Africa Reinsurance Corp.
- A past President of the Rotary Club of Banjul and a Paul Harris Fellow.
- Mr. Coker is currently part of the Seven Member Board of Trustees of the Methodist Church Connexional Conference, The Gambia.

Mr. Coker has served or is still serving on other Boards of Directors/Governing Councils and such bodies. He has attended many conferences/seminars/workshops/training programs over the years.

He has been married for over 36 years and has four children.





## Directors' Report (continued)

### Olatoyosi Alabi (Mrs.)

Mrs. Olatoyosi Alabi is a Barrister and Solicitor with over 20 years' experience and proficiency in Intellectual property, notably trademarks enforcement, and has prosecuted and defended a number of lawsuits involving passing off claims, trademark, design, patent and copyright infringement and revocation of trademarks. She also represents clients in Mergers and Acquisitions transactions, advising on transfer and acquisition of IP rights.

She obtained a Master of Arts from Kings college, University of London, United Kingdom and LL. B from the London School of Economics and Political Science and is currently a partner at Olaniwun Ajayi LP, Lagos. As Partner and Former Head, Corporate Affairs, Planning & Strategy she has been charged with ensuring good governance, strategic planning, development of efficient systems and processes, knowledge management, client management and business development. Mrs. Olatoyosi Alabi's portfolio as partner currently includes External Relations and her role includes a core liaison between the firm and foreign relationship firms and alliances and to ensure effective relationship Management of these partners and growth of the business.

As previous head of the Enterprise practice of Olaniwun Ajayi LP, she led her team as both Group Secretary and Legal Adviser to various clients to wit; in the manufacturing, hospital, and information technology sectors, and advised local and international clients on Group law matters and establishment of businesses in Nigeria.

Mrs. Olatoyosi Alabi has a keen interest and growing passion in the dispensation of justice and settlement of disputes through judicial means as well as through alternative dispute mechanisms, notably, mediation. She has attended several key conferences and knowledge exchange programmes which has also added to her wealth of experience in areas such as Women in Leadership in Law, Growing a thriving IP Practice, Managing Legal Staff & Millennials in a law firm.

In general, Mrs. Olatoyosi Alabi provides thought leadership on subjects within her core legal areas and is passionate about people development and offers coaching and counselling sessions.

### Mrs. Senor Thomas-Sowe

Senor Thomas-Sowe is the Founder and Executive Vice Chair Royal Insurance Gambia Limited. Mrs Senor Thomas-Sowe started her insurance career with Senegambia Insurance Company Limited in 1987 where she rose to the rank of Deputy Manager before which she has been head of various departments. She joined Gamstar Insurance Company Limited in 1996 before joining Global Security Insurance Company limited in 1997 as immediate Assistant to the Managing Director.

She joined International Insurance Company Gambia Limited in December 2000 as Technical Manager where she rose to be the Managing Director for 10 years. She retired in February 2013 and was promoted to the Group as Group Chief Operating Officer-Insurance to oversee all the Insurance Companies in the FIBank Group; That is International Insurance Company Limited in Guinea, Liberia, Sierra Leone and The Gambia. She left in February 2014.

She is an alumnus of the College of Insurance and Risk Management (WAI), a Member of The Chartered Insurance Institute of London as well as Fellow of The West African Insurance Institute. She has attended various courses and Seminars both in The Gambia and abroad. Mrs Senor Thomas-Sowe is a Past President of The Insurance Association of The Gambia, Past President of the West African Insurance Companies Association (WAICA) and was a Member of the Governing Council and Academic Board of the West African Insurance Institute.

She is a Member of the National Business Council of the Gambia which is the highest business body of the Gambia Chamber of Commerce and Industry. She is a Director of the WAICA Re Capital Ghana a subsidiary of WAICA Reinsurance Corporation PLC. Sierra Leone. She is the founder and Executive Chair of Prestige World Travel Gambia and holds directorships in Group Investment Gambia (GIG). Previous directorship includes First International Bank (FIBank) Group and Gambia Radio and Television Services (GRTS).



## Directors' Report (continued)

### Dr. George Agyekum Nana Donkor

Dr. George Agyekum Donkor is the President and Chairman of the Board of Directors of the ECOWAS Bank for Investment and Development (EBID), a regional international financial institution belonging to the fifteen (15) ECOWAS Member States.

Dr. Donkor had previously held the position of Vice-President, Finance and Corporate Services, for seven (7) years and prior, to that, Head of Legal Division/Compliance for four (4) years in the same institution. His professional areas of interest focus on corporate law, leadership, change management, and improvement.

A lawyer by profession and a development banker by training, Dr. Donkor's illustrious career, which spans over three decades, has been marked with outstanding success. He focuses on implementing change to drive progress not only in the West African sub-region but also to stimulate a wider international impact through regional integration and engagement. With several years of internationally recognised credentials from across Europe, America, Asia, and Africa, Dr. Donkor is reputed to be an experienced and successful leader with a record of accomplishments in producing, presenting, and managing the implementation of innovative business and administrative solutions. Proactive and highly self-motivated in converting opportunities into success and driving profit and growth, Dr. Donkor possesses hands-on experience in innovation, organisational design, development, and improvement.

He is well-networked and has excelled in implementing business process improvements, defining the company's direction, achieving goals on time, and optimising business procedures. He possesses a unique gift for leading large diverse teams from multi-cultural environments. Under Dr. Donkor's visionary leadership, EBID has achieved remarkable successes on all fronts including receiving the Financial Institution of the Year 2024-Africa Award category at the Africa Sustainability Awards 2024; and an upgrade in its credit ratings by Moody's and Fitch Ratings.

Dr. Donkor holds a Doctorate in Business Administration (DBA) and a master's degree in Applied Business Research (MABR) from the SBS Swiss Business School, Zurich, Switzerland. He earned a PhD (Marketing) from the Commonwealth Open University (CoU), British Virgin Islands, United Kingdom. He also obtained an Executive MBA (Marketing) from the University of Ghana Business School, Legon, and a Postgraduate Certificate in Contemporary Management from the Noble International Business School (NIBS), Ghana. Dr. Donkor holds a Bachelor of Laws (LLB) degree from the University of Ghana, Legon, and a postgraduate professional law certificate from the Ghana School of Law.

He is a Council Member of the University of Ghana and former Chairman of the Investment Committee of the University Council. He is also a Board member of Ecobank Transnational Incorporated (ETI), ASKY Airlines, and WAICA Re- Insurance, among others. He is an adjunct lecturer in the Department of Finance, School of Business of the University for Development Studies (UDS), Tamale, Ghana.

Dr. Donkor has been recognised with many awards, notable among them are the 2023 Development Champion Award, at the Rebranding African Forum, Brussels, Belgium, the 2023 CEO of the Year -Africa, (Ghana CEO Vision and Awards), the 2022 Prix de la Fondation award at the prestigious Crans Montana Forum, Geneva, Switzerland, and Ghana Innovation Leadership Award organised by the Ghana Innovation/NIBS Award in 2019. His name has been featured three consecutive times among the 100 personalities transforming Africa by FinancialAfrik, a renowned international magazine.

Dr. Donkor is the first appointed Chancellor of the NiBS University. He is the current Honorary President of the Global Network for Export-Import Banks and Development Finance Institutions (G-NEXID) which is headquartered in Geneva, Switzerland. He is also the President of the African-Jewish Chamber of Commerce.

Dr. Donkor is a Public Speaker and Resource Person at numerous international conferences and fora.



## Directors' Report (continued)

### Mr. Adeyemo Adejumo

Mr. Adeyemo Adejumo is a Chartered Insurer with over 30 (Thirty) years of experience in the Insurance Industry. He is an Associate of the Chartered Insurance Institute of London and a Fellow of the Chartered Insurance Institute of Nigeria. He holds a Bachelor of Science Degree (BSc.) in Biochemistry from the University of Ife, Ile Ife, Osun State and a Master of Business Administration (MBA) from the University of Lagos, Akoka, Yaba.

Adeyemo Adejumo worked with the National Insurance Corporation of Nigeria from 1979 to 1986 and then Continental Re where he started as a Technical Manager in 1986 and rose to the position of Managing Director/CEO in October 1995 up to 2010. As a result of his leadership and legacy, Continental Re Plc is a leading Private Reinsurance Group in Africa today.

The nature of his work has led him to interact with underwriters such as Munich Re, Swiss Re and Brokers such as Alexander Howden, Steward Wrightson, J. B. Boda and other top professionals in the industry. He has attended several Professional Development Training in the following areas; Underwriting and Reinsurance, Management Appreciation, Managing by Objectives, Staff Development Workshop, Fire Risk Management and Underwriting, Finance Programme for Senior Executives, Chief Executive Programme.

Mr. Adeyemo Adejumo is the author of several key publications among which are: The Challenges of Continuous Professional Development Insurer's View Point; The Millenium Bug, Implication for the Insurance Industry; International Trends and Development-Impact on a Regional Market. He is a highly respected personality in the Africa Insurance Market and also very active in the Africa Insurance Organisation, West Africa Organisation, FANAF and the French Insurance Body. He is an active advocate for community development and plays a great role in engaging community stakeholders for development.

### Mr. Donald Charles Kaye

Donald Charles Kaye is a highly professional and experienced Accountant in Public Practice with over 39 years' experience which includes leading KPMG in The Gambia and now PKF in The Gambia as Senior Partner, after working in several KPMG offices in other countries. He is result driven, self-motivated and resourceful with a proven ability to develop and strengthen management teams in order to maximise human capacity.

Donald Kaye's extreme attention to details has helped companies of all types to maximize investments, cut spending and increase efficiency. He has strong knowledge of governing laws and regulations in the various locations he practiced and how to implement Group procedures. He is a successful motivator who brings a good attitude to every meeting. He possesses excellent communication skills and is able to establish sustainable and profitable relationships with stakeholders.

He is a Fellow of the Association of Chartered Certified Accountants in the United Kingdom (FCCA); the Institute of Chartered Accountants in Nigeria (FCA); and the Institute of Chartered Accountants in Sierra Leone (FCA). His responsibilities as a Senior Partner of PKF, The Gambia include but are not limited to; engagement partner for all the clients in the firm's portfolio and in charge of overall administration and management and also liaising with PKF in West Africa and PKF International.

He is currently serving as a Member of the Governing Board for PKF Africa. He has a varied experience with audit, accounting, taxation and consultancy in banking and financial services (micro-credit), Insurance, air carriage, shipping, hospitality, oil and gas, service delivery etc. In the area of funded projects and programmes he has extensive experience in health, humanitarian relief, education, rural development and agricultural sectors, and other social projects.

He has an excellent command of the English language for accurate presentation of ideas in written and oral format as well as to comprehend the ideas of others. He is a qualified leader who is uncompromising when necessary and compassionate when required and has the ability to get along with all types of people in a variety of situations. He has a strong knowledge of administration and management as well as human resources, including strategic planning, leadership techniques, personnel recruitment.



## Directors' Report (continued)

### Mr. Samuel Amankwah

Mr Samuel Amankwah is an experienced Financial Executive with a pleasant personality that is accredited with unique abilities to resolutely manage and execute projects pertinent to financial solutions and innovative business ideas. His extensive skill-set strongly correlates with an expertise in problem solving, identifying operational inefficiencies, and organizational skills. He values hard work and is diligent and result driven with an appreciation for team and team orientation.

He is a Fellow of the Association of Chartered Certified Accountants in the United Kingdom (FCCA), and a member of the Institute of Chartered Accountants in Ghana and possess MSc Accounting and Finance from De-Montfort University , UK. In addition to his educational qualifications , he attended several Professional Development Training in areas such as Corporate Governance and Capacity Training and Strategy, Risk and Reputation.

Samuel Amankwah served in various capacities at GCB Bank Limited, Ghana between 2000 and 2020 ranging from Consultant (Operations) in which his duties and responsibilities included advising and updating the Board on the strategic workflow of the Bank and throughout the organizational structure , providing advice on improving upon established Bank Standards and Procedures.

He served as Deputy Managing Director (Operations), and Deputy Managing Director (Finance) in which he assisted the Managing Director on regular delegated management issues , formulate and recommend strategies to enhance policies and procedures pertaining to operations to ensure effective service delivery and attainment of business goals. He was also Chief Internal Auditor, General Manager , Treasury Division respectively at GCB Bank Limited, Ghana. He worked as an Accountant at JSA Accountancy Services in Watford (UK), and Adomako Basoah & Co, Norbury, UK. He worked as Internal Auditor with UAC Group of Companies (Ghana) and Production Accounts Manager , Guinness Ghana Limited.

Samuel Amankwah served on various Board of Directors namely, GCB Bank Limited (Executive Director), GCB Securities Limited, National Insurance Commission (Ghana), Vivo Ghana Limited, Chairman of Activity Venture Finance Company, (Ghana) and Chairman Acherensua Senior High School.

### Mr. Davis Ebelechukwu Iyasere

Mr. Davis Ebelechukwu Iyasere is the Secretary General/ Chief Executive Officer of the West African Insurance Companies Association (WAICA). His appointment followed the retirement of Mr. William Coker. Prior to his appointment, Mr. Iyasere was the Deputy Director in charge of Corporate Communications, Human Resource, and Administration at the Nigerian Insurers Association where he had a career spanning almost two decades. Whilst in the services of the Association, he was noted for his dedication to duty, and commitment to the ideals of the Association.

He joined the Association as Corporate Affairs Manager in 2004 and rose through the ranks to his current position by a dint of hard work, strength of character, pursuit of excellence, humility, and strong intellectual capacity. Mr. Iyasere started his career as a freelance sports journalist with Vanguard Newspapers and later with National Times Newspaper before he joined the Guardian newspapers as a sub editor in year 2000. He later joined Sporting Champion, then Nigeria s highest selling weekly sports newspaper from where he joined the Nigerian Insurers Association as corporate affairs manager in 2004.

He had his secondary education at Comprehensive high school Igbodo, in Ika North East local government area of Delta State and was the Senior Prefect during his time. He later proceeded to the Nigerian Institute of Journalism, Ogba, Lagos for a professional diploma in Journalism. He obtained a Bachelor of Arts degree in Communication Arts from University of Uyo, Akwa Ibom state with a second-class upper division and was the president of the Faculty of Arts Students Association (FASA).

His unquenchable quest for knowledge led him to pursue a Master s Degree in Communication Studies from Lagos State University. Not satisfied, he proceeded to the University of Lagos where he obtained a second master s degree in industrial and labour relations. He is currently pursuing a doctorate degree in public relations in Babcock University, Ilishan, Ogun State. He is widely travelled and belongs to many professional bodies and associations. They include: Nigerian Institute of Public Relations (NIPR), Advertising Practitioners Registration Council of Nigeria (ARCON), Chartered institute of Personnel Management of Nigeria (CIPM), Chartered Insurance Institute of Nigeria (CIIN), Society for Human Resource Management (SHRM), USA, and Association of Corporate Governance Professionals of Nigeria.



## Directors' Report (continued)

### Commitment to Corporate Governance

The key guiding principles of the Corporation's governance practices are:

- i. Good corporate governance for enhanced shareholder value
- ii. Clearly defined respective roles of Shareholders, Board of Directors and Management in the governance architecture
- iii. The Board of Directors should have majority of its membership as either Independent or Non-Executive. Directors. Independent directors may be broadly defined as Non-Executive director who has the ability to exercise objective, independent judgment after fair consideration of all relevant information and views without undue influence from management or from inappropriate external parties or interests. These principles have been articulated in a number of corporate documents, including the Memorandum and Article of Association.
- iv. There is an Article of Association which spells out the functions and powers of the Board and Board Sub-Committees. There are also various policies which define the role of the Board and the Managing Director with regard to certain specific matters including staff hiring and discipline.

The Board is responsible for setting the institution's strategic direction, leading and controlling the institution and monitoring activities of Executive Management.

As at 31 December 2024, WAICA Reinsurance Corporation Plc Board of Directors consists of ten (10) members made up of Non-executive Chairman, four (4) Independent Non-Executive Directors, four (4) Non-Executive Directors, and one (1) Executive Director.

These Board members have wide range of experiences and in-depth knowledge in management, insurance, economics, finance, law and industry, which enable them to make informed decisions and valuable contributions to the Corporation's progress.

### Board committees

Board committees have been delegated with the responsibility of assisting the Board in carrying out its duties and to enhance the effectiveness of the Board. Board committees periodically meet to achieve their objectives and also perform self-evaluation to assess the effectiveness of their functioning. These committees are:

**Finance and Investment Committee:** The Committee meets at least four times a year to assist the Board of Directors to exercise oversight responsibility over the Group's financial performance and its investment decisions.

The composition of the Committee is as follows:

Name of Director	Position
Mrs. Senor Thomas-Sowe	Chairperson
Dr. George Agyekum Nana Donkor	
Mr. Samuel Amankwah	
Mr. Donald Charles Kaye	

**Strategy and Operations Committee:** The Committee meets at least four times a year to assist Board of Directors to exercise oversight responsibility over the Group's overall strategy, information and communication systems, and operational systems.

The composition of the Committee is as follows:

Name of Director	Position
Mr. William B Coker	Chairperson
Mr. Adeyemo Adejumo	
Dr. George Agyekum Nana Donkor	
Mrs. Olatoyosi Alabi	

**Human Resource, Remuneration, Ethics and Corporate Governance Committee:** The Committee meets at least four times in a year to assist the Board of Directors to exercise oversight responsibility over the Group's human resource functions including policy and practice of the Group, corporate governance structures and employee remuneration.

The composition of the Committee is as follows:

Name of Director	Position
Mrs. Olatoyosi Alabi	Chairperson
Mr. William B Coker	
Mrs. Senor Thomas Sowe	
Mr. Adeyemo Adejumo	

**Risk Management, Audit and Internal Compliance Committee:** The Committee meets at least four times a year to support the Board in fulfilling its oversight responsibility with regard to financial reporting, the system of internal controls and the process for monitoring compliance with laws and regulations. It is also responsible for establishing overall group risk management framework, risk metrics and controls, capable of identifying and managing risk.



## Directors' Report (continued)

### Board committees (continued)

The composition of the Committee is as follows:

Name of Director	Position
Mr. Donald Charles Kaye	Chairperson
Mr. Samuel Amankwah	
Mrs. Senor Thomas-Sowe	
Mr. Davis Iyasere	

### Board balance and independence

The composition of the Board of Directors and its Sub-Committees is regularly reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained. The Board considers that the Chairman is independent on appointment and all non-Executive Directors are independent as it pertains to the management of the Corporation. The continuing independent and objective judgment of the non-Executive Directors has been confirmed by the Board of Directors.

### Code of Conduct, Ethics Charter and Conflict of Interest Policies

The Board has approved Ethics Charter and Conflict of Interest policy that regulate the conduct of Directors. In addition, an approved Code of Conduct regulate the Conduct of all employees. Management has communicated the principles in the Group's Code of Conduct to its employees to provide guidance in the discharge of their duties. The above-mentioned policies set the standards of professionalism and integrity required for the Group's operations, which cover compliance with applicable laws, conflict of interest, environmental issues, reliability of financial reporting, bribery and strict adherence to laid down principles, to eliminate the potential for illegal practices.

### Internal control systems

The directors have overall responsibility for the Group's internal control systems and annually reviews their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive directors and other senior management. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by the Group as at the reporting date and no significant failings or weaknesses were identified during this review.

### Professional development and training

On appointment to the Board, directors are provided with a full, formal and tailored programme of induction, to familiarise them with the Group's business, the risks and strategic challenges it faces, and the economic, competitive, legal and regulatory environment in which the Group operates.

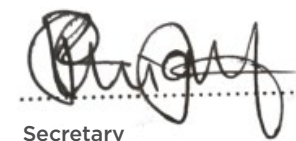
These training, together with the other training provided during the year, ensured that directors continually updated their skills, their knowledge and familiarity with the Group's businesses, and their awareness of sector, risk, regulatory, legal, financial and other developments to enable them to fulfil effectively their role on the Board and committees of the Board.

### Conflicts of interest

The Group has established appropriate conflicts authorization procedures, whereby actual or potential conflicts are regularly reviewed and authorizations sought as appropriate. During the year, no such conflicts arose and no such authorizations were sought.

27 March 2025

Date



Secretary



## Independent Auditor's Report

Baker Tilly SL  
 Baker Tilly House  
 37 Siaka Stevens Street  
 P.O Box 100 Freetown Sierra Leone  
 Telephone +(232) 30-444-100

### To the Shareholders of WAICA Reinsurance Corporation Group

#### Opinion

We have audited the financial statements of WAICA Reinsurance Corporation Plc (the Group) as standalone and its subsidiaries (together, the Group) as set out on pages 21 to 127 which comprise consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and as at 31 December 2024, and of its consolidated and separate financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) and the requirements of the applicable laws and regulations.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Sierra Leone, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Group financial statements.



## Independent Auditor's Report (continued)

## To the Shareholders of WAICA Reinsurance Corporation Group (continued)

## Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of reinsurance contract liabilities</b></p> <p>The valuation of re-insurance contract liabilities is complex and requires management to make significant judgements about uncertain future events.</p> <p>The application of the appropriate methodology and assumptions in determining estimated future cash flows, discounting of the cash flows and the risk adjustment in order to establish the liability for remaining coverage (LRC) required under IFRS 17 has been assessed as a significant risk area.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Engaged our actuarial specialists to review the governance, accounting policy, methodology and measurement model in place to support the valuation of the re-insurance contract liabilities</li> <li>• Assessed the information technology landscape and tested the general information technology controls;</li> <li>• Tested the underlying data to source documentation on a sample basis;</li> <li>• Evaluated the methodology and the ongoing appropriateness of the actuarial assumptions used based on our knowledge of the business of the Group, industry standards and regulatory and financial reporting requirements;</li> <li>• Evaluated the actuarial models used and checked whether they functioned as intended in line with management's IFRS 17 methodology and the financial reporting framework;</li> <li>• Tested the logic of the calculation engine by comparing our own recalculated results against management's assessment; and</li> <li>• Reviewed the related presentation and disclosures in the financial statements</li> </ul>





## Independent Auditor's Report (continued)

## To the Shareholders of WAICA Reinsurance Corporation Group (continued)

## Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><b>Allowance for expected credit losses on financial assets</b></p> <p>IFRS 9 introduced a forward-looking Expected Credit Loss (ECL) model. The ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments.</p> <p>The amount of ECL's recognized as a loss allowance or provision depends on the extent of credit deterioration since the initial recognition.</p> <p>The recognition of impairment could be done on a 12-month expected credit losses or Lifetime expected credit losses. Impairment computations under IFRS 9 therefore involves the use of models that take into account:</p> <ul style="list-style-type: none"> <li>• The probability-weighted outcome.</li> <li>• Reasonable and supportable information that is available without undue cost.</li> </ul> <p>Significant judgements in the determination of the Group's Expected Credit Loss include:</p> <ul style="list-style-type: none"> <li>• Use of assumptions in determining various ECL modelling parameters including probability of defaults and loss given defaults.</li> <li>• Determination of a significant increase credit risk and</li> <li>• Determination of associations between macroeconomic scenarios.</li> </ul> <p>The use of different models and assumptions can significantly affect the level of allowance for expected credit losses on financial assets.</p> <p>Due to the significance of the assets and the significant use of judgements, assessment of allowance for expected credit losses has been identified as a key audit matter.</p>	<p>We obtained an understanding of the Group's IFRS 9 provisioning process as well as the credit risk modelling methodology.</p> <p>We validated and tested the ECL model of the Group by assessing the data inputs and assumptions driving the model calculations.</p> <p>We also performed the following substantive audit procedures:</p> <ul style="list-style-type: none"> <li>• Reviewed and tested the methodology developed to calculate loan loss provision under IFRS 9, concentrating on aspects such as factors or determining a 'significant increase in credit risk', staging of loans, testing specific models related to Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD).</li> <li>• Recalculated ECL estimates,</li> <li>• Reviewed forward looking information / multiple economic scenario elements.</li> <li>• Tested the reasonableness of the assumptions underlying the impairment identification and quantification including forecasts of future cash flows.</li> <li>• We have also reviewed information relating to the allowance for expected credit losses on financial assets disclosed in the notes to the financial statements of the Group.</li> </ul>



## Independent Auditor's Report (continued)

### To the Shareholders of WAICA Reinsurance Corporation Group (continued)

#### Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act of Sierra Leone, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the Group. We remain solely responsible for our audit opinion.



## Independent Auditor's Report (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Engagement Partner on the audit resulting in this independent auditor's report is Derrick Kawaley.

**Freetown**  
**Date:** 27 March 2025

Chartered Accountants



## Statement of Financial Position

As at 31 December 2024

		Group 31 December		Corporation 31 December	
In thousands of United States Dollars	Note	2024	2023	2024	2023
Assets					
Cash and bank balances	5	20,638	23,083	17,885	21,356
Financial Assets	6	192,771	185,487	154,479	157,473
Reinsurance contract assets	7	16,307	22,736	13,637	17,583
Reinsurance contract retroceded assets	7	17,452	6,440	13,834	3,653
Other assets	8	11,234	3,939	4,568	1,166
Property and equipment	9	11,525	7,677	10,209	6,379
Intangible assets	10	599	229	598	225
Right-of-use-assets	11	611	498	464	328
Investment property	12	27,777	17,476	25,461	17,026
Corporate tax assets	13b	-	478	-	-
Deferred tax asset	13d	1,471	45	-	-
Total Assets		300,385	268,088	241,135	225,189
Liabilities					
Reinsurance contract liabilities	7	81,296	82,204	55,637	59,666
Reinsurance contract retroceded Liabilities	7	16,364	21,286	6,976	12,639
Trade and other payables	14	8,032	1,715	6,075	871
Current tax liability	13b	3,541	56	-	-
Deferred tax liability	13d	1,277	2,514	-	-
Deferred income	15	1,143	1,143	1,143	1,143
Total Liabilities		111,653	108,918	69,831	74,319



## Statement of Financial Position (continued)

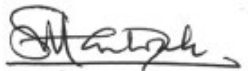
As at 31 December 2024


		Group 31 December		Corporation 31 December	
In thousands of United States Dollars	Note	2024	2023	2024	2023
Equity					
Share capital	16	57,805	57,805	57,805	57,805
Share premium	17	30,633	30,633	30,633	30,633
Retained earnings	18	76,359	55,442	51,475	37,006
Contingency reserve	19	31,442	25,825	31,442	25,825
Foreign currency translation	20	(8,410)	(11,107)	-	-
Other reserve	21	385	54	(51)	(399)
Capital reserve	22	518	518	-	-
Total equity		188,732	159,170	171,304	150,870
Total equity and liabilities		300,385	268,088	241,135	225,189

The notes on pages 30 to 131 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

Chairman:   
Date: 27th March 2025

Director:   
Date: 27th March 2025

Director:   
Date: 27th March 2025



## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

In thousands of United States Dollars	Note	Group 31 December		Corporation 31 December	
		2024	2023	2024	2023
Reinsurance revenue	23	245,674	255,700	161,541	186,663
Reinsurance service expense	24	(171,648)	(157,651)	(114,504)	(108,189)
<b>Reinsurance service result before reinsurance contracts retroceded</b>		<b>74,026</b>	<b>98,049</b>	<b>47,037</b>	<b>78,474</b>
Allocation of retroceded premiums	25	(31,580)	(45,372)	(20,950)	(34,989)
Amounts recoverable from retrocessionaire for incurred claims	25	14,691	4,582	11,833	2,604
<b>Net expense from reinsurance contracts retroceded</b>	<b>25</b>	<b>(16,889)</b>	<b>(40,790)</b>	<b>(9,117)</b>	<b>(32,385)</b>
<b>Reinsurance service result</b>		<b>57,137</b>	<b>57,259</b>	<b>37,920</b>	<b>46,089</b>
Interest revenue calculated using the effective interest method	26	11,939	8,144	8,078	5,849
Impairment recovery on financial assets	27	4,085	1,307	4,462	1,539
Net foreign exchange expense		(6,034)	(7,110)	(3,222)	(10,340)
<b>Total investment income</b>		<b>9,990</b>	<b>2,341</b>	<b>9,318</b>	<b>(2,952)</b>
Reinsurance finance expense for Reinsurance contracts issued	28	(7,183)	(3,228)	(3,838)	(2,799)
Reinsurance finance income/(expense) for Reinsurance contracts retroceded	29	331	271	(13)	143
<b>Net reinsurance financial result</b>		<b>(6,852)</b>	<b>(2,957)</b>	<b>(3,851)</b>	<b>(2,656)</b>
Financial expense	14a	(60)	(85)	(34)	(38)
Other income	30	971	2,723	1,015	390
Management expense	31	(23,751)	(19,952)	(16,282)	(13,658)
<b>Profit before tax</b>		<b>37,435</b>	<b>39,329</b>	<b>28,086</b>	<b>27,175</b>
Tax expense	13a	(2,901)	(3,286)	-	-
<b>Profit after tax</b>		<b>34,534</b>	<b>36,043</b>	<b>28,086</b>	<b>27,175</b>



## Statement of Profit or Loss and other Comprehensive Income (continued)

For the year ended 31 December 2024

In thousands of United States Dollars	Note	Group 31 December		Corporation 31 December	
		2024	2023	2024	2023
<b>Profit for the year</b>		<b>34,534</b>	36,043	<b>28,086</b>	27,175
Other comprehensive income for the period		-	-	-	-
<b>Items that will not be reclassified to profit or loss:</b>					
Transaction cost: right offer		-	-	-	(79)
Revaluation of office property		(17)	-	-	-
Remeasurement of defined benefit liabilities		348	61	347	(158)
Income tax relating to items that may be reclassified		-	-	-	-
		<b>331</b>	61	<b>347</b>	(237)
<b>Items that are or may be reclassified subsequently to profit or loss:</b>					
Foreign operations – foreign currency translation differences		2,697	(3,155)	-	-
Income tax relating to items that may be reclassified		-	-	-	-
		<b>2,697</b>	(3,155)	-	-
Other comprehensive income - net of tax		<b>3,028</b>	(3,094)	<b>347</b>	(237)
<b>Total comprehensive income for the year</b>		<b>37,562</b>	32,949	<b>28,433</b>	26,938
<b>Profit attributable to:</b>					
Equity holders of the Corporation		<b>34,534</b>	36,043	<b>28,086</b>	27,175
Profit for the year		<b>34,534</b>	36,043	<b>28,086</b>	27,175
<b>Total comprehensive income attributable to:</b>					
<b>Equity holders of the Corporation</b>		<b>37,562</b>	32,949	<b>28,433</b>	26,938



## Statement of Change in Equity

### Group 2024

For the year ended 31 December 2024

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Total
<b>Balance at 1 January 2024</b>	<b>57,805</b>	<b>30,633</b>	<b>55,442</b>	<b>25,825</b>	<b>(11,107)</b>	<b>518</b>	<b>54</b>	<b>159,170</b>
Total comprehensive income for the year								
Profit for the year	-	-	34,534	-	-	-	-	34,534
Other comprehensive income net of income tax								
Remeasurement of defined benefit liability	-	-	-	-	-	-	331	331
Foreign currency translation reserve	-	-	-	-	2,697	-	-	2,697
Total other comprehensive income	-	-	-	-	2,697	-	331	3,028
Total comprehensive income	-	-	34,534	-	2,697	-	331	37,562
Other transfers								
Transfer to contingency reserve	-	-	(5,617)	5,617	-	-	-	-
Total other transfers	-	-	(5,617)	5,617	-	-	-	-
Transaction with owners recorded directly in equity								
Dividend paid	-	-	(8,000)	-	-	-	-	(8,000)
<b>Balance at 31 December 2024</b>	<b>57,805</b>	<b>30,633</b>	<b>76,359</b>	<b>31,442</b>	<b>(8,410)</b>	<b>518</b>	<b>385</b>	<b>188,732</b>





## Statement of Change in Equity (continued)

Group 2023

For the year ended 31 December 2024

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Total
Balance at 1 January 2023	49,083	15,793	31,093	20,225	(7,952)	518	(7)	108,753
Total comprehensive income for the year								
Profit for the year	-	-	36,043	-	-	-	-	36,043
Other comprehensive income net of income tax								
Remeasurement of defined benefit liability	-	-	-	-	-	-	61	61
Foreign currency translation reserve	-	-	-	-	(3,155)	-	-	(3,155)
Total other comprehensive income	-	-	-	-	(3,155)	-	61	(3,094)
Total comprehensive income	-	-	36,043	-	(3,155)	-	61	32,949
Other transfers								
Transfer to contingency reserve	-	-	(5,600)	5,600	-	-	-	-
Total other transfers	-	-	(5,600)	5,600	-	-	-	-
Transaction with owners recorded directly in equity								
Share issued	8,628							8,628
Share premium	-	14,840	-	-	-	-	-	14,840
Bonus share issued	(94)	-	(94)	-	-	-	-	-
Dividend paid	-	-	(6,000)	-	-	-	-	(6,000)
Balance at 31 December 2023	57,805	30,633	55,442	25,825	(11,107)	518	54	159,170



## Statement of Change in Equity (continued)

## Corporation 2024

## For the year ended 31 December 2024

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Total
Balance at 1 January 2024	57,805	30,633	37,006	25,825	-	-	(399)	150,870
<b>Total comprehensive income for the year</b>								
Profit for the year	-	-	28,086	-	-	-	-	28,086
Other comprehensive income net of income tax								
Remeasurement of defined benefit liability	-	-	-	-	-	-	348	348
<b>Total other comprehensive income</b>	-	-	-	-	-	-	348	348
<b>Total comprehensive income</b>	-	-	28,086	-	-	-	348	28,434
Other transfers								
Transfer to contingency reserve	-	-	(5,617)	5,617	-	-	-	-
<b>Total other transfers</b>	-	-	(5,617)	5,617	-	-	-	-
Transaction with owners recorded directly in equity								
Dividend paid	-	-	(8,000)	-	-	-	-	(8,000)
<b>Balance at 31 December 2024</b>	57,805	30,633	51,475	31,442	-	-	(51)	171,304



## Statement of Change in Equity (continued)

Corporation 2023

For the year ended 31 December 2024

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Total
Balance at 1 January 2023	49,083	15,793	21,604	20,225	-	-	(241)	106,464
Total comprehensive income for the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	27,175	-	-	-	-	27,175
Other comprehensive income net of income tax	-	-	-	-	-	-	-	-
Remeasurement of defined benefit liability	-	-	-	-	-	-	(158)	(158)
Total other comprehensive income	-	-	-	-	-	-	(158)	(158)
Total comprehensive income	-	-	27,175	-	-	-	(158)	27,017
Other transfers	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	(5,600)	5,600	-	-	-	-
Total other transfers	-	-	(5,600)	5,600	-	-	-	-
Transaction with owners recorded directly in equity	-	-	-	-	-	-	-	-
Share issued	8,628	-	-	-	-	-	-	8,628
Share premium	-	14,840	-	-	-	-	-	14,840
Transaction cost: right offer	-	-	(79)	-	-	-	-	(79)
Bonus share issued	(94)	-	(94)	-	-	-	-	-
Dividend paid	-	-	(6,000)	-	-	-	-	(6,000)
Balance at 31 December 2023	57,805	30,633	37,006	25,825	-	-	(399)	150,870



## Statement of Cash Flows

For the Year Ended 31 December 24

In thousands of United States Dollars	Note	Group 31 December		Corporation 31 December	
		2024	2023	2024	2023
<b>Cash flows from operating activities</b>					
Profit before tax		37,435	39,329	28,086	27,175
<b>Adjustment for:</b>					
Depreciation	9 & 11	1,217	650	919	428
Amortization	10	69	24	65	24
Impairment recoveries	27	(4,085)	(1,307)	(4,462)	(1,539)
(Gain)/loss on disposal	30	(121)	465	(15)	358
Transaction cost-right offer		-	-	-	(79)
Translation adjustment		2,697	(2,814)	-	-
Foreign exchange loss		6,034	7,110	3,222	10,340
Actuarial gain/(loss)	31a	348	(158)	348	(158)
Revaluation gain of property		(17)	-	-	-
Interest on lease liability	14a	60	85	34	38
Interest on staff loan		-	(1)	-	(1)
Fair value adjustment on investment property	12	25	(166)	-	-
		43,662	43,217	28,197	36,586
<b>Changes in</b>					
- reinsurance contract assets		10,621	(11,760)	10,951	(11,728)
- reinsurance contract		(11,011)	22	(10,181)	937
- reinsurance contract liabilities		(907)	25,912	(4,029)	15,837
- reinsurance contract retroceded -liabilities		(4,922)	9,840	(5,662)	6,984
- trade and other payables		6,363	(6,665)	5,093	(5,682)
- changes in fund under management		-	(4,460)	-	-
- other assets		(7,346)	(1,409)	(3,402)	(460)
		36,460	54,697	20,967	42,474
<b>Charges paid</b>					
Income tax paid	13b	(1,542)	(2,994)	-	-
<b>Net cash from operating activities</b>		34,918	51,703	20,967	42,474



## Statement of Cash Flows (continued)

For the Year Ended 31 December 24

In thousands of United States Dollars	Note	Group 31 December		Corporation 31 December	
		2024	2023	2024	2023
<b>Cash flow from investing activities</b>					
Net investment acquisition		(39,338)	(39,175)	(13,235)	(42,729)
Acquisition of property and equipment	9	(4,419)	(3,467)	(4,151)	(2,926)
Acquisition of intangible assets	10	(438)	(208)	(438)	(208)
Improvement in investment property	12	(10,326)	(9,602)	(8,435)	(9,602)
<b>Net cash used in investing activities</b>		<b>(54,521)</b>	<b>(52,452)</b>	<b>(26,259)</b>	<b>(55,465)</b>
<b>Cash flows from financing activities</b>					
Proceed from share offer		-	23,469	-	23,469
Dividend paid to shareholders	18	(8,000)	(6,000)	(8,000)	(6,000)
Lease liability financing	14a	(60)	(85)	(34)	(38)
Payment of principal portion of lease liability	14a	(659)	(448)	(639)	(429)
<b>Cash flow from financing activities</b>		<b>(8,719)</b>	<b>16,936</b>	<b>(8,673)</b>	<b>17,002</b>
Net increase in cash and cash equivalent		(28,322)	16,187	(13,965)	4,011
Cash and cash equivalents at beginning of the year		61,374	48,446	38,396	37,644
Effect of exchange rate fluctuations on cash and cash equivalent held		(1,290)	(3,259)	(1,227)	(3,259)
<b>Cash and cash equivalents at end of the year</b>	5.1	<b>31,762</b>	<b>61,374</b>	<b>23,204</b>	<b>38,396</b>

The notes on pages 30 to 131 are an integral part of these financial statements.



## Notes to the Financial Statements

### 1. CORPORATE INFORMATION

#### 1.1 Corporate information

WAICA Reinsurance Corporation Plc is a Corporation incorporated and domiciled in Sierra Leone. The registered office is 30 Junction off Regent Road, Hill Station, Freetown, Sierra Leone. The principal activities of the corporation and its subsidiaries are to operate international, national, regional and sub regional reinsurance offices and institutions and to provide technical assistance to members of West Africa Insurance Companies Association (WAICA) and any other insurance and reinsurance institutions from around the world. The Group also provides fund management services to organizations and private individuals.

The stand alone and consolidated financial statements of WAICA Reinsurance Corporation Plc for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 27th March 2025.

#### 1.2 General information

The WAICA Reinsurance Corporation Plc was incorporated on 7 March 2011 by the members of the West African Insurance Companies Association (WAICA), which was established in 1973 to help mitigate the effects of the lack of reinsurance capacity within the West African insurance industry.

The main objective of the Corporation is to provide reinsurance services to the insurance sector in West Africa and other regions and includes, to:

- a). Effectively and efficiently manage the business of reinsurance, primarily though not exclusively, across the sub region;
- b). Achieve excellence in their management systems and standards by employing best practices through an efficient and responsive management and an empowered and highly motivated work force; and to
- c). Create enhanced value for its shareholders and other stakeholders.

The Corporation carries out its reinsurance business through its constituent offices in Freetown, Accra, Lagos, Abidjan, Tunis and through its subsidiaries in Kenya, Zimbabwe and Dubai.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES

#### 2.1 Basis of preparation

The consolidated and separate financial statements of the WAICA Reinsurance Corporation Plc have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and with the requirements of the Companies Act, 2009 as amended.

The consolidated and separate financial statements have been prepared on an historical cost basis, except for investment properties and financial assets and net defined benefit liability that have been measured at fair value. The consolidated and separate financial statements are presented in US Dollars rounded to the nearest thousand (\$'000), unless otherwise indicated.

#### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Corporation and its investees that are considered subsidiaries as at 31 December 2024. Subsidiaries are investees that the Corporation has control over. Control is achieved when the Corporation is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Corporation controls an investee if, and only if, the Corporation has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Corporation reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Corporation has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee

unilaterally.

The Corporation considers all relevant facts and circumstances in assessing whether or not the Corporation's voting rights in an investee are sufficient to give it power, including:

- the size of the Corporation's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Corporation, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Corporation has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Corporation obtains control over the subsidiary and ceases when the Corporation loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated profit or loss account from the date the Corporation gains control until the date when the Corporation ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the owners of the Corporation and to the non-controlling interests (NCI) if any, even if this results in the non-controlling interests having a deficit balance. As at the reporting date all of the reported subsidiaries were wholly owned by the Corporation, and there were no non-controlling interests.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Corporation's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



## Notes to the Financial Statements (continued)

## 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

Set out below are the details of the subsidiaries consolidated in this financial statements:

## 2.2 Basis of consolidation (continued)

Name of the subsidiary	Country of Incorporation and principal place of business	Principal activity	Proportion of ownership of interest held by the Parent at year end	
			2024	2023
WAICA Re Kenya Limited	Kenya	Reinsurance services	100%	100%
WAICA Re Zimbabwe (Pvt)	Zimbabwe	Reinsurance services	100%	100%
WAICA Re Capital Ghana Limited	Ghana	Fund management services	100%	100%
WAICA Re DIFC	Dubai	Insurance management services	100%	100%

The following are the principal accounting policies adopted by the Group in the preparation of these financial statements. These accounting policies have been applied consistently in dealing with items that are considered to be material to the Group. The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow:

(a)	Foreign currency	33
(b)	Income tax	33
(c)	Financial assets and financial liabilities	34
(d)	Property and equipment	40
(e)	Intangible assets	41
(f)	Investment property	41
(g)	Cash and cash equivalents	41
(h)	Impairment of non-financial assets	41
(i)	Share capital	42
(j)	Reinsurance and reinsurance contracts retroceded	42
(k)	Employee benefits	50
(l)	Provisions	51
(m)	Expenses	51
(n)	Leases	51
(o)	Dividend income	53
(p)	Government grants and disclosure of government assistance	53
(q)	Comparatives	53
(r)	Capital management	53





## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (a) Foreign currency

##### Foreign currency transactions

The Group's consolidated financial statements are presented in United State Dollars which is also the parent Group's functional currency. Each Group in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

##### i. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are taken to the statement of profit or loss with the exception of differences on foreign monetary items that form part of a net investment in a foreign operation. These are recognised in OCI until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on these monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value are recognized in profit or loss except for differences arising on the retranslation of available-for-sale equity instruments or a financial liability designated as the hedging instrument in a hedge, which are recognized in OCI.

##### ii. Group companies

On consolidation, the assets and liabilities of foreign operations are translated into United State Dollars at the rate of exchange prevailing at the reporting date and their statement of profit or loss is translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange at the reporting date.

##### (b) Income tax

##### i. Current tax

Income tax expense comprises current and deferred tax recognized by the Group in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in OCI is recognised in OCI and not in the statement of profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (b) Income tax (continued)

###### ii Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

Additional income taxes that arise from the distribution of dividends are recognised at the same time, as the liability to pay the related dividend is recognized.

#### (c) Financial assets and financial liabilities

##### l) Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially recognised on the trade date measured at their fair value). Except for financial assets and financial liabilities recorded at FVPL, transaction costs are added to this amount.

Measurement categories.

The Group classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms. The categories include the following:

- Amortised cost and
- Fair value through profit or loss (FVPL)

Debt instruments measured at amortised cost

Debt instruments are held at amortised cost if both of the following conditions are met:

- The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows.
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (c) Financial assets and financial liabilities (continued)

###### i) Initial recognition (continued)

The Group holds financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Group considers the timing, amount and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximise return for shareholders and future business development.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of asset sales are also important aspects of the Group's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

##### Financial assets measured at fair value through profit or loss

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. This category includes bank deposits whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or both to collect contractual cash flows and sell.<sup>3</sup>

###### ii) Subsequent measurement

##### Debt instruments at amortised cost

After initial measurement, debt instruments are measured at amortised cost, using the effective interest rate (EIR) method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. ECLs are recognised in the statement of profit or loss when the investments are impaired.

Financial assets at FVPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit or loss. Interest earned on assets mandatorily required to be measured at FVPL is recorded using contractual interest rate. Dividend income from equity instruments measured at FVPL is recorded in profit or loss as other operating income when the right to the payment has been established.

##### Reclassification of financial assets

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (c) Financial assets and financial liabilities (continued)

##### i) Initial recognition (continued)

##### iii) Derecognition

##### Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired.
- Or
- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all of the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

##### Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognised as a derecognition gain or loss. In the case of debt instruments at amortised cost, the newly recognised loans are classified as Stage 1 for ECL measurement purposes.

When assessing whether or not to derecognise an instrument, amongst others, the Group considers the following factors:

- Change in currency of the debt instrument.
- Introduction of an equity feature.
- Change in counterparty.
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss.

##### iv) Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Impairment losses on financial instruments
- Disclosures for significant judgements and estimates

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the appropriate effective interest rate.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (c) Financial assets and financial liabilities (continued)

###### i) Initial recognition (continued)

###### iv) Impairment of financial assets (continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group's debt instruments comprise solely of Sovereign bonds, treasury bills and fixed deposits that are graded by different credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis.

Where the credit risk of any bond deteriorates, the Group will sell the bond and purchase bonds meeting the required investment grade.

The Group considers a financial asset to be in default (credit impaired) when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### The calculation of ECLs

The Group calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at an appropriate EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information. The PD used are sourced from external credit rating agencies when available and are thus through- the -cycle (TTC). The PDs used are reasonable and supportable based on information available without undue cost and effort.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments. The group uses exposure at the reporting date as proxy.
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive. It is usually expressed as a percentage of the EAD. The Group sourced the LGD from credit rating agencies.

The Group allocates its assets subject to ECL calculations to one of these categories, determined as follows:

- 12mECL The 12mECL is calculated as the portion of long term ECLs (LTECLs) that represent the ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to EAD and multiplied by the expected LGD.
- LTECL When an instrument has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument.
- Impairment For debt instruments considered credit-impaired, the Group recognises the lifetime expected credit losses for these instruments. The method is similar to that for LTECL assets, with the PD set at 100%.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (c) Financial assets and financial liabilities (continued)

###### i) Initial recognition (continued)

###### iv) Impairment of financial assets (continued)

The Group relies on a broad range of forward-looking information as economic inputs incorporated in the credit rating agencies determination of PD such as:

- GDP growth
- Central Bank base rates
- Inflation rate
- Currency exchange rate
- Government budget deficits

###### v) Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements.

###### vi) Recognition of interest income

##### The effective interest rate method

Under IFRS 9, interest income is recorded using the effective interest rate (EIR) method for all financial assets measured at amortised cost. Similar to interest bearing financial assets previously classified as available-for-sale or held to maturity under IAS 39. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on acquisition of the financial asset as well as fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the debt instrument.

If expectations of a fixed rate financial asset's cash flows are revised for reasons other than credit risk, and the changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the statement of financial position with a corresponding increase or decrease in interest income.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

###### vi) Recognition of interest income (continued)

##### Interest and similar income

Interest income comprises amounts calculated using the effective interest method and other methods. These are disclosed separately on the face of the income statement.

In its Interest income calculated using the effective interest method the Group only includes interest on financial instruments at amortised cost.

Other interest income includes interest on all financial assets measured at FVPL, using the contractual interest rate.

The Group calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (c) Financial assets and financial liabilities (continued)

##### l) Initial recognition (continued)

##### vii) Financial liabilities

##### Initial recognition and measurement

The Group classifies its financial liabilities at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include fund under management, outstanding claims, reinsurance payables and trade and other payables.

##### Subsequent measurement

Subsequent measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVPL.

Financial liabilities at FVPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities are designated as at FVPL at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. Gains or losses on designated or held for trading liabilities are recognised in fair value gains and losses in the statement of profit or loss.

##### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.

##### (viii) Offsetting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### (i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the cost of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (c) Financial assets and financial liabilities (continued)

###### l) Initial recognition (continued)

###### (viii) Offsetting (continued)

###### (i) Recognition and measurement (continued)

The cost of replacing a part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

###### (iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this mostly closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets under finance leases are depreciated over the shorter of the lease term and their useful lives. Land and Capital Work in Progress are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	50 years
Motor vehicle	4 years
Furniture, fixtures and equipment	5 years
Computer equipment	3 years

##### (d) Property and equipment

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial position date.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Depreciation methods useful lives and residual values are reassessed at each financial year end and adjusted if appropriate.

###### (iv) Disposal of Property and Equipment

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount. The gains or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the net carrying amount of the item of property and equipment and are recognised net within other income in profit or loss.

On disposal of revalued assets, amounts in the revaluation surplus relating to those assets are transferred to retained earnings.





## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (e) Intangible assets

An intangible asset arises from the purchases of software. Acquired intangible assets are measured on initial recognition at cost.

The Group recognises an intangible asset at cost if, and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be finite.

The intangible assets are amortised on a straight-line basis over their useful lives (3 years).

Amortisation method, useful lives and residual values are reviewed at each reporting date, and adjusted prospectively, if appropriate.

##### (f) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing cost.

When the use of the property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

##### (g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and investments with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

##### (h) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (h) Impairment of non-financial assets (continued)

An impairment loss is recognised if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

##### (i) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

##### (j) Reinsurance and reinsurance contracts retroceded classification

###### (i) Reinsurance contracts

The Group issues reinsurance contracts in the normal course of business, under which it accepts significant reinsurance risk from a cedant by agreeing to compensate the cedant or other beneficiary if a specified uncertain future event (the insured event) occurs.

As a general guideline, the Group determines whether it has significant reinsurance risk, by comparing benefits payable after an insured event with benefits payable if the reinsured event did not occur. Reinsurance contracts can also transfer financial risk. The Group issues reinsurance to cedants. reinsurance products offered include casualty, engineering, fire & property, motor, marine & aviation and oil & gas. These products protect cedant against ceded risks of claims made by primary policyholders.

Casualty reinsurance contracts protect the cedants against ceded risk of claims made by primary policyholders for causing harm to third parties as a result of the legitimate activities of the primary policyholder.

Under property reinsurance contracts, the Group mainly compensates cedants of a portion of claims payable to primary policyholders for damage suffered to their properties or for the value of property lost or the loss of earnings caused by the inability of the primary policyholder to use the insured properties in their business activities (business interruption cover).

Personal accident reinsurance contracts compensate the cedants for a portion of claims made by primary policyholders for bodily injuries suffered by the primary policyholder or his/her family members or employees.

###### ii) Reinsurance contracts retroceded

Contracts entered into by the Group with retrocessionaires under which the Group is compensated for losses which meet the classification requirement for reinsurance contracts are classified as reinsurance contracts retroceded. Contracts that do not meet these classifications are classified as financial assets.

The Group uses retrocession arrangements to increase its aggregate underwriting capacity, to diversify its risk and to reduce its risk of catastrophic loss on reinsurance assumed. The ceding of risk to retrocessionaires does not relieve the Group of its obligation to its cedants. The Group regularly reviews the financial condition of its retrocessionaires.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (j) Reinsurance and reinsurance contracts retroceded classification

###### iii) Separating components from reinsurance and reinsurance contracts retroceded

The Group assesses its reinsurance and retro products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Group applies IFRS 17 to all remaining components of the (host) reinsurance contract. Currently, the Group's products do not include any distinct components that require separation.

Some retroceded contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the reinsurance component of the retrocession contracts and are, therefore, non-distinct investment components which are not accounted for separately.

###### iv) Level of aggregation

IFRS 17 requires a Group to determine the level of aggregation for applying its requirements. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Group identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). No group of contracts for level of aggregation purposes contain contracts issued more than one year apart.

The Group applied a full retrospective approach for transition to IFRS 17. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Group assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Group assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information
- Results of similar contracts it has recognized
- Environmental factors, e.g., a change in market experience or regulations

The Group divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (j) Reinsurance and reinsurance contracts retroceded classification (continued)

###### v) Recognition

The Group recognises groups of reinsurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

The Group recognises a group of retroceded contracts it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of retrocession contracts held. (However, the Group delays the recognition of a group of retroceded contracts held that provide proportionate coverage until the date any underlying reinsurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of retroceded contracts.

And

- The date the Group recognises an onerous group of underlying reinsurance contracts if the Group entered into the related retroceded contract in the group of retroceded contracts at or before that date.

The Group adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

###### vi) Contract boundary

The Group includes in the measurement of a group of reinsurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of a reinsurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with reinsurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks.

Or

- Both of the following criteria are satisfied:
- The Group has the practical ability to reassess the risks of the portfolio of reinsurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio.
- The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the reinsurance contract is not recognised. Such amounts relate to future insurance contracts.



## Notes to the Financial Statements (continued)

## 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

## 2.2 Basis of consolidation (continued)

## (j) Reinsurance and reinsurance contracts retroceded classification (continued)

## vii) Measurement - Premium Allocation Approach

	IFRS 17 Options	Adopted approach
Premium Allocation Approach (PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model.	Coverage period for, accident, marine, aviation, motor and property reinsurance is one year or less and so qualifies automatically for PAA. Engineering reinsurance includes contracts with coverage period greater than one year. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.
Insurance acquisition cash flows for reinsurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.	Reinsurance acquisition cash flows are allocated to related groups of reinsurance contracts and amortised over the coverage period of the related group.  Reinsurance acquisition cash flows are allocated to related groups of reinsurance contracts and amortised over the coverage period of the related group.
Liability for Remaining Coverage (LRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LRC.	There is no allowance as the premiums are received within one year of the coverage period.
Liability for Incurred Claims, (LIC) adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	For some claims within the Motor product line, the incurred claims are expected to be paid out in less than one year. Hence, no adjustment is made for the time value of money.  For all other business, the LIC is adjusted for the time value of money.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LIC resulting from changes in discount rates and present this in OCI.	The change in LIC as a result of changes in discount rates are captured within profit or loss.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (j) Reinsurance and reinsurance contracts retroceded classification (continued)

###### viii) Reinsurance contracts – initial measurement

The Group applies the premium allocation approach (PAA) to all the reinsurance contracts that it issues and reinsurance contracts retroceded, as:

- The coverage period of each contract in the group is one year or less, including reinsurance contract services arising from all premiums within the contract boundary Or
- For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Group has also considered qualitative factors such as the nature of the risk and types of its lines of business.

For a group of contracts that is not onerous at initial recognition, the Group measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- Minus any reinsurance acquisition cash flows at that date,
- Plus or minus any amount arising from the derecognition at that date of the asset recognised for reinsurance acquisition cash flows and
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Group pays or receives before the group of reinsurance contracts is recognised.

There is no allowance for time value of money as the premiums are received within one year of the coverage period.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Group performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

###### ix) Reinsurance contracts retroceded – initial measurement

The Group measures its retrocession assets for a group of retroceded contracts that it holds on the same basis as reinsurance contracts that it issues. However, they are adapted to reflect the features of retroceded contracts that differ from reinsurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Group recognises a loss on initial recognition of an onerous group of underlying reinsurance contracts or when further onerous underlying reinsurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of retroceded contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying reinsurance contracts and the percentage of claims on the underlying reinsurance contracts the Group expects to recover from the group of retroceded contracts held. The Group uses a systematic and rational method to determine the portion of losses recognised on the group to reinsurance contracts covered by the group of retroceded contracts where some contracts in the underlying group are not covered by the group of retroceded contracts. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

###### x) Reinsurance contracts – subsequent measurement

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period
- Minus reinsurance acquisition cash flows
- Plus any amounts relating to the amortisation of the reinsurance acquisition cash flows recognised as an expense in the reporting period for the group
- Plus any adjustment to the financing component, where applicable
- Minus the amount recognised as reinsurance revenue for the services provided in the period
- Minus expired cover transferred to the liability for incurred claims



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (j) Reinsurance and reinsurance contracts retroceded classification (continued)

###### x) Reinsurance contracts – subsequent measurement (continued)

The Group estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group and include an explicit adjustment for non-financial risk (the risk adjustment). The Group does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of reinsurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

###### xi) Reinsurance contracts retroceded – subsequent measurement

The subsequent measurement of retroceded contracts held follows the same principles as those for reinsurance contracts issued and has been adapted to reflect the specific features of retroceded contracts.

Where the Group has established a loss-recovery component, the Group subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying reinsurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying reinsurance contracts that the entity expects to recover from the group of retroceded contracts held.

###### xii) Reinsurance acquisition cash flows

Reinsurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of reinsurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of reinsurance contracts to which the group belongs.

Reinsurance acquisition cash flows as they occur are capitalised, the Group uses a systematic and rational method to allocate:

(a) Reinsurance acquisition cash flows that are directly attributable to a group of reinsurance contracts:

(i) to that group; and

(ii) to groups that include reinsurance contracts that are expected to arise from the renewals of the reinsurance contracts in that group.

(b) Reinsurance acquisition cash flows directly attributable to a portfolio of reinsurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where reinsurance acquisition cash flows have been paid or incurred before the related group of reinsurance contracts is recognised in the statement of financial position, a separate asset for reinsurance acquisition cash flows is recognised for each related group.

The asset for reinsurance acquisition cash flow is derecognised from the statement of financial position when the reinsurance acquisition cash flows are included in the initial measurement of the related group of reinsurance contracts.

At the end of each reporting period, the Group revises amounts of reinsurance acquisition cash flows allocated to groups of reinsurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (j) Reinsurance and reinsurance contracts retroceded classification (continued)

##### xii) Reinsurance acquisition cash flows (continued)

After any re-allocation, the Group assesses the recoverability of the asset for reinsurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Group applies:

- An impairment test at the level of an existing or future group of reinsurance contracts; and
- An additional impairment test specifically covering the reinsurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Group recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

##### Reinsurance contracts – modification and derecognition

The Group derecognises reinsurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)
- Or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

##### xiii) Presentation

The Group has presented separately, in the statement of financial position, the carrying amount of portfolios of reinsurance contracts issued that are assets, portfolios of reinsurance contracts issued that are liabilities, portfolios of retroceded contracts held that are assets and portfolios of retroceded contracts held that are liabilities.

Any assets for reinsurance acquisition cash flows recognised before the corresponding reinsurance contracts are included in the carrying amount of the related groups of reinsurance contracts are allocated to the carrying amount of the portfolios of reinsurance contracts that they relate to.

The Group disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into a reinsurance service result, comprising reinsurance revenue and reinsurance service expense, and reinsurance finance income or expenses.

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the reinsurance service result.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

##### Reinsurance revenue

The reinsurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Group allocates the expected premium receipts to each period of reinsurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred reinsurance service expenses.

The Group changes the basis of allocation between the two methods above as necessary if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate. For the periods presented, all revenue has been recognised on the basis of the passage of time.





## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (j) Reinsurance and reinsurance contracts retroceded classification (continued)

###### xii) Reinsurance acquisition cash flows (continued)

###### Loss components

The Group assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of reinsurance contracts is onerous, the Group establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group as determined. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

###### Loss-recovery components

Where the Group recognises a loss on initial recognition of an onerous group of underlying reinsurance contracts, or when further onerous underlying reinsurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of retrocession contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying reinsurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying reinsurance contracts that the entity expects to recover from the group of retrocession contracts held.

###### Reinsurance finance income and expense

Reinsurance finance income or expenses comprise the change in the carrying amount of the group of reinsurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

###### Net income or expense from reinsurance contracts retroceded.

The Group presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from retrocessionnaires, and an allocation of the reinsurance premiums paid. The Group treats retro cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract retroceded and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

##### (k) Employee benefits

###### (i) Short term employee benefit

Employee entitlements to service pay and annual leave are recognised when they accrue to employees. The cost of short-term employee benefits are recognised in the period in which the service is rendered and are not discounted.

###### Pension obligations

###### (ii) Defined contribution scheme

The Group operates a defined contribution scheme. The scheme is generally funded through payments to trustee administered funds. Under the scheme the Group pays fixed contribution into the separate entity and the Group has no legal or constructive obligations to pay further contributions if the entity does not hold sufficient assets to pay all employees the benefit relating to employee's service in the current and prior period.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (i) Short term employee benefit (continued)

xii) Reinsurance acquisition cash flows (continued)

(iii) Defined benefit plans

The Group also operates a defined benefit plan: A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Any unrecognized post service costs and the fair value of any plan assets are deducted.

The calculation is performed annually by a qualified actuary using the projected unit credit method.

The Group recognizes all actuarial gains and losses arising from defined benefit plans and all expenses related to defined benefit plans in employee benefit expense in profit or loss.

##### Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

##### (l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

##### (m) Expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Expenses are recognized on an accrual basis regardless of the times of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably. Expenses are measured at historical cost.

##### (n) Leases

(i) The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (n) Leases (continued)

##### (i) The Group as a lessee (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a part of trade and other payables in both the stand alone and consolidated statement of financial positions. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy (not part of this Appendix). Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss. As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (n) Leases (continued)

##### (ii) The Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements of IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other revenue".

##### (o) Dividend

Dividend income for equities held is recognised when the right to receive payment is established - this is the ex-dividend date for equity securities.

Dividend distribution to the Group's shareholders is recognised as a liability in the financial statements in the period for which the dividends are approved by the Group's shareholders.

##### (p) Government grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

##### (q) Comparatives

Where necessary, comparative figures have been adjusted to reform to changes in presentation in the current period.

##### (r) Capital management

WAICA Re monitors its internal capital requirements based on a risk-based economic capital model that is based on Solvency 2 principles with modifications to take into account the environment that WAICA Re operates in. The capital model comprises an underwriting risk, credit risk, market and operational risk modules. The capital requirements are calculated at a Group level but the subsidiaries independently monitor capital levels based on local requirements.

The Solvency Capital Ratio increased to 120% in 2024 from 118% in 2023.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.2 Basis of consolidation (continued)

##### (r) Capital management (continued)

The required capital increased from USD 129m in 2023 to USD 150m in 2024 while the available capital increased from USD 159m to USD 189m over the same period.

To further strengthen capital adequacy the Group will be raising additional capital through a private placement in 2025.

The table below summarizes the capital position as at 31 December 2024

	31 December 2024	31 December 2023
<b>Economic capital</b>		
Premium and reserves risk capital	90,287	75,633
Catastrophe Risk Capital	37,462	34,056
<b>Total</b>	<b>127,749</b>	109,689
Underwriting risk	102,317	90,378
Credit risk	29,049	23,612
Market risk	63,002	52,208
<b>Total</b>	<b>194,368</b>	166,198
Diversification risk	44,728	37,509
<b>Basic required capital</b>	<b>149,640</b>	128,690
Operational risk	7,580	6,639
<b>Total economic capital requirement</b>	<b>157,220</b>	135,329
<b>Shareholders fund</b>	<b>188,732</b>	159,170
<b>Solvency capital ratio</b>	<b>120%</b>	118%

#### 2.3 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

##### 2.3.1 Reinsurance and reinsurance contracts retroceded

The Group applies the PAA to simplify the measurement of reinsurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Group's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Group now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

##### 2.3.1.1 Liability for remaining coverage

##### Reinsurance acquisition cash flows

Reinsurance acquisition cash flows are allocated to related groups of reinsurance contracts recognised in the statement of financial position (including those groups that will include reinsurance contracts expected to arise from renewals). An asset for reinsurance acquisition cash flows is recognised for acquisition cash flows incurred before the related group of reinsurance contracts has been recognised.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.3 Use of estimates and judgements (continued)

##### 2.3.1 Reinsurance and reinsurance contracts retroceded (continued)

###### 2.3.1.1 Liability for remaining coverage (continued)

###### Reinsurance acquisition cash flows (continued)

###### Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognised on underlying contracts and the recovery expected on such claims from retro contracts held.

###### 2.3.1.2 Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such

as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Some of the insurance contracts that have been written in the property line of business permit the Group to sell property acquired in settling a claim. The Group also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

###### 2.3.1.3 Discount rates

Reinsurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid sovereign securities in the currency of the reinsurance contract liabilities. The illiquidity premium is determined by reference to observable market rates.



## Notes to the Financial Statements (continued)

## 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

## 2.3 Use of estimates and judgements (continued)

## 2.3.1 Reinsurance and reinsurance contracts retroceded (continued)

## 2.3.1.3 Discount rates (continued)

Discount rates applied for discounting of future cash flows are listed below:

2024 Time to maturity	USD	XOF	NGN	AED	GHS	TND	EGP	MUR	UGX	KES	ZMW	TZS	ZAR/NAD
1	4%	5%	22%	4%	28%	9%	25%	4%	15%	12%	16%	12%	8%
2	4%	5%	21%	4%	28%	10%	25%	5%	16%	14%	21%	14%	8%
3	4%	5%	21%	4%	27%	10%	25%	5%	16%	14%	23%	14%	9%
4	5%	5%	21%	5%	27%	10%	25%	5%	17%	15%	24%	15%	10%
5	5%	5%	20%	5%	27%	10%	25%	5%	17%	15%	24%	15%	11%
6	5%	5%	20%	5%	27%	10%	24%	6%	17%	15%	24%	15%	11%
7	5%	5%	19%	5%	27%	10%	24%	6%	17%	15%	24%	15%	11%
8	5%	5%	19%	5%	27%	10%	24%	6%	17%	15%	24%	15%	11%
9	5%	5%	19%	5%	27%	10%	24%	6%	18%	15%	24%	15%	12%
10	5%	5%	18%	5%	27%	10%	24%	6%	18%	15%	24%	15%	12%
11	5%	6%	18%	5%	27%	10%	24%	6%	18%	15%	24%	15%	12%
12	5%	6%	17%	5%	27%	10%	24%	6%	18%	15%	24%	15%	12%
13	5%	6%	17%	5%	27%	9%	24%	6%	18%	15%	24%	15%	12%
14	5%	6%	17%	5%	27%	9%	24%	6%	18%	15%	24%	15%	12%
15	5%	6%	16%	5%	27%	9%	24%	6%	18%	15%	24%	15%	12%



## Notes to the Financial Statements (continued)

## 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

## 2.3 Use of estimates and judgements (continued)

## 2.3.1 Reinsurance and reinsurance contracts retroceded (continued)

## 2.3.1.3 Discount rates (continued)

Discount rates applied for discounting of future cash flows are listed below:

2023 Time to maturity	USD	XOF	NGN	AED	GHS	TND	EGP	MUR	UGX	KES	ZMW	TZS	ZAR/NAD
1	5%	7%	11%	5%	41%	9%	25%	4%	13%	17%	17%	17%	7%
2	4%	7%	15%	4%	41%	10%	25%	5%	14%	19%	22%	19%	9%
3	3%	7%	15%	4%	41%	10%	25%	5%	15%	18%	25%	18%	10%
4	4%	7%	15%	4%	41%	10%	25%	5%	16%	17%	27%	17%	11%
5	4%	7%	15%	4%	41%	10%	25%	5%	16%	16%	28%	16%	11%
6	4%	7%	15%	4%	41%	10%	25%	5%	17%	16%	29%	16%	12%
7	4%	7%	15%	4%	41%	10%	25%	6%	17%	16%	29%	16%	12%
8	4%	7%	15%	4%	41%	10%	25%	6%	17%	16%	29%	16%	12%
9	4%	7%	15%	4%	41%	10%	25%	6%	17%	16%	29%	16%	12%
10	4%	7%	16%	4%	41%	10%	25%	6%	17%	16%	29%	16%	12%
11	4%	7%	16%	4%	41%	10%	25%	6%	17%	16%	29%	16%	12%
12	4%	7%	16%	4%	41%	10%	25%	6%	16%	16%	29%	16%	12%
13	4%	7%	16%	4%	41%	10%	25%	6%	16%	16%	29%	16%	12%
14	4%	7%	16%	4%	41%	10%	25%	6%	16%	16%	29%	16%	12%
15	4%	7%	16%	4%	41%	10%	25%	6%	16%	16%	29%	16%	12%





## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.3 Use of estimates and judgements (continued)

##### 2.3.1 Reinsurance and reinsurance contracts retroceded (continued)

##### 2.3.1.4. Risk adjustment for non-financial risk

- The risk adjustment for non-financial risk is the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of reinsurance contracts. The risk adjustment reflects an amount that an reinsurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.
- The Group has estimated the risk adjustment using a confidence level (probability of sufficiency approach at the 75th percentile. That is, the Group has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Group has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

##### 2.3.1.5. Assets for reinsurance acquisition cash flows

The Group applies judgement in determining the inputs used in the methodology to systematically and rationally allocate reinsurance acquisition cash flows to groups of reinsurance contracts. This includes judgements about the amounts allocated to reinsurance contracts expected to arise from renewals of existing reinsurance contracts in a group and the volume of expected renewals from new contracts issued in the period.

At the end of each reporting period, the Group revisits the assumptions made to allocate reinsurance acquisition cash flows to groups and where necessary revises the amounts of assets for reinsurance acquisition cash flows accordingly.

In the current and prior year, for other product lines, the Group did not identify any facts and circumstances indicating that the assets may be impaired.

##### 2.3.2 Define benefit obligations.

Note 31a (i) – Measurement of defined benefit obligations: The Group's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Any unrecognized post service costs and the fair value of any plan assets are deducted. The calculation is performed annually by a qualified actuary using key actuarial assumptions.

##### 2.3.3 provisions and contingencies

Recognition and measurement of provisions and contingencies: A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably. The estimate may be based on key assumptions about the likelihood and magnitude of an outflow of resources.

##### 2.3.4 Deferred tax

Deferred tax assets and liabilities - Critical estimates are made by the directors in determining deferred tax assets and liabilities. The Group is subject to taxes in Ghana, Kenya and Zimbabwe and requires significant estimates in determining future taxes to be paid or recovered.

##### 2.3.5 Financial assets

##### 2.3.5.1 Impairment losses on financial assets

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios, and the relevant inputs used.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.4 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset and liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follow.

Level 1 – quoted prices (adjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within level 1 that are observed for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset and liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in note 32 (b).

#### 2.5 Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in currency units USD, which is also the functional currency of the parent Group.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Foreign operations

In the Group's financial statements, the results and financial position of foreign operations with a functional currency other than the USD are translated into USD upon consolidation as follows.

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that statement of financial position,
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income. On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The functional currencies of entities within the Group have remained unchanged during the reporting period.



## Notes to the Financial Statements (continued)

### 2. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENT AND ESTIMATES (continued)

#### 2.6 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective

##### Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the Group's financial statements.

##### IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary

financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest.

In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

##### IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK

#### 3.1 Reinsurance risk

##### 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded.

The Group principally issues the following types of reinsurance contracts: personal accident; marine; property; oil and gas, engineering, aviation, marine and life.

For reinsurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

The objective of the Group is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Group.

The Group further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately.

The Group purchases reinsurance as part of its risk mitigation programme. Reinsurance contracts retroceded is placed on a proportional basis. Proportional reinsurance contracts retroceded is quota-share reinsurance which is taken out to reduce the overall exposure of the Group to its reinsurance business.

Amounts recoverable from retroceded contracts are estimated in a manner consistent with underlying reinsurance contract liabilities and in accordance with the reinsurance retroceded contracts. Although the Group has reinsurance retroceded contracts arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance contracts retroceded held, to the extent that any retrocessionnaire is unable to meet its obligations. The Group's placement of reinsurance contracts retroceded is diversified such that it is neither dependent on a single retrocessionnaire nor are the operations of the Group substantially dependent upon any single reinsurance contract retroceded. There is no single counterparty exposure that exceeds 5% of total reinsurance assets at the reporting date.



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

The following tables show the concentration of net insurance contract liabilities by type of contract:

Group	2024			2023		
	Reinsurance	Reinsurance retroceded	Net	Reinsurance	Reinsurance retroceded	Net
Property & engineering	35,001	5,561	29,440	47,558	9,849	37,709
Motor	1,279	31	1,248	1,010	336	674
Casualty	3,489	1,281	2,208	431	1,980	(1,549)
Marine & aviation	2,564	1,746	818	2,557	2,835	(278)
Oil & gas	20,747	(9,766)	30,513	5,206	(229)	5,435
Life	1,909	59	1,850	2,706	73	2,633
	64,989	(1,088)	66,077	59,468	14,844	44,624

Corporate	2024			2023		
	Reinsurance	Reinsurance retroceded	Net	Reinsurance	Reinsurance retroceded	Net
Property & engineering	18,976	369	18,607	30,665	5,137	25,528
Motor	472	20	452	653	252	401
Casualty	(279)	951	(1,230)	1,483	1,368	115
Marine & aviation	642	1,648	(1,006)	1,611	2,467	(856)
Oil & gas	20,719	(9,905)	30,624	5,160	(309)	5,469
Life	1,471	59	1,412	2,511	71	2,440
	42,002	(6,858)	48,859	42,083	8,986	33,097



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.1. Sensitivities

The liability for incurred claims is sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following sensitivity analysis shows the impact on gross and net liabilities, profit before tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis. It should be noted that movements in these assumptions are nonlinear. The method used for deriving sensitivity information and significant assumptions did not change from the previous period.

	LIC at end period	Impact on LIC	Impact on Profit before income tax	Impact on equity
<b>31/12/2024</b>				
GI_Segment				
Insurance contract liabilities (net)	113,572	-	-	-
Reinsurance contract liabilities (net)	(3,881)	-	-	-
<b>Net insurance contract liabilities</b>	<b>109,691</b>	<b>-</b>	<b>-</b>	<b>-</b>
Yields - 1% decrease				
Insurance contract liabilities (net)	115,464	1,891	-	-
Reinsurance contract liabilities (net)	(4,191)	(309)	-	-
<b>Net insurance contract liabilities</b>	<b>111,273</b>	<b>1,582</b>	<b>(1,585)</b>	<b>(1,585)</b>
Yields - 1% increase				
Insurance contract liabilities (net)	109,841	(3,731)	-	-
Reinsurance contract liabilities (net)	(3,295)	586	-	-
<b>Net insurance contract liabilities</b>	<b>106,546</b>	<b>(3,145)</b>	<b>3,204</b>	<b>3,204</b>
Yields - FX decrease				
Insurance contract liabilities (net)	110,199	(3,373)	-	-
Reinsurance contract liabilities (net)	(4,278)	(397)	-	-
<b>Net insurance contract liabilities</b>	<b>105,921</b>	<b>(3,770)</b>	<b>79</b>	<b>79</b>
Yields - FX increase				
Insurance contract liabilities (net)	116,946	3,373	-	-
Reinsurance contract liabilities (net)	(3,485)	397	-	-
<b>Net insurance contract liabilities</b>	<b>113,461</b>	<b>3,770</b>	<b>(65)</b>	<b>(65)</b>



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.1. Sensitivities (continued)

	LIC at end period	Impact on LIC
Group 2023		
Base result		
Reinsurance contract liabilities (net)	82,960	-
Reinsurance contract retroceded liabilities (net)	8,776	-
Net reinsurance contract liabilities	91,736	-
Yields - 1% decrease	-	-
Reinsurance contract liabilities (net)	85,186	2,226
Reinsurance contract retroceded liabilities (net)	8,626	(150)
Net reinsurance contract liabilities	93,812	2,076
Yields - 1% increase	-	-
Reinsurance contract liabilities (net)	80,656	(2,304)
Reinsurance contract retroceded liabilities (net)	8,924	148
Net reinsurance contract liabilities	89,580	(2,156)
Yields - FX decrease 10%	-	-
Reinsurance contract liabilities (net)	80,207	(2,753)
Reinsurance contract retroceded liabilities (net)	8,394	(382)
Net reinsurance contract liabilities	88,601	(3,135)
Yields - FX increase 10%	-	-
Reinsurance contract liabilities (net)	85,713	2,753
Reinsurance contract retroceded liabilities (net)	9,158	382
Net reinsurance contract liabilities	94,871	3,135

	LIC at end period	Impact on LIC	Impact on Profit before income tax	Impact on equity
<b>Corporation 2024</b>				
<b>GI_Segment</b>				
Insurance contract liabilities (net)	79,987	-	-	-
Reinsurance contract liabilities (net)	(8,071)	-	-	-
<b>Net insurance contract liabilities</b>	<b>71,916</b>	<b>-</b>	<b>-</b>	<b>-</b>
Yields - 1% decrease				
Insurance contract liabilities (net)	81,999	2,012	-	-
Reinsurance contract liabilities (net)	(8,418)	(347)	-	-
<b>Net insurance contract liabilities</b>	<b>73,581</b>	<b>1,665</b>	<b>(1,681)</b>	<b>(1,681)</b>
Yields - 1% increase				
Insurance contract liabilities (net)	78,050	(1,936)	-	-
Reinsurance contract liabilities (net)	(7,737)	334	-	-
<b>Net insurance contract liabilities</b>	<b>70,313</b>	<b>(1,602)</b>	<b>1,617</b>	<b>1,617</b>
Yields - FX decrease	-	-	-	-
Insurance contract liabilities (net)	78,045	(1,942)	-	-
Reinsurance contract liabilities (net)	(8,019)	52	-	-
<b>Net insurance contract liabilities</b>	<b>70,026</b>	<b>(1,890)</b>	<b>49</b>	<b>49</b>
Yields - FX increase				
Insurance contract liabilities (net)	81,928	1,942	-	-
Reinsurance contract liabilities (net)	(8,122)	(52)	-	-
<b>Net insurance contract liabilities</b>	<b>73,806</b>	<b>1,890</b>	<b>(40)</b>	<b>(40)</b>



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK (continued)

#### 3.1 Reinsurance risk (continued)

##### 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

##### 3.1.1.1. Sensitivities (continued)

Corporation 2023	LIC at end period	Impact on LIC
Base result		
Reinsurance contract liabilities (net)	60,400	-
Reinsurance contract retroceded liabilities (net)	3,961	-
Net reinsurance contract liabilities	64,361	-
Yields - 1% decrease	-	-
Reinsurance contract liabilities (net)	62,108	1,708
Reinsurance contract retroceded liabilities (net)	3,895	(66)
Net reinsurance contract liabilities	66,003	1,642
Yields - 1% increase	-	-
Reinsurance contract liabilities (net)	58,756	(1,644)
Reinsurance contract retroceded liabilities (net)	4,025	64
Net reinsurance contract liabilities	62,781	(1,580)
Yields - FX decrease 10%	-	-
Reinsurance contract liabilities (net)	58,455	(1,945)
Reinsurance contract retroceded liabilities (net)	4,021	60
Net reinsurance contract liabilities	62,476	(1,885)
Yields - FX increase 10%	-	-
Reinsurance contract liabilities (net)	62,345	1,945
Reinsurance contract retroceded liabilities (net)	3,902	(60)
Net reinsurance contract liabilities	66,247	1,885

##### 3.1.1.2. Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

As required by IFRS 17, in setting claims provisions, the Group gives consideration to the probability and magnitude of future experience being more adverse than assumed which is reflected in the risk adjustment. In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain.

There Group has not disclosed previously unpublished information about claims development that occurred earlier than five years before the end of the annual reporting period in which it first applies IFRS 17.





## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.2. Claims development table

Gross undiscounted liabilities for incurred claims for 2024.

## Group 2024:

Estimate of undiscounted gross cumulative claims	Before 2019	2020	2021	2022	2023	2024	Total
At the end of accident year	22,544	6,762	10,269	9,971	11,131	12,952	73,629
One Year Later	60,328	23,342	26,706	38,988	53,251	-	202,615
Two Years Later	81,958	32,285	37,705	57,362	-	-	209,310
Three Years Later	95,418	36,151	44,177	-	-	-	175,746
Four Years Later	102,536	37,977	-	-	-	-	140,513
Five Years Later	105,137	-	-	-	-	-	105,137
Six Years Later							
<b>Cumulative Claims</b>	<b>105,137</b>	<b>37,977</b>	<b>44,177</b>	<b>57,362</b>	<b>53,251</b>	<b>12,952</b>	<b>310,856</b>
Gross Liabilities from Accident years 2019 to 2024	769	4,912	12,021	19,306	41,540	70,308	148,856
Effect of Discounting	-	-	-	-	-	-	(19,490)
Risk Adjustment	-	-	-	-	-	-	-
Unpaid Premiums Transferred to the LIC	-	-	-	-	-	-	-
<b>Gross Liabilities for incurred claims included in the statement of financial position</b>							<b>129,366</b>



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.2. Claims development table (continued)

Gross undiscounted liabilities for incurred claims for 2023.

Group 2023:

	Before 2019	2020	2021	2022	2023	Total
Estimate of undiscounted gross cumulative claims						
At the end of accident year	21,906	6,481	10,012	9,423	5,921	53,743
One Year Later	58,752	21,965	25,426	31,792	-	137,935
Two Years Later	79,594	30,097	34,083	-	-	143,774
Three Years Later	93,040	33,299	-	-	-	126,339
Four Years Later	103,596	-	-	-	-	103,596
Cumulative Claims	103,596	33,299	34,083	31,792	5,921	208,691
Gross Liabilities from Accident years 2019 to 2023	1,482	8,167	20,674	36,524	56,406	123,253
Effect of Discounting	-	-	-	-	-	(17,663)
Risk Adjustment	-	-	-	-	-	7,359
Unpaid Premiums Transferred to the LIC	-	-	-	-	-	(29,989)
Gross Liabilities for incurred claims included in the statement of financial position						82,960
						<b>82,960</b>



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.2. Claims development table (continued)

## Corporation 2024:

Estimate of undiscounted gross cumulative claims	Before 2019	2020	2021	2022	2023	2024	Total
At the end of accident year	22,518	6,374	9,367	6,666	8,933	9,491	63,349
One Year Later	59,000	20,994	21,080	25,951	33,829	-	160,854
Two Years Later	80,419	28,446	29,323	37,411	-	-	175,599
Three Years Later	93,622	31,944	34,158	-	-	-	159,724
Four Years Later	100,574	33,294	-	-	-	-	133,868
Five Years Later	103,174	-	-	-	-	-	103,174
<b>Cumulative Claims</b>	<b>103,174</b>	<b>33,294</b>	<b>34,158</b>	<b>37,411</b>	<b>33,829</b>	<b>9,491</b>	<b>251,357</b>
Gross Liabilities from Accident years 2019 to 2024	769	3,770	8,068	13,263	23,116	51,334	100,320
Effect of Discounting	-	-	-	-	-	-	(11,966)
Risk Adjustment	-	-	-	-	-	-	5,156
Unpaid Premiums Transferred to the LIC	-	-	-	-	-	-	(22,129)
<b>Gross Liabilities for incurred claims included in the statement of financial position</b>							<b>71,381</b>



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.2. Claims development table (continued)

Corporation 2023:

	Before 2019	2020	2021	2022	2023	Total
Estimate of undiscounted gross cumulative claims						
At the end of accident year	21,879	6,092	9,110	6,117	3,882	47,080
One Year Later	57,612	19,617	19,800	18,791		115,820
Two Years Later	78,299	26,257	25,674	-	-	130,230
Three Years Later	91,596	29,132	-	-	-	120,728
Four Years Later	102,095	-	-	-	-	102,095
Cumulative Claims	102,095	29,132	25,674	18,791	3,882	179,574
Gross Liabilities from Accident years 2019 to 2023	1,482	5,707	15,817	27,267	39,066	89,339
Effect of Discounting	-	-	-	-	-	(11,966)
Risk Adjustment	-	-	-	-	-	5,156
Unpaid Premiums Transferred to the LIC	-	-	-	-	-	(22,129)
Gross Liabilities for incurred claims included in the statement of financial position						60,400



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.1 Reinsurance risk (continued)

## 3.1.1. Reinsurance contracts issued and reinsurance contracts retroceded. (continued)

## 3.1.1.2. Claims development table (continued)

## Corporation 2024:

Estimate of undiscounted gross cumulative claims	Before 2019	2020	2021	2022	2023	2024	Total
At the end of accident year	22,518	6,374	9,367	6,666	8,933	9,491	63,349
One Year Later	59,000	20,994	21,080	25,951	33,829	-	160,854
Two Years Later	80,419	28,446	29,323	37,411	-	-	175,599
Three Years Later	93,622	31,944	34,158	-	-	-	159,724
Four Years Later	100,574	33,294	-	-	-	-	133,868
<b>Cumulative Claims</b>	<b>103,174</b>	<b>33,294</b>	<b>34,158</b>	<b>37,411</b>	<b>33,829</b>	<b>9,491</b>	<b>251,357</b>
Gross Liabilities from Accident years 2019 to 2024	769	3,770	8,068	13,263	23,116	51,334	100,320
Effect of Discounting	-	-	-	-	-	-	(11,966)
Risk Adjustment	-	-	-	-	-	-	5,156
Unpaid Premiums Transferred to the LIC	-	-	-	-	-	-	(22,129)
<b>Gross Liabilities for incurred claims included in the statement of financial position</b>							<b>71,381</b>



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK (continued)

#### 3.2 Financial risk (continued)

##### 3.2.1. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with reinsurance liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance retroceded recoveries.

The following policies and procedures are in place to mitigate the Group's exposure to liquidity risk:

The Group's liquidity risk policy sets out the assessment and determination of what constitutes liquidity risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow.

##### 3.2.1.1. Maturity profiles

Maturity analysis claims for reinsurance and reinsurance contract retroceded liabilities (present value of future cash flows basis)

The following table summarises the maturity profile of claims in reinsurance contracts issued and portfolios of reinsurance contracts retroceded of the Group based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.2 Financial risk (continued)

## 3.2.1. Liquidity risk

## Group 2024:

Year	1	2	3	4	5	6-10	>10	Total
Reinsurance Contract Balances								
Reinsurance Contract Assets	4,445	6,984	4,009	2,367	1,948	795	-	20,548
Reinsurance Contract Retroceded Assets	1,878	6,891	2,580	5,844	1,098	183	-	18,474
Reinsurance Contract Liabilities	23,457	43,972	22,243	21,432	12,325	4,880	-	128,30
Reinsurance Contract retroceded Liabilities	516	804	460	329	320	95	-	2524
Total Reinsurance Contracts	30,296	58,651	29,292	29,972	15,691	5,953	-	169,855
Net undiscounted cash flows	30,296	58,651	29,292	29,972	15,691	5,953	-	169,855

## Group 2023:

Year	1	2	3	4	5	6-10	>10	Total
Reinsurance Contract Balances								
Reinsurance Contract Assets	(4,772)	(7,534)	(4,157)	(2,652)	(2,122)	(914)	-	(22,151)
Reinsurance Contract Retroceded Assets	1,206	1,869	1,084	768	710	176	-	5,813
Reinsurance Contract Liabilities	(20,554)	(34,125)	(18,210)	(13,659)	(10,390)	(4,164)	-	(101,102)
Reinsurance Contract retroceded Liabilities	381	612	362	214	204	105	-	1,878
Total Reinsurance Contracts	(23,739)	(39,178)	(20,921)	(15,329)	(11,598)	(4,797)		(115,562)
Net undiscounted cash flows	(23,739)	(39,178)	(20,921)	(15,329)	(11,598)	(4,797)		(115,562)



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.2 Financial risk (continued)

## 3.2.1.1. Maturity profiles (continued)

## Corporation 2024

Year	1	2	3	4	5	6-10	>10	Total
Reinsurance Contract Balances								
Reinsurance Contract Assets	2,786	4,268	2,304	1,499	1,195	356	-	12,408
Reinsurance Contract Retroceded Assets	994	5,554	1,804	5,290	605	104	-	14,351
Reinsurance Contract Liabilities	14,870	30,484	14,611	16,754	8,064	3,128	-	87,911
Reinsurance Contract retroceded Liabilities	125	201	116	78	80	36	-	636
Total Reinsurance Contracts	18,775	40,507	18,835	23,621	9,944	3,624	-	115,306
Net undiscounted cash flows	18,775	40,507	18,835	23,621	9,944	3,624	-	3,624

## Corporation 2023

Year	1	2	3	4	5	6-10	>10	Total
Reinsurance Contract Balances								
Reinsurance Contract Assets	(3,491)	(5,466)	(2,886)	(1,996)	(1,542)	(554)	-	(15,935)
Reinsurance Contract Retroceded Assets	458	736	425	288	282	116	-	2,305
Reinsurance Contract Liabilities	(14,710)	(24,997)	(13,032)	(10,280)	(7,274)	(3,111)	-	(73,404)
Reinsurance Contract retroceded Liabilities	184	308	177	111	123	77	-	980
Total Reinsurance Contracts	(17,559)	(29,419)	(15,316)	(11,877)	(8,471)	(3,472)	-	(86,054)
Net undiscounted cash flows	(17,559)	(29,419)	(15,316)	(11,877)	(8,411)	(3,472)	-	(86,054)





## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.2 Financial risk (continued)

## 3.2.1.1. Maturity profiles (continued)

## Maturity analysis for financial assets (contractual undiscounted cash flow basis)

The following table summarises the maturity profile of financial assets of the Group based on remaining undiscounted contractual cash flows, including interest receivable:

## Group 2024

Financial Assets	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years	Total
Cash and cash equivalents	20,638	-	-	-	-	20,638
Debt instruments at amortised cost	134,143	7,266	10,336	9,333	19,400	180,478
Other Assets	10,068	-	-	-	-	10,068
	164,849	7,266	10,366	9,333	19,400	211,184

## Group 2023

Financial Assets	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years	Total
Cash and cash equivalents	23,083	-	-	-	-	23,083
Debt instruments at amortised cost	130,612	36,649	12,506	2,408	34,033	216,208
Other Assets	3,463	-	-	-	-	3,463
	157,158	36,649	12,506	2,408	34,033	242,754



## Notes to the Financial Statements (continued)

## 3. REINSURANCE AND FINANCIAL RISK (continued)

## 3.2 Financial risk (continued)

## 3.2.1.1. Maturity profiles (continued)

## Maturity analysis for financial assets (contractual undiscounted cash flow basis)

The following table summarises the maturity profile of financial assets of the Group based on remaining undiscounted contractual cash flows, including interest receivable: (continued)

## Corporation 2024

Financial Assets	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years	Total
Cash and cash equivalents	17,885	-	-	-	-	17,885
Debt instruments at amortised cost	79,196	6,152	10,336	9,333	13,598	118,615
Other Assets	4,299	-	-	-	-	4,299
	101,380	6,152	10,366	9,333	13,598	140,799

## Corporation 2023

Financial Assets	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years	Total
Cash and cash equivalents	21,356	-	-	-	-	21,356
Debt instruments at amortised cost	88,665	34,549	10,424	324	31,433	165,395
Other Assets	754	-	-	-	-	754
	110,775	34,549	10,424	324	31,433	187,505



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK (continued)

#### 3.2 Financial risk (continued)

##### 3.2.2. Market (continued)

Market risk is the risk that the fair value or future cash flows of a financial instrument, reinsurance contract issued or retrocession contract held will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk); market interest rates (interest rate risk); and market prices (price risk).

The Group's market risk policy sets out the assessment and determination of what constitutes market risk for it. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains needed to meet the Group's contractual requirements.

The nature of the Group's exposure to market risks and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

##### 3.2.2.1. Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument, insurance contract assets and/or liabilities will fluctuate because of changes in foreign exchange rates.

The Group's principal transactions are carried out in dollars and its exposure to foreign exchange risk arises primarily with respect to the other currencies that the Group conduct its business. The Group's financial assets are primarily denominated in the same currencies as its reinsurance contract liabilities.

The Group mitigates some of the foreign currency risk associated with reinsurance contracts by holding reinsurance contracts retroceded denominated in the same currencies as its reinsurance contract liabilities. Refer to note 4.1.1.1. Sensitivities analysis of currency risk on net reinsurance liabilities.

##### 3.2.2.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument or insurance contract or reinsurance contract will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest rate risk.

There is no direct contractual relationship between financial assets and reinsurance contracts. However, the Group's interest rate risk policy requires it to manage the extent of net interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments to support the reinsurance contract liabilities. The policy also requires it to manage the maturities of interest-bearing financial assets.

The Group has no significant concentration of interest rate risk. Refer to note 4.1.1.1. Sensitivities analysis of interest rate risk on net reinsurance liability.

##### 3.2.4. Credit risk

Credit risk is the risk that one party to a financial instrument, reinsurance contract issued in an asset position or reinsurance contract retroceded will cause a financial loss for the other party by failing to discharge an obligation.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk.

The Group's credit risk policy sets out the assessment and determination of what constitutes credit risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK (continued)

#### 3.2 Financial risk (continued)

##### 3.2.4. Credit risk (continued)

Credit risk relating to financial instruments is monitored by the Group's investment team. It is their responsibility to review and manage credit risk, including environmental risk for all counterparties. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. It is the Group's policy to invest in high quality financial instruments with a low risk of default. If there is a significant increase in credit risk, the policy dictates that the instrument should be sold and amounts recovered reinvested in high quality instruments.

Reinsurance retroceded is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of retrocessionnaire and updates the retro purchase strategy.

The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in the policy document. Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of default.

The nature of the Group's exposure to credit risk and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

The Group's investment team prepares internal ratings for instruments held in which its counterparties are rated using internal grades (high grade, standard grade, sub-standard grade, past due but not impaired and individually impaired). The ratings are determined incorporating both qualitative and quantitative information that builds on information from S&P Credit Agency, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour. These information sources are first used to determine whether an instrument has had a significant increase in credit risk.

#### The Group's internal credit rating grades:

Internal rating grade	Internal rating description	Eurobond Credit Agency's rating (when applicable)
High grade	The counterparty credit rating is unchanged since origination with A rating from S&P	Very good+ to Very good-
Standard grade	The counterparty credit rating is unchanged since origination with B rating from S&P	Good+ to Average
Sub-standard grade	The counterparty credit rating is unchanged since origination	Average- to Bad+
Past due but not impaired	The counterparty credit rating has changed since origination	Bad to Bad-
Credit impaired	Overdue for 90days or more	Very bad

#### 4.2.4.3. Impairment assessment

The Group's ECL assessment and measurement method is set out below.

##### 4.2.4.3.1. Significant increase in credit risk, default and cure

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition.



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK (continued)

#### 3.2 Financial risk (continued)

##### 3.2.4. Credit risk (continued)

##### 4.2.4.3.1. Significant increase in credit risk, default and cure (continued)

The Group considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Group also considers a variety of instances that may indicate unlikelihood to pay by assessing whether there has been a significant increase in credit risk. Such events include:

- Internal rating of the counterparty indicating default or near-default.
- The counterparty having past due liabilities to public creditors or employees.
- The counterparty (or any legal entity within the debtor's group) filing for bankruptcy application/protection.
- Counterparty's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties.

The Group considers a financial instrument defaulted and, therefore, credit-impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Group may also consider an instrument to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. In such cases, the Group recognises a lifetime ECL.

In rare cases when an instrument identified as defaulted, it is the Group's policy to consider a financial instrument as 'cured' and, therefore, re-classified out of credit-impaired when none of the default criteria have been present for at least twelve consecutive months.

There has been no significant increase in credit risk or default for financial assets during the year.

##### 3.2.4.3.2. Expected credit loss

The Group assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments

acquired is generally determined to be minimal and the expected loss given default ratio assumed to be 100%.

In rare cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Group 2024	12mECL	LTECL	Total
<b>Performing</b>			
High grade	50,872	-	<b>50,872</b>
Standard grade	96,774	17,998	<b>114,772</b>
Past due but not impaired	-	-	<b>-</b>
Impaired	-	2,810	<b>2,810</b>
Total Gross Amount	147,646	20,808	<b>168,454</b>
ECL	(2,769)	(1,585)	<b>(4,354)</b>
<b>Total Net amount</b>	<b>144,877</b>	<b>19,224</b>	<b>164,100</b>

Group 2023	12mECL	LTECL	Total
<b>Performing</b>			
High grade	28,666	-	28,666
Standard grade	28,666	-	28,666
Past due but not impaired	-	-	-
Impaired	-	24,711	24,711
Total Gross Amount	170,897	24,711	195,608
ECL	(2,980)	(11,881)	(14,861)
Total Net amount	167,917	12,830	180,747



## Notes to the Financial Statements (continued)

### 3. REINSURANCE AND FINANCIAL RISK (continued)

#### 3.2 Financial risk (continued)

##### 3.2.4. Credit risk (continued)

##### 3.2.4.4. Impairment losses on financial investments subject to impairment assessment

##### 3.2.4.4.2. Debt instruments measured at amortised cost

Corporation 2024	12mECL	LTECL	Total
Performing			
High grade	46,786	-	<b>46,786</b>
Standard grade	42,411	17,998	<b>60,409</b>
Past due but not impaired	-	-	<b>-</b>
Impaired	-	2,811	<b>2,811</b>
Total Gross Amount	89,197	20,809	<b>110,006</b>
ECL	(1,761)	(1,585)	<b>(3,346)</b>
<b>Total Net amount</b>	<b>87,436</b>	<b>19,224</b>	<b>106,660</b>

Corporation 2023	12mECL	LTECL	Total
Performing			
High grade	28,666	-	28,666
Standard grade	94,833	-	94,833
Past due but not impaired	-	-	-
Impaired	-	24,711	24,711
Total Gross Amount	123,499	24,711	148,210
ECL	(2,312)	(11,881)	(14,193)
Total Net amount	121,187	12,830	134,017



## Notes to the Financial Statements (continued)

### 4. OPERATING SEGMENTS

#### (a) Basis of segmentation

The Group has the following five strategic divisions, which are reportable segments. These divisions offer different products and are managed separately based on the Group's management and internal reporting structure.

Reportable segment

- Property and engineering
- Motor
- Casualty
- Marine & Aviation
- Oil and gas
- Life

The Group's Management Committee reviews internal management reports from each division on monthly basis.

#### (b) Information about reportable segments

Information relating to each reportable segment is set out below. Segment profit before tax, as included in management reports reviewed by the Group's Management, is used to measure performance because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate within the same industries. Inter-segment pricing is determined on an arm's length basis.

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged for these funds are based on the Group's cost of capital. There are no other materials items of income or expense between the business segments.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the financial position.

Internal charges and transfer pricing adjustments have been reflected in the performance of each business. Revenue sharing agreements are used to allocate external customer revenues to a business segment on a reasonable basis.



## Notes to the Financial Statements (continued)

## 4. OPERATING SEGMENTS (continued)

## Group 2024

In thousands of United States Dollars	Property & Engineer'g	Motor	Casualty	Marine & Aviation	Oil & Gas	Life	Un- allocated	Inter- company Adjust- ment	Total
Reinsurance revenue	166,365	5,521	36,781	12,269	21,208	4,980	-	(1,450)	245,674
Reinsurance service expense	(109,284)	(3,875)	(26,544)	(4,690)	(22,806)	(6,393)	-	1,943	(171,649)
<b>Reinsurance service result before reinsurance contracts retroceded</b>	<b>57,081</b>	<b>1,646</b>	<b>10,237</b>	<b>7,579</b>	<b>(1,598)</b>	<b>(1,413)</b>	<b>-</b>	<b>493</b>	<b>74,025</b>
Allocation of retroceded premiums	(19,321)	244	(2,091)	(3,928)	(7,630)	17	-	1,127	(31,582)
Amounts recoverable from retrocessionaire for incurred claims	4,621	5	(492)	169	10,390	(2)	-	-	14,691
<b>Net expense from reinsurance contracts retroceded</b>	<b>(14,700)</b>	<b>249</b>	<b>(2,583)</b>	<b>(3,759)</b>	<b>2,761</b>	<b>15</b>	<b>-</b>	<b>1,127</b>	<b>(16,891)</b>
<b>Reinsurance service result</b>	<b>42,380</b>	<b>1,896</b>	<b>7,654</b>	<b>3,821</b>	<b>1,163</b>	<b>(1,398)</b>	<b>-</b>	<b>1,621</b>	<b>57,137</b>
Interest revenue calculated using the effective interest method	-	-	-	-	-	-	11,939	-	11,939
Impairment loss on financial assets	-	-	-	-	-	-	4,085	-	4,085
Net foreign exchange income/(expense)	-	-	-	-	-	-	(6,034)	-	(6,034)
Total investment income	-	-	-	-	-	-	9,990	-	9,990
<b>Net reinsurance financial result</b>	<b>(4,276)</b>	<b>(367)</b>	<b>(1,252)</b>	<b>(432)</b>	<b>(195)</b>	<b>(330)</b>	<b>-</b>	<b>-</b>	<b>(6,852)</b>
Financial expense								(60)	(60)
Other income							3,066	(2,095)	971
Management expense	(15,569)	(510)	(3,259)	(1,187)	(2,137)	(493)	(1,071)	475	(23,751)
<b>Profit before tax</b>	<b>22,535</b>	<b>1,019</b>	<b>3,143</b>	<b>2,202</b>	<b>(1,169)</b>	<b>(2,221)</b>	<b>11,925</b>	<b>-</b>	<b>37,435</b>





## Notes to the Financial Statements (continued)

## 4. OPERATING SEGMENTS (continued)

Group 2023

In thousands of United States Dollars	Property & Engineer'g	Motor	Casualty	Marine & Aviation	Oil & Gas	Life	Un- allocated	Inter- company Adjust- ment	Total
Reinsurance revenue	164,393	6,537	38,444	18,000	24,986	5,776		(2,436)	255,700
Reinsurance service expense	(105,703)	(4,637)	(25,039)	(10,014)	(7,715)	(5,831)		1,288	(157,651)
Reinsurance service result before reinsurance contracts retroceded	58,690	1,900	13,405	7,986	17,270	(55)		(1,148)	98,049
Allocation of retroceded premiums	(27,090)	(295)	(4,765)	(4,338)	(10,780)	(76)		1,972	(45,372)
Amounts recoverable from retrocessionaire for incurred claims	3,991	(19)	1,074	77	(543)	2		-	4,582
Net expense from reinsurance contracts retroceded	(23,099)	(314)	(3,692)	(4,261)	(11,322)	(74)		1,972	(40,790)
Reinsurance service result	35,591	1,586	9,714	3,725	5,948	(129)		824	57,259
Interest revenue calculated using the effective interest method	-	-	-	-	-	-	8,144	-	8,144
Impairment loss on financial assets	-	-	-	-	-	-	1,307	-	1,307
Net foreign exchange income/(expense)	-	-	-	-	-	-	(7,110)	-	(7,110)
Total investment income	-	-	-	-	-	-	2,341	-	2,341
Net reinsurance financial result	(1,771)	(243)	(331)	(224)	(150)	(238)	-	-	(2,957)
Financial expense								(85)	(85)
Other income								2,708	2,708
Management expense	(11,801)	(382)	(2,697)	(1,607)	(3,475)	11	-	-	(19,951)
Profit before tax	22,019	961	6,686	1,894	2,323	(356)	4,964	824	39,315



## Notes to the Financial Statements (continued)

## 4. OPERATING SEGMENTS (continued)

## Corporation 2024

In thousands of United States Dollars	Property & Engineer'g	Motor	Casualty	Marine & Aviation	Oil & Gas	Life	Un- allocated	Total
Reinsurance revenue	106,990	3,469	15,412	10,074	21,022	4,574		161,541
Reinsurance service expense	(73,284)	(1,825)	(8,058)	(2,681)	(22,739)	(5,917)	-	(114,504)
<b>Reinsurance service result before reinsurance contracts retroceded</b>	<b>33,706</b>	<b>1,644</b>	<b>7,354</b>	<b>7,393</b>	<b>(1,717)</b>	<b>(1,343)</b>		<b>47,037</b>
Allocation of retroceded premiums	(8,490)	231	(1,549)	(3,592)	(7,561)	11	-	(20,950)
Amounts recoverable from retrocessionaire for incurred claims	1,562	(1)	(111)	(8)	10,391	-	-	11,833
<b>Net expense from reinsurance contracts retroceded</b>	<b>(6,928)</b>	<b>230</b>	<b>(1,660)</b>	<b>(3,600)</b>	<b>2,830</b>	<b>11</b>	<b>-</b>	<b>(9,117)</b>
<b>Reinsurance service result</b>	<b>26,777</b>	<b>1,874</b>	<b>5,694</b>	<b>3,793</b>	<b>1,113</b>	<b>(1,331)</b>	<b>-</b>	<b>37,920</b>
Interest revenue calculated using the effective interest method	-	-	-	-	-	-	8,078	8,078
Impairment loss on financial assets	-	-	-	-	-	-	4,462	4,462
Net foreign exchange income/(expense)	-	-	-	-	-	-	(3,222)	(3,222)
Total investment income	-	-	-	-	-	-	9,318	9,318
<b>Net reinsurance financial result</b>	<b>(2,319)</b>	<b>(268)</b>	<b>(479)</b>	<b>(286)</b>	<b>(193)</b>	<b>(306)</b>	<b>-</b>	<b>(3,851)</b>
Financial expense	-	-	-	-	-	-	(34)	(34)
Other income	-	-	-	-	-	-	1,015	1,015
Management expense	(10,806)	(351)	(1,557)	(1,017)	(2,123)	(462)	34	(16,282)
<b>Profit before tax</b>	<b>13,652</b>	<b>1,255</b>	<b>3,658</b>	<b>2,490</b>	<b>(1,203)</b>	<b>(2,099)</b>	<b>10,333</b>	<b>28,086</b>



## Notes to the Financial Statements (continued)

## 4. OPERATING SEGMENTS (continued)

Corporation 2023

In thousands of United States Dollars	Property & Engineer'g	Motor	Casualty	Marine & Aviation	Oil & Gas	Life	Un- allocated	Total
Reinsurance revenue	116,235	5,251	19,396	15,398	24,810	5,573		186,663
Reinsurance service expense	(73,302)	(3,273)	(10,400)	(7,846)	(7,654)	(5,714)		(108,189)
Reinsurance service result before reinsurance contracts retroceded	42,933	1,978	8,996	7,552	17,156	(141)		78,474
Allocation of retroceded premiums	(16,957)	(250)	(3,071)	(3,915)	(10,725)	(71)		(34,989)
Amounts recoverable from retrocessionaire for incurred claims	2,891	-	251	5	(543)	-		2,604
Net expense from reinsurance contracts retroceded	(14,066)	(250)	(2,820)	(3,910)	(11,268)	(71)		(32,385)
Reinsurance service result	28,867	1,728	6,176	3,642	5,888	(212)		46,089
Interest revenue calculated using the effective interest method	-	-	-	-	-	-	5,849	5,849
Impairment loss on financial assets	-	-	-	-	-	-	1,539	1,539
Net foreign exchange income/(expense)	-	-	-	-	-	-	(10,340)	(10,340)
Total investment income	-	-	-	-	-	-	(2,952)	(2,952)
Net reinsurance financial result	(1,564)	(220)	(263)	(233)	(149)	(227)	-	(2,656)
Financial expense	-	-	-	-	-	-	(38)	(38)
Other income	-	-	-	-	-	-	390	390
Management expense	(7,469)	(344)	(1,567)	(1,315)	(2,988)	25	-	(13,658)
Profit before tax	19,834	1,164	4,346	2,094	2,751	(414)	(2,600)	27,175



## Notes to the Financial Statements (continued)

## 5. CASH AND BANK BALANCES

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Bank balances*	20,632	23,079	17,883	21,354
Cash on hand	6	4	2	2
	20,638	9,158	9,158	382

\*Included in the bank balances is a restricted amount of US\$ 1.53 million with the Central Bank of Sierra Leone. Cash in hand is non-interest-bearing.

The statutory deposit of USD 5 million (2023: USD 5 million) was made with the Central Banks of Sierra Leone, Kenya and Zimbabwe in compliance with the insurance regulations of the countries. The deposit will continue to be maintained at the Central Banks, so long as the Group continues to transact insurance business in these countries. The deposits are invested in treasury bills (Government Securities) by the Central Banks on behalf of the Group. The Group also placed USD 500,000 with the Bank of Ghana as a regulatory requirement by the National Insurance Commission (Ghana).

## 5.1 Cash and cash equivalent

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Cash and bank balance	20,638	23,083	17,883	21,354
Short-term investment securities	11,124	38,291	5,319	17,040
Cash and cash equivalents	31,762	61,374	23,204	38,396

\*\* Short term investment securities are highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in value and are used by the group in the management of its short-term commitments.



## Notes to the Financial Statements (continued)

## 6. FINANCIAL ASSETS

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Debt instrument measured at amortised cost	168,454	195,608	110,006	148,210
Equity	28,671	4,740	47,819	23,456
Gross financial assets	197,125	200,348	157,825	171,666
Impairment allowance	(4,354)	(14,861)	(3,346)	(14,193)
	192,771	185,487	154,479	157,473

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Debt instrument measured at amortized cost				
Government bonds	67,407	77,073	59,410	67,113
Term deposit	89,300	115,119	44,452	77,939
Treasury bills	11,747	3,416	6,144	3,158
Gross financial assets	168,454	195,608	110,006	148,210
Impairment allowance	(4,354)	(14,861)	(3,346)	(14,193)
	164,100	180,747	106,660	134,017

Government bonds, term deposits as well as Treasury Bills are classified as financial assets at amortized cost as the business model is to hold the financial assets to collect contractual cash flows representing solely payments of principal and interest.

## 6.1 Credit risk quality of investment securities (debt instrument) (continued)

The table below shows the credit quality and the maximum exposure to credit risk of investment Securities (Debt Instruments) measured at amortised cost based on the S&P rating and year-end stage classification. The amounts presented are gross of impairment allowances.

Group 2024	12mECL	LTECL	Total
High grade	50,872	-	50,872
Standard grade	96,774	17,998	114,772
Past due but not impaired	-	-	-
Impaired	-	2,810	2,810
At 31 December 2024	147,646	20,808	168,454

Group 2023	12mECL	LTECL	Total
High grade	170,897	-	170,897
Standard grade	-	-	-
Past due but not impaired	-	-	-
Impaired	-	24,711	24,711
At 31 December 2023	170,897	24,711	195,608

Corporation 2024	12mECL	LTECL	Total
High grade	46,786	-	46,786
Standard grade	42,411	17,998	60,409
Past due but not impaired	-	-	-
Impaired	-	2,811	2,811
At 31 December 2024	89,197	20,809	110,006

Corporation 2023	12mECL	LTECL	Total
High grade	123,499	-	123,499
Standard grade	-	-	-
Past due but not impaired	-	-	-
Impaired	-	24,711	24,711
At 31 December 2023	123,499	24,711	148,210



## Notes to the Financial Statements (continued)

## 6. FINANCIAL ASSETS (continued)

## 6.1 Credit risk quality of investment securities (debt instrument) (continued)

An analysis of changes in the gross carrying amount in relation to Debt instruments measured at amortised cost is, as follows:

Group 2024	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2024	170,897	24,711	<b>195,608</b>
New assets originated or purchased	20,000	13,041	<b>33,041</b>
Assets derecognised or repaid (excluding write offs)	(43,251)	(9,595)	<b>(52,846)</b>
Movement between 12mECL and LTECL	-	-	-
Write off	-	(7,349)	<b>(7,349)</b>
At 31 December 2024	<b>147,646</b>	<b>20,808</b>	<b>168,454</b>

Group 2023	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2024	126,261	27,630	153,891
New assets originated or purchased	48,717	-	48,717
Assets derecognised or repaid (excluding write offs)	(4,081)	(2,919)	(7,000)
Movement between 12mECL and LTECL	-	-	-
At 31 December 2023	170,897	24,711	195,608

Corporation 2024	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2024	123,499	24,711	<b>148,210</b>
New assets originated or purchased	11,580	3,447	<b>15,027</b>
Assets derecognised or repaid (excluding write offs)	(45,882)	-	<b>(45,882)</b>
Movement between 12mECL and LTECL	-	-	-
Write off	-	(7,349)	<b>(7,349)</b>
At 31 December 2024	<b>89,197</b>	<b>20,809</b>	<b>110,006</b>

Corporation 2023	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2023	90,378	27,630	118,008
New assets originated or purchased	37,202	-	37,202
Assets derecognised or repaid (excluding write offs)	(4,081)	(2,919)	(7,000)
Movement between 12mECL and LTECL	-	-	-
At 31 December 2023	123,499	24,711	148,210



## Notes to the Financial Statements (continued)

## 6. FINANCIAL ASSETS (continued)

## 6.1 Credit risk quality of investment securities (debt instrument) (continued)

An analysis of changes in the ECL allowances in relation to debt instruments carried at amortised cost is, as follows:

Group 2024	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2024	2,995	11,866	<b>14,861</b>
New assets originated or purchased	637	567	<b>1,204</b>
Assets derecognised or repaid (excluding write offs)	(863)	(1,513)	<b>(2,376)</b>
Movement between 12mECL and LTECL	-	-	-
Translation difference	-	-	-
Debt Written off	-	(9,335)	<b>(9,335)</b>
At 31 December 2024	<b>2,769</b>	<b>1,585</b>	<b>4,354</b>

Group 2023	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2023	3,362	12,975	16,337
New assets originated or purchased	789	-	789
Assets derecognised or repaid (excluding write offs)	(1,002)	(1,094)	(2,096)
Movement between 12mECL and LTECL	-	-	-
Translation difference	(154)	-	(154)
Debt Written off	-	(15)	(15)
At 31 December 2023	2,995	11,866	14,861

Corporation 2024	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2024	2,327	11,866	<b>14,193</b>
New assets originated or purchased	109	567	<b>676</b>
Assets derecognised or repaid (excluding write offs)	(675)	(1,513)	<b>(2,188)</b>
Impact on Expected Credit loss	-	-	-
Movement between 12mECL and LTECL	-	-	-
Debt Written off	-	(9,335)	<b>(9,335)</b>
At 31 December 2024	<b>1,761</b>	<b>1,585</b>	<b>3,346</b>

Corporation 2023	12mECL	LTECL	Total
Gross carrying amount as at 1 January 2023	2,772	12,975	15,747
New assets originated or purchased	711	-	711
Assets derecognised or repaid (excluding write offs)	(1,156)	(1,094)	(2,250)
Impact on Expected Credit loss	-	-	-
Movement between 12mECL and LTECL	-	-	-
Debt Written off	-	(15)	(15)
At 31 December 2023	2,327	11,866	14,193



## Notes to the Financial Statements (continued)

### 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED

The breakdown of groups of reinsurance contracts issued, and reinsurance contracts retroceded that are in an asset position and those in a liability position is set out in the table below:

#### Reinsurance Contracts:

Group	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Property & engineering	10,676	45,677	9,824	57,382
Motor	241	1,520	487	1,497
Casualty	3,611	7,101	7,140	7,571
Marine & aviation	1,654	4,218	2,113	4,669
Oil & gas	44	20,791	3,008	8,214
Life	81	1,989	164	2,871
	16,307	81,296	22,736	82,204

Corporation	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Property & engineering	9,269	28,246	8,747	39,412
Motor	232	704	487	1,140
Casualty	2,376	2,097	3,247	4,730
Marine & aviation	1,635	2,276	1,930	3,541
Oil & gas	44	20,763	3,008	8,168
Life	81	1,551	164	2,675
	13,637	55,637	17,583	59,666

#### Reinsurance Contracts retroceded:

Group	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Property & engineering	6,546	12,107	4,215	14,066
Motor	6	37	1	337
Casualty	679	1,960	800	2,780
Marine & aviation	136	1,882	43	2,878
Oil & gas	10,085	319	1,380	1,151
Life	-	59	1	74
	17,452	16,364	6,440	21,286

Corporation	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Property & engineering	3,438	3,808	1,835	6,971
Motor	1	20	1	253
Casualty	292	1,243	412	1,780
Marine & aviation	20	1,668	26	2,494
Oil & gas	10,083	178	1,379	1,070
Life	-	59	-	71
	13,834	6,976	3,653	12,639





## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

## Group 2024

Calculation of Reinsurance Liability	Liability for Remaining Cover		Liability for Incurred Claims		Intercompany Adjustment	Reinsurance Contract Liability
	Non-onerous	Loss Component	Risk Adjustment	PVFCF		
<b>Opening Balance</b>	<b>23,733</b>	<b>(241)</b>	<b>(7,358)</b>	<b>(75,602)</b>	<b>-</b>	<b>(59,468)</b>
Cash Inflows - Premiums Received	(225,137)	-	-	-	-	(225,137)
Reinsurance Revenue	247,124	-	-	-	(1,450)	245,674
Reinsurance Service Expenses	(74,646)	(454)	(1,574)	(96,917)	1,943	(171,648)
Paid Claims net of recoveries	-	-	-	(76,620)	-	-
Maintenance Expenses Allocated	-	-	-	-	-	-
Change in outstanding claims + IBNR	-	-	-	(20,297)	-	-
Change in Loss Component - New loss arising in period	-	(616)	-	-	-	-
Change in Loss Component - Reversal	-	162	-	-	-	-
Change in Risk Adjustment	-	-	(1,574)	-	-	-
Amortised Deferred Acquisition Costs	(74,646)	-	-	-	-	-
Other Immediate Acquisition Costs	-	-	-	-	-	-
Reinsurance Finance Expenses	-	-	(549)	(6,634)	-	(7,183)
Cash Outflows - Claims, commissions and expenses paid	71,974	-	-	76,502	-	148,476
Outstanding balances transferred to LIC at expiry of cover	(5,192)	-	-	5,192	-	-
Intercompany transaction impact	-	-	-	-	(493)	(493)
Currency Impact	(399)	22	496	4,671	-	4,790
<b>Closing Balance</b>	<b>37,457</b>	<b>(673)</b>	<b>(8,985)</b>	<b>(92,788)</b>	<b>-</b>	<b>(64,989)</b>



## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

Group 2023

Calculation of Reinsurance Liability	Liability for Remaining Cover		Liability for Incurred Claims		Intercompany Adjustment	Reinsurance Contract Liability
	Non-onerous	Loss Component	Risk Adjustment	PVFCF		
Opening Balance	14,020	(623)	(4,851)	(54,659)	-	(46,113)
Cash Inflows - Premiums Received	(217,507)	-	-	-	-	(217,507)
Reinsurance Revenue	258,137	-	-	-	(2,436)	255,700
Reinsurance Service Expenses	(74,745)	327	(2,739)	(80,906)	412	(157,651)
Paid Claims net of recoveries	-	-	-	(42,704)	-	-
Maintenance Expenses Allocated	-	-	-	-	-	-
Change in outstanding claims + IBNR	-	-	-	(38,202)	-	-
Change in Loss Component - New loss arising in period	-	(199)	-	-	-	-
Change in Loss Component - Reversal	-	526	-	-	-	-
Change in Risk Adjustment	-	-	(2,739)	-	-	-
Amortised Deferred Acquisition Costs	(74,745)	-	-	-	-	-
Reinsurance Finance Expenses	-	-	(338)	(2,890)	-	(3,228)
Cash Outflows - Claims, commissions and expenses paid	59,656	-	-	42,704	-	102,360
Outstanding balances transferred to LIC at expiry of cover	(15,063)	-	-	15,063	-	-
Intercompany transaction impact	-	-	-	-	2,024	2,024
Currency Impact	(764)	55	570	5,086	-	4,947
Closing Balance	23,733	(241)	(7,358)	(75,602)	-	(59,468)



## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

## Corporation 2024

Calculation of Reinsurance Liability	Liability for Remaining Cover		Liability for Incurred Claims		Reinsurance Contract Liability
	Non-onerous	Loss Component	Risk Adjustment	PVFCF	
<b>Opening Balance</b>	<b>18,434</b>	<b>(116)</b>	<b>(5,156)</b>	<b>(55,244)</b>	<b>(42,083)</b>
Cash Inflows - Premiums Received	(149,814)	-	-	-	(158,428)
Reinsurance Revenue	161,541	-	-	-	161,625
Reinsurance Service Expenses	(48,958)	(255)	(1,028)	(64,264)	(114,504)
Paid Claims net of recoveries				(52,293)	
Maintenance Expenses Allocated					
Change in outstanding claims + IBNR				(11,971)	
Change in Loss Component - New loss arising in period		(290)			
Change in Loss Component - Reversal		35			
Change in Risk Adjustment			(1,028)		
Amortised Deferred Acquisition Costs*	(48,958)	-	-	-	-
Other Immediate Acquisition Costs					
Reinsurance Finance Expenses			(344)	(3,494)	(3,838)
Cash Outflows - Claims, commissions and expenses paid	51,144			52,174	103,318
Outstanding balances transferred to LIC at expiry of cover	(3,444)	-	-	3,444	-
Currency Impact	(151)	10	356	3,165	3,380
<b>Closing Balance</b>	<b>28,752</b>	<b>(361)</b>	<b>(6,172)</b>	<b>(64,219)</b>	<b>(42,000)</b>

\*For WAICA Re DIFC and agency in Cameroon, the Corporation made an accounting policy choice to recognize reinsurance acquisition cash flows as an expense when incurred.

The amount recognised in profit or loss was US\$1,832,859 (2023: US\$ 875,063)



## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

Corporate 2023

Calculation of Reinsurance Liability	Liability for Remaining Cover		Liability for Incurred Claims		Reinsurance Contract Liability
	Non-onerous	Loss Component	Risk Adjustment	PVFCF	
Opening Balance	10,220	(345)	(3,779)	(44,744)	(38,649)
Cash Inflows - Premiums Received	(153,084)	-	-	-	(153,084)
Reinsurance Revenue	186,663	-	-	-	186,663
Reinsurance Service Expenses	(54,347)	182	(1,565)	(51,583)	(107,314)
Paid Claims net of recoveries	-	-	-	27,552	-
Maintenance Expenses Allocated	-	-	-	-	-
Change in outstanding claims + IBNR	-	-	-	(24,031)	-
Change in Loss Component - New loss arising in period	-	(96)	-	-	-
Change in Loss Component - Reversal	-	278	-	-	-
Change in Risk Adjustment	-	-	(1,565)	-	-
Amortised Deferred Acquisition Costs	(54,347)	-	-	-	-
Reinsurance Finance Expenses	-	-	(265)	(2,535)	(2,799)
Cash Outflows - Claims, commissions and expenses paid	41,481	-	-	27,552	69,034
Outstanding balances transferred to LIC at expiry of cover	(12,437)	-	-	12,437	-
Currency Impact	(62)	47	454	3,627	4,066
Closing Balance	18,434	(116)	(5,156)	(55,244)	(42,082)



## Notes to the Financial Statements (continued)

### 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

#### 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

##### Group 2024

Calculation of Reinsurance Contract retroceded Liability	Liability for Remaining Cover		Liability for Incurred Claims		Intercompany Adjustment	Reinsurance Contract Liability
	Non-onerous	Loss Recovery Component	Risk Adjustment	PVFCF		
<b>Opening Balance</b>	<b>(6,066)</b>	-	<b>568</b>	<b>(9,152)</b>	-	<b>14,650</b>
Cash Inflows	(7,387)	-	-	(1,836)	-	(9,223)
Reinsurance Revenue	(42,490)	-	-	-	1,300	(41,190)
Reinsurance Service Expenses	9,610	-	1,225	13,466	-	24,301
Amounts recovered from reinsurers	-	-	-	1,836	-	-
Change in outstanding amounts due from reinsurers	-	-	-	11,630	-	-
Change in Loss Recovery Component - New loss arising in period	-	-	-	-	-	-
Change in Loss Recovery Component - Reversal	-	-	-	-	-	-
Change in Risk Adjustment	-	-	1,225	-	-	-
Reinsurer Commission amortised	9,610	-	-	-	-	-
Other Related Income (Reinsurance Profit Commission)	-	-	-	-	-	-
Reinsurance Finance Expenses	-	-	38	293	-	331
Cash Outflows	41,926	-	-	-	-	41,926
Outstanding balances transferred to LIC at expiry of cover	134	-	-	(134)	-	-
Intercompany transaction impact	-	-	-	-	(1,300)	(1,300)
Currency Impact	213	-	(50)	729	-	892
<b>Closing Balance</b>	<b>(4,060)</b>	-	<b>1,781</b>	<b>3,666</b>	-	<b>1,088</b>



## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

Group 2023

Calculation of Reinsurance Contract retroceded Liability	Liability for Remaining Cover		Liability for Incurred Claims		Intercompany Adjustment	Reinsurance Contract Liability
	Non-onerous	Loss Recovery Component	Risk Adjustment	PVFCF		
Opening Balance	(2,116)	-	458	(3,326)	-	(4,983)
Cash Inflows	(9,573)	-	-	(3,113)	-	(12,686)
Reinsurance Revenue	(59,171)	-	-	-	2,436	(56,735)
Reinsurance Service Expenses	11,826	-	113	4,469	(463)	15,945
Amounts recovered from retrocessionaire	-	-	-	3,113	-	-
Change in outstanding amounts due from retrocessionaire	-	-	-	1,356	-	-
Change in Loss Recovery Component - New loss arising in period	-	-	-	-	-	-
Change in Loss Recovery Component - Reversal	-	-	-	-	-	-
Change in Risk Adjustment	-	-	113	-	-	-
Retro Commission amortised	11,826	-	-	-	-	-
Reinsurance Finance Expenses	-	-	29	242	-	271
Cash Outflows	45,123	-	-	-	-	45,123
Outstanding balances transferred to LIC at expiry of cover	7,758	-	-	(7,758)	-	-
Intercompany transaction impact	-	-	-	-	(1,973)	(1,973)
Currency Impact	83	-	(28)	139	-	194
Closing Balance	(6,070)	-	572	(9,344)	-	(14,845)



## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The roll-forward of the net asset or liability for reinsurance contracts retroceded, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

## Corporation 2024

Calculation of Reinsurance Contract Retroceded Liability	Liability for Remaining Cover		Liability for Incurred Claims		Reinsurance Contract Retroceded Liability
	Non-onerous	Loss Recovery Component	Risk Adjustment	PVFCF	
<b>Opening Balance</b>	<b>(5,024)</b>	-	<b>204</b>	<b>(4,166)</b>	<b>(8,986)</b>
Cash Inflows	(4,688)	-	-	-	(4,688)
Reinsurance Revenue	(24,861)	-	-	-	(24,861)
Reinsurance Service Expenses	3,911	-	1,126	10,706	15,744
Amounts recovered from reinsurers				10,706	
Change in outstanding amounts due from reinsurers					
Change in Loss Recovery Component - New loss arising in period					
Change in Loss Recovery Component - Reversal					
Change in Risk Adjustment			1,126		
Reinsurer Commission amortised	3,911				
Reinsurance Finance Expenses	-	-	14	(27)	(13)
Cash Outflows	29,737	-	-	-	29,737
Outstanding balances transferred to LIC at expiry of cover	(497)	-	-	497	-
Currency Impact	76	-	(34)	(116)	(75)
<b>Closing Balance</b>	<b>(1,346)</b>	-	<b>1,310</b>	<b>6,894</b>	<b>6,858</b>



## Notes to the Financial Statements (continued)

## 7. REINSURANCE CONTRACTS AND REINSURANCE CONTRACTS RETROCEDED (continued)

## 7.1 Roll-forward of net asset or liability for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims) (continued)

The Group aggregates information to provide disclosure in respect of reinsurance contracts issued and reinsurance contracts retroceded. The roll-forward of the net asset or liability for reinsurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

## Corporate 2024

Calculation of Reinsurance Contract Retroceded Liability	Liability for Remaining Cover		Liability for Incurred Claims		Reinsurance Contract Liability
	Non-onerous	Loss Recovery Component	Risk Adjustment	PVFCF	
<b>Opening Balance</b>	<b>(403)</b>	-	<b>230</b>	<b>(890)</b>	<b>(1,063)</b>
Cash Inflows	(6,348)	-	-	(2,665)	(9,013)
Reinsurance Revenue	(43,523)	-	-	-	(43,523)
Reinsurance Service Expenses	8,533	-	(19)	2,623	11,138
Amounts recovered from retrocessionaire	-	-	-	2,665	-
Change in outstanding amounts due from retrocessionaire	-	-	-	(42)	-
Change in Loss Recovery Component - New loss arising in period	-	-	-	-	-
Change in Loss Recovery Component - Reversal	-	-	-	-	-
Change in Risk Adjustment	-	-	(19)	-	-
Retro Commission amortised	8,533	-	-	-	-
Reinsurance Finance Expenses	-	-	15	128	143
Cash Outflows	33,355	-	-	-	33,355
Outstanding balances transferred to LIC at expiry of cover	3,218	-	-	(3,218)	-
Currency Impact	143	-	(21)	(144)	(22)
<b>Closing Balance</b>	<b>(5,025)</b>	-	<b>205</b>	<b>(4,166)</b>	<b>(8,986)</b>





## Notes to the Financial Statements (continued)

## 8. OTHER ASSETS

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Sundry receivables	<b>4,420</b>	697	<b>686</b>	463
Other receivables	<b>5,439</b>	2,452	<b>2,507</b>	-
Defined benefit obligation (31a (i))	<b>803</b>	236	<b>803</b>	236
Loans to staff	<b>572</b>	554	<b>572</b>	467
	<b>11,234</b>	3,939	<b>4,568</b>	1,166



## Notes to the Financial Statements (continued)

### 9. PROPERTY AND EQUIPMENT

#### Group 2024

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2024	3,739	369	2,211	1,392	2,530	10,241
Additions	-	58	649	186	3,526	4,419
Transfer/reclassification	-	-	-	-	-	-
Disposals	-	(7)	(137)	-	-	(144)
Revaluation adjustment	24	-	-	-	-	24
Translation difference	-	-	1	1	-	2
<b>At 31 December 2024</b>	<b>3,763</b>	<b>420</b>	<b>2,724</b>	<b>1,579</b>	<b>6,056</b>	<b>14,542</b>
Accumulated Depreciation	-	-	-	-	-	-
At 1 January 2024	46	281	1,171	1,066	-	2,564
Charge for the year	41	58	328	160	-	587
Disposals	-	(2)	(132)	-	-	(134)
Translation difference	-	-	-	-	-	-
<b>At 31 December 2024</b>	<b>87</b>	<b>337</b>	<b>1,367</b>	<b>1,246</b>	<b>-</b>	<b>3,017</b>
<b>Net Book value At 31 December 2024</b>	<b>3,676</b>	<b>83</b>	<b>1,357</b>	<b>353</b>	<b>6,056</b>	<b>11,525</b>

There were no capitalized borrowing costs related to the acquisition of equipment during the year.



## Notes to the Financial Statements (continued)

### 9. PROPERTY AND EQUIPMENT (continued)

Group 2023

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2023	1,761	419	1,584	1,353	-	5,117
Additions	-	92	666	179	2,530	3,467
Transfer/reclassification	1,846	-	-	-	-	1,846
Disposals	-	(57)	(62)	(118)	-	(237)
Revaluation adjustment	89	-	-	-	-	89
Translation difference	43	(85)	23	(22)	-	(41)
At 31 December 2023	3,739	369	2,211	1,392	2,530	10,241
Accumulated Depreciation						
At 1 January 2023	5	248	916	955	-	2,124
Charge for the year	41	50	263	124	-	478
Disposals	-	(17)	(8)	(13)	-	(38)
Translation difference	-	-	-	-	-	-
At 31 December 2023	46	281	1,171	1,066	-	2,564
Net Book value At 31 December 2023	3,693	88	1,040	326	2,530	7,677

There were no capitalized borrowing costs related to the acquisition of equipment during the year.



## Notes to the Financial Statements (continued)

## 9. PROPERTY AND EQUIPMENT (continued)

## Corporation 2024

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2024	3,291	337	1,119	780	2,530	8,057
Additions	-	35	416	174	3,526	4,151
Transfer/ reclassification	-	-	-	-	-	-
Disposal	-	-	(62)	-	-	(62)
<b>At 31 December 2024</b>	<b>3,291</b>	<b>372</b>	<b>1,473</b>	<b>954</b>	<b>6,056</b>	<b>12,146</b>
Accumulated Depreciation						
At 1 January 2024	37	282	660	699	-	1,678
Charge for the year	37	37	152	95	-	321
Disposal	-	-	(62)	-	-	(62)
<b>At 31 December 2024</b>	<b>74</b>	<b>319</b>	<b>750</b>	<b>794</b>	<b>-</b>	<b>1,937</b>
<b>Net Book value At 31 December 2024</b>	<b>3,217</b>	<b>53</b>	<b>723</b>	<b>160</b>	<b>6,056</b>	<b>10,209</b>



## Notes to the Financial Statements (continued)

## 9. PROPERTY AND EQUIPMENT (continued)

Corporation 2023

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2023	1,445	323	892	800	-	3,460
Additions		70	227	99	2,530	2,926
Transfer/ reclassification	1,846	-	-	-	-	1,846
Disposal	-	(56)	-	(119)	-	(175)
At 31 December 2023	3,291	337	1,119	781	2,530	8,057
Accumulated Depreciation						
At 1 January 2023	-	262	520	638	-	1,420
Charge for the year	37	37	140	74	-	288
Disposal	-	(17)	-	(13)	-	(30)
At 31 December 2023	37	282	660	699	-	1,678
Net Book value At 31 December 2023	3,254	55	459	81	2,530	6,379

There were no capitalized borrowing costs related to the acquisition of equipment during the year.



## Notes to the Financial Statements (continued)

### 10. INTANGIBLE ASSETS

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
At 1 January	938	1,390	920	1,368
Acquisitions	438	208	438	208
Disposal	-	(656)	-	(656)
Translation adjustment	(3)	(4)	-	-
At 31 December	1,373	938	1,358	920
Amortization				
At 1 January	709	1,077	695	1,065
Amortization for the year	69	24	65	24
Disposal	-	(390)	-	(394)
Translation adjustment	(4)	(2)	-	-
At 31 December	774	709	760	695
<b>Net book value</b>	<b>599</b>	<b>229</b>	<b>598</b>	<b>225</b>

There were no capitalized borrowing costs related to the acquisition of computer software during the year. (2023: Nil).



## Notes to the Financial Statements (continued)

## 11. RIGHT OF USE ASSET

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
At 1 January	2,046	2,267	1,781	1,919
Addition	770	151	770	151
Modification	(47)	(290)	(47)	(289)
Translation adjustment	(13)	(82)	(17)	-
At 31 December	2,756	2,046	2,487	1,781
Accumulated depreciation				
At 1 January	1,548	1,403	1,453	1,313
Charge for the year	630	172	598	140
Translation adjustment	(33)	(27)	(28)	-
At 31 December	2,145	1,548	2,023	1,453
<b>Net book value</b>	<b>611</b>	<b>498</b>	<b>464</b>	<b>328</b>



## Notes to the Financial Statements (continued)

## 12. INVESTMENT PROPERTIES

## Group 2024

In thousands of United States Dollars	Office space	Work in progress	Total
At 1 January	7,885	9,591	17,476
Additions	-	10,326	10,326
Fair value (loss)/ gain	(25)	-	(25)
	7,860	19,917	27,777

## Group 2023

In thousands of United States Dollars	Office space	Work in progress	Total
At 1 January	9,515	39	9,554
Additions	50	9,552	9,602
Transfer to PPE	(1,846)	-	(1,846)
Fair value (loss)/ gain	166	-	166
	7,885	9,591	17,476

## Corporation 2024

In thousands of United States Dollars	Office space	Work in progress	Total
At 1 January	7,435	9,591	17,026
Additions	-	8,435	8,435
Fair value (loss)/ gain	-	-	-
	7,435	18,026	25,461

## Corporation 2023

In thousands of United States Dollars	Office space	Work in progress	Total
At 1 January	9,231	39	9,270
Additions	50	9,552	9,602
Transfer to PPE	(1,846)	-	(1,846)
Fair value (loss)/ gain	-	-	-
	7,435	9,591	17,026

The Group's investment properties consist of landed properties in England and Ghana acquired by WAICA Reinsurance Corporation Plc in 2016 and a landed property of US\$570,400 owned by WAICA Re Zimbabwe (Pvt). The landed property owned by WAICA Re Zimbabwe (Pvt) was revalued downwards to US\$ 287,500 based on a valuation exercise carried out in 2020. As at 31 December 2024 and 2023, the fair values of the properties are based on valuations performed by GreenPlan (private) Limited, an accredited independent valuer. All valuers are specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Rental income derived from investment properties	5	-	-	-
Direct operating expenses (including repairs and maintenance) generating rental income (included in management expense)	-	-	-	-
Profit arising from investment properties carried at fair value	5	-	-	-

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.





## Notes to the Financial Statements (continued)

## 12. INVESTMENT PROPERTIES (continued)

## Fair value measurement (continued)

## Group 2024

In thousands of United States Dollars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property	Dec 2024	25,461	-	-	25,461
Undeveloped Industrial Land		2,316	-	-	2,316
		27,777	-	-	27,777

## Group 2023

In thousands of United States Dollars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property	Dec 2023	17,026	-	-	17,026
Undeveloped Industrial Land		450	-	-	450
		17,476	-	-	17,476

## Corporation 2024

In thousands of United States Dollars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property		25,461	-	-	25,461
Undeveloped Industrial Land		-	-	-	-
		25,461	-	-	25,461



## Notes to the Financial Statements (continued)

## 12. INVESTMENT PROPERTIES (continued)

## Fair value measurement (continued)

Corporation 2023

In thousands of United States Dollars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property		17,026	-	-	17,026
Undeveloped Industrial Land		-	-	-	-
		17,026	-	-	17,026

## Description of valuation techniques used and key inputs to valuation of investment properties:

## Group 2024

	Valuation technique	Significant unobservable inputs Total	Range (weighted average)	
	Date of Valuation		2024	2023
Office property	Estimated rental value per sqm per month		-	-
	Rent growth p.a.		-	-
	Long-term vacancy rate		-	-
	Discount rate		-	-
Undeveloped Industrial Land	<b>Direct Comparism Approach</b>			
	Average land per square metre		12.5-13.75	10-15
	<b>Depreciated Replacement Cost Method</b>			
	Average land per square metre		11.5-13.5	326 -32



## Notes to the Financial Statements (continued)

### 12. INVESTMENT PROPERTIES (continued)

#### Fair value measurement (continued)

Using the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.



## Notes to the Financial Statements (continued)

## 13. TAXATION

## 13a. Income tax expense

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Current year income tax	5,541	1,608	-	-
Deferred tax movement	(2,640)	1,678	-	-
	2,901	3,286	-	-

## 13b. Current tax (asset)/liabilities

## Group 2024

	Balance at 1 January	Payment during the year	Charge/ credit for the year	Impact of exchange rate fluctuation	Balance at 31 December
Up to 2019	42	-	-	-	42
2020	665	-	-	-	665
2021	145	-	-	-	145
2022	56	-	-	-	56
2023	(1,330)	-	-	-	(1,330)
2024	-	(1,542)	5,540	(35))	3,963
	(422)	(1,542)	5,540	(35)	3,541

## 13b. Current tax (asset)/liabilities

## Group 2023

	Balance at 1 January	Payment during the year	Charge/ credit for the year	Impact of exchange rate fluctuation	Balance at 31 December
Up to 2019	42	-	-	-	42
2020	665	-	-	-	665
2021	145	-	-	-	145
2022	56	-	-	-	56
2023	-	(2,994)	1,608	56	(1,330)
	908	(2,994)	1,608	56	(422)**

\*\* Corporate tax breakdown as disclosed in the financial statements is as follows:

Corporate tax assets **478**  
 Corporate tax liability **(56)**  
**422\*\***



## Notes to the Financial Statements (continued)

### 13. TAXATION (continued)

#### 13c. Effective Tax Reconciliation

In thousands of United States Dollars	Group	
	2024	2023
Profit before tax	37,435	39,329
Income tax using domestic tax rate (30%)	11,231	11,799
Tax effect of expenses not deductible	37	107
Tax effect of temporary difference	255	740
Tax on exempt income	(8,426)	(8,153)
Income subjected to tax at a different rate @25%	(5)	(22)
Income tax using domestic tax rate @25.75%	(191)	(1,185)
	2,901	3,286
Effective Income Tax rate,	7.75%	8.36%

#### 13d. Deferred tax (assets)/liabilities

The following table shows deferred tax recorded in the statement of financial position:

Deferred tax assets	Group	
	2024	2023
Opening balance	(45)	(1,272)
Charged to income statements	(1,454)	1,165
Translation difference	28	62
Balance 31 December	(1,471)	(45)
<b>Deferred tax liabilities</b>	<b>2024</b>	<b>2023</b>
Opening balance	2,514	2,024
Charged to income statements	(1,186)	513
Translation difference	(51)	(23)
Balance 31 December	1,277	2,514



## Notes to the Financial Statements (continued)

## 14. TRADE AND OTHER PAYABLES

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Accruals	983	1,016	410	454
Other creditors	6,570	240	5,350	187
Lease liability (14a)	479	459	315	230
	8,032	1,715	6,075	871

The estimated fair values of accounts due to other trading parties and trade payables are the amounts repayable on demand. All trade and other payables are current liabilities.

## (a.) The lease liabilities:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
At 1 January	459	912	230	598
Additions	770	150	770	150
Modification	(135)	(289)	(46)	(289)
Accretion of interest	60	85	34	38
Translation difference	44	134	-	200
Payments	(719)	(533)	(673)	(467)
	479	459	315	230

## The total cash outflow for lease in the year was:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Lease interest payment	60	85	34	38
Lease principal portion payment	659	448	639	429
	719	533	673	467

## The lease liabilities are split as follows:

Future minimum lease payments under non-cancellable operating leases as at 31 December were as follows:

Maturity analysis of lease liability In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Within one year	417	456	375	270
After one year but not more than five years	122	176	-	44
More than five years	-	-	-	-
	539	632	375	314

## The following are the amounts recognised in profit or loss:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Depreciation expense of right-of-use assets	630	172	598	140
Interest expense on lease liabilities	60	85	34	38
Expense relating to short-term leases (included in rent expenses)	120	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>810</b>	<b>257</b>	<b>632</b>	<b>178</b>



## Notes to the Financial Statements (continued)

## 15. DEFERRED INCOME

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Land from Government	1,143	1,143	1,143	1,143

Deferred income is a government grant that relates to a piece of land given to the Corporation by the government of Sierra Leone for the purpose of erecting its Head Office, which construction commence in 2023. The Directors have taken a decision to recognise this grant in the statement of profit or loss and other comprehensive income over the life of the building when completed and put to use.

## 16. SHARE CAPITAL

In thousands of United States Dollars	2024		2023	
	No of shares	Amount	No of shares	Amount
<b>Authorised:</b>				
Ordinary shares	100,000	100,000	100,000	100,000
<b>Issued and fully paid:</b>				
At 1 January	57,805	57,805	49,083	49,083
Additional shares issued	-	-	8,722	8,722
<b>At 31 December</b>	<b>57,805</b>	<b>57,805</b>	<b>57,805</b>	<b>57,805</b>

## 17. SHARE PREMIUM

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Balance at 1 January	30,633	15,793	30,633	15,793
Addition	-	14,840	-	14,840
<b>Balance at 31 December</b>	<b>30,633</b>	<b>30,633</b>	<b>30,633</b>	<b>30,633</b>

## 18. RETAINED EARNINGS

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Balance at 1 January	55,442	31,093	37,006	21,604
Net profit for the year	34,534	36,043	28,086	27,175
Transfer to contingency reserves	(5,617)	(5,600)	(5,617)	(5,600)
Transaction cost: right offer	-	-	-	(79)
Bonus share issued	-	(94)	-	(94)
Transfer from/(to) regulatory reserves	-	-	-	-
Dividend to Shareholders	(8,000)	(6,000)	(8,000)	(6,000)
<b>Balance at 31 December</b>	<b>76,359</b>	<b>55,442</b>	<b>51,475</b>	<b>37,006</b>

## 19. CONTINGENCY RESERVE

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Balance at 1 January	25,825	20,225	25,825	20,225
Transfer from retained earnings	5,617	5,600	5,617	5,600
<b>Balance at 31 December</b>	<b>31,442</b>	<b>25,825</b>	<b>31,442</b>	<b>25,825</b>

The above amount represents contingent reserves to cover fluctuations in securities and variations in statistical estimates.



## Notes to the Financial Statements (continued)

## 20. FOREIGN CURRENCY TRANSLATION RESERVE

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Balance at 1 January	(11,107)	(7,952)	-	-
Movement during the year	2,697	(3,155)	-	-
<b>Balance at 31 December</b>	<b>(8,410)</b>	<b>(11,107)</b>	<b>-</b>	<b>-</b>

## 21. OTHER RESERVES

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Balance at 1 January	54	(7)	(399)	(241)
Net actuarial gains/(losses) on employee benefit obligation	331	61	348	(158)
<b>Balance at 31 December</b>	<b>385</b>	<b>54</b>	<b>(51)</b>	<b>(399)</b>

Other reserves represent net actuarial gains/(loss) on the defined benefit obligation of the Corporation.

## 22. CAPITAL RESERVE

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Balance at 1 January	518	518	-	-
<b>Balance at 31 December</b>	<b>518</b>	<b>518</b>	<b>-</b>	<b>-</b>

The capital reserve represents bargain gains on the acquisition of the Zimbabwe subsidiary.

## 23. REINSURANCE REVENUE

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Property & engineering	165,492	162,066	106,989	116,235
Motor	5,286	6,476	3,469	5,251
Casualty	36,639	38,443	15,413	19,396
Marine & aviation	12,069	17,953	10,074	15,398
Oil & gas	21,208	24,986	21,022	24,810
Life	4,980	5,776	4,574	5,573
	<b>245,674</b>	<b>255,700</b>	<b>161,541</b>	<b>186,663</b>





## Notes to the Financial Statements (continued)

## 24. REINSURANCE SERVICE EXPENSE

The breakdown of reinsurance service expenses by major product lines is presented below:

## Group 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Incurred claims and reinsurance contract expenses	58,547	2,622	14,859	1,434	19,250	1,979	98,691
Amortisation of reinsurance acquisition cash flows	48,792	1,253	11,685	3,256	3,556	4,415	72,957
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	-	-	-	-	-
	107,339	3,875	26,544	4,690	22,806	6,394	171,648

## Group 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Incurred claims and reinsurance contract expenses	(55,669)	(2,999)	(13,898)	(5,012)	(2,337)	(3,404)	(83,319)
Amortisation of reinsurance acquisition cash flows	(48,746)	(1,638)	(11,141)	(5,002)	(5,378)	(2,427)	(74,332)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	-	-	-	-	-
	(104,415)	(4,637)	(25,039)	(10,014)	(7,715)	(5,831)	(157,651)



## Notes to the Financial Statements (continued)

## 24. REINSURANCE SERVICE EXPENSE (continued)

The breakdown of reinsurance service expenses by major product lines is presented below: (continued)

## Corporation 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Incurred claims and reinsurance contract expenses	40,080	1,116	3,223	33	19,239	1,601	<b>65,292</b>
Amortisation of reinsurance acquisition cash flows	33,084	714	4,914	2,681	3,503	4,316	<b>49,212</b>
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	-	-
<b>Changes to liabilities for incurred claims</b>	-	-	-	-	-	-	-
	<b>73,164</b>	<b>1,830</b>	<b>8,137</b>	<b>2,714</b>	<b>22,742</b>	<b>5,917</b>	<b>114,504</b>

## Corporation 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Incurred claims and reinsurance contract expenses	(37,543)	(1,921)	(4,291)	(3,562)	(2,328)	(3,322)	(52,967)
Amortisation of reinsurance acquisition cash flows	(35,758)	(1,352)	(6,110)	(4,284)	(5,326)	(2,392)	(55,222)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	-	-	-	-	-
	<b>(73,301)</b>	<b>(3,273)</b>	<b>(10,401)</b>	<b>(7,846)</b>	<b>(7,654)</b>	<b>(5,714)</b>	<b>(108,189)</b>



## Notes to the Financial Statements (continued)

## 25. NET EXPENSE FROM REINSURANCE CONTRACTS RETROCEDED

## Group 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Allocation of retroceded premiums	(18,642)	426	(1,980)	(3,771)	(7,630)	17	<b>(31,580)</b>
Amounts recoverable from retrocessionaire for incurred claims	4,621	5	(492)	169	10,390	(2)	<b>14,691</b>
	<b>(14,021)</b>	<b>431</b>	<b>(2,472)</b>	<b>(3,602)</b>	<b>2,760</b>	<b>15</b>	<b>(16,889)</b>

## Group 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Allocation of retroceded premiums	25,117	295	4,766	4,338	10,780	76	45,372
Amounts recoverable from retrocessionaire for incurred claims	(3,991)	19	(1,074)	(77)	543	(2)	(4,582)
	21,126	314	3,692	4,261	11,323	74	40,790



## Notes to the Financial Statements (continued)

## 25. NET EXPENSE FROM REINSURANCE CONTRACTS RETROCEDED (continued)

## Corporation 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Allocation of retroceded premiums	(8,490)	231	(1,550)	(3,591)	(7,561)	11	(20,950)
Amounts recoverable from retrocessionaire for incurred claims	1,563	(1)	(111)	(8)	10,390	-	11,833
	<b>(6,927)</b>	<b>230</b>	<b>(1,661)</b>	<b>(3,599)</b>	<b>2,829</b>	<b>11</b>	<b>9,117</b>

## Corporation 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Allocation of retroceded premiums	16,958	250	3,071	3,915	10,725	71	34,990
Amounts recoverable from retrocessionaire for incurred claims	(2,892)	-	(251)	(5)	543	-	(2,605)
	14,066	250	2,820	3,910	11,268	71	32,385



## Notes to the Financial Statements (continued)

26. INTEREST REVENUE CALCULATED USING  
THE EFFECTIVE INTEREST METHOD:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Bonds	4,816	2,952	3,934	2,070
Term deposit	5,602	4,120	3,076	3,389
Treasury bills	1,521	1,072	1,068	390
	11,939	8,144	8,078	5,849

## 27. IMPAIRMENT LOSS ON FINANCIAL ASSETS

The table below shows the Expected Credit Loss charges on financial instruments for the year recorded in the income statement:

## Group 2024

	12mECL US\$'000	LTECL US\$'000	Total US\$'000
Government Bonds	-	(3,435)	(3,435)
Term deposit	(735)	-	(735)
Treasury bills	85	-	85
At 31 December 2024	(650)	(3,435)	4,085

## Group 2023

	12mECL US\$'000	LTECL US\$'000	Total US\$'000
Government Bonds	(1,079)	(712)	(1,791)
Term deposit	446	-	446
Treasury bills	38	-	38
At 31 December 2023	(595)	(712)	(1,307)

## Corporation 2024

	12mECL US\$'000	LTECL US\$'000	Total US\$'000
Government Bonds	-	(3,435)	(3,435)
Term deposit	(1,112)	-	(1,112)
Treasury bills	85	-	85
At 31 December 2024	(1,027)	(3,435)	(4,462)

## Corporation 2023

	12mECL US\$'000	LTECL US\$'000	Total US\$'000
Government Bonds	(1,156)	(712)	(1,868)
Term deposit	369	-	369
Treasury bills	(40)	-	(40)
At 31 December 2023	(827)	(712)	(1,539)



## Notes to the Financial Statements (continued)

## 28. REINSURANCE FINANCE EXPENSES FOR REINSURANCE CONTRACTS ISSUED

## Group 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts using current financial assumptions	4,571	344	1,218	451	96	340	<b>7,020</b>
Due to Changes in interest rates and other financial assumptions	80	24	124	(7)	(49)	(9)	<b>163</b>
	<b>4,651</b>	<b>368</b>	<b>1,342</b>	<b>444</b>	<b>47</b>	<b>331</b>	<b>7,183</b>

## Group 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts using current financial assumptions	2,446	244	407	246	203	289	3,835
Due to Changes in interest rates and other financial assumptions	(432)	-	(75)	(21)	(28)	(51)	(607)
	<b>2,014</b>	<b>244</b>	<b>332</b>	<b>225</b>	<b>175</b>	<b>238</b>	<b>3,228</b>



## Notes to the Financial Statements (continued)

## 28. REINSURANCE FINANCE EXPENSES FOR REINSURANCE CONTRACTS ISSUED

## Corporation 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts using current financial assumptions	2,711	255	476	316	94	317	<b>4,169</b>
Due to Changes in interest rates and other financial assumptions	(273)	13	16	(28)	(48)	(11)	<b>(331)</b>
	<b>2,438</b>	<b>268</b>	<b>492</b>	<b>288</b>	<b>46</b>	<b>306</b>	<b>3,838</b>

## Corporation 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts using current financial assumptions	1,956	217	311	254	202	274	3,214
Due to Changes in interest rates and other financial assumptions	(286)	4	(40)	(18)	(28)	(47)	(415)
	1,670	221	271	236	174	227	2,799



## Notes to the Financial Statements (continued)

## 29. REINSURANCE FINANCE INCOME FOR REINSURANCE CONTRACTS RETROCEDED

## Group 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts retroceded using current financial assumptions	376	-	81	11	(148)	-	<b>320</b>
Due to Changes in interest rates and other financial assumptions	1	-	9	(1)	2	-	<b>11</b>
<b>Total</b>	<b>377</b>	<b>-</b>	<b>90</b>	<b>10</b>	<b>(146)</b>	<b>-</b>	<b>331</b>

## Group 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts retroceded using current financial assumptions	(271)	(2)	(3)	(1)	(29)	-	(306)
Due to Changes in interest rates and other financial assumptions	30	-	2	-	3	-	35
<b>Total</b>	<b>(241)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>(26)</b>	<b>-</b>	<b>(271)</b>





## Notes to the Financial Statements (continued)

## 29. REINSURANCE FINANCE INCOME FOR REINSURANCE CONTRACTS RETROCEDED

## Corporation 2024

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts retroceded using current financial assumptions	132	-	12	2	(147)	-	(1)
Due to Changes in interest rates and other financial assumptions	(13)	-	1	-	-	-	(12)
<b>Total</b>	<b>119</b>	<b>-</b>	<b>13</b>	<b>2</b>	<b>(147)</b>	<b>-</b>	<b>(13)</b>

## Corporation 2023

In thousands of United States Dollars	Property & engi- neering	Motor	Casualty	Marine & aviation	Oil & gas	Life	Total
Interest accreted to reinsurance contracts retroceded using current financial assumptions	(122)	-	(11)	(3)	(29)	-	(165)
Due to Changes in interest rates and other financial assumptions	17	-	2	-	3	-	22
<b>Total</b>	<b>(105)</b>	<b>-</b>	<b>(9)</b>	<b>(3)</b>	<b>(26)</b>	<b>-</b>	<b>(143)</b>

## 30. OTHER INCOME

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Gain on disposal	121	-	15	-
Sundry income	287	411	-	1
Others	563	2,312	1,000	389
	<b>971</b>	<b>2,723</b>	<b>1,015</b>	<b>390</b>



## Notes to the Financial Statements (continued)

## 31. MANAGEMENT EXPENSES

## (a) Management expenses is analyzed as follows:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Personnel expenses (i)	10,971	8,346	7,135	5,426
Other expenses (ii)	12,780	11,606	9,147	8,232
	23,751	19,952	16,282	13,658

## (i) Personnel expenses

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Salaries and wages	9,744	7,708	6,353	5,046
Other employee benefits	231	288	231	288
Other staff cost	996	350	551	92
	10,971	8,346	7,135	5,426

## Other Employee Benefits

The Group maintains a post-employment defined benefit plan in accordance with statutory requirements, which entitles an employee to receive a lump sum payment when leaving the employment of the Group, whether due to resignation, retirement or death. The lump sum payment is determined by the final basic salary and number of years of service provided. These defined benefit plans expose the Group to actuarial risks such as interest rate risk.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the statement of financial position for the respective plans:

## Net benefit expense (recognised in profit or loss)

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Current service cost	247	230	247	230
Interest cost	(16)	58	(16)	58
Past service cost	-	-	-	-
	231	288	231	288



## Notes to the Financial Statements (continued)

## 31. MANAGEMENT EXPENSES (continued)

## (a) Management expenses is analyzed as follows: (continued)

## Movement in net defined benefit liability

## 2024 Changes in the defined benefit obligation and fair value of plan assets

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its component.

In thousands of United States Dollars	1 January 2024	Pension cost charged to profit or loss			Benefits paid/ Employer contribution	Pension cost charged to profit or loss				31 December 2024
		Service cost	Net interest expense	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	
Defined benefit obligations	1,978	247	147	394	(451)	-	(69)	(370)	(439)	1,482
Fair value of plan assets	(2,214)	-	(163)	(163)	-	92	-	-	92	(2,285)
<b>Net defined benefit liability (asset)</b>	<b>(236)</b>	<b>247</b>	<b>(16)</b>	<b>231</b>	<b>(451)</b>	<b>92</b>	<b>(69)</b>	<b>(370)</b>	<b>(348)</b>	<b>(803)</b>

In thousands of United States Dollars	1 January 2023	Pension cost charged to profit or loss			Benefits paid/ Employer contribution	Pension cost charged to profit or loss				31 December 2023
		Service cost	Net interest expense	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	
Defined benefit obligations	1,699	230	123	353	(180)	-	(2)	109	107	1,978
Fair value of plan assets	(904)	-	(65)	(65)	(1,296)	51	-	-	51	(2,214)
<b>Net defined benefit liability (asset)</b>	<b>795</b>	<b>230</b>	<b>58</b>	<b>288</b>	<b>(1,476)</b>	<b>51</b>	<b>(2)</b>	<b>109</b>	<b>158</b>	<b>(236)</b>



## Notes to the Financial Statements (continued)

### 31. MANAGEMENT EXPENSES (continued)

#### (a) Management expenses is analyzed as follows: (continued)

##### Plan assets

Plan assets comprise the following:

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Term deposits	2,285	2,214	2,285	2,214

##### Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date:

	2024	2023
Discount rate	8.10%	7.36%
Salary inflation	5.50%	5.5%
Normal salary inflation gap	3%	3%
Effective salary inflation gap	2.5%	2.5%

A quantitative sensitivity analysis for significant assumptions as at 31 December is, as shown below:

In thousands of United States Dollars		Group		Corporation	
		Impact on defined benefit obligation			
		2024	2023	2024	2023
Discount rate	+1	(81)	(140)	(81)	(140)
	-1	96	166	96	166
Salary increases rate	+1	98	174	98	174
	-1	(84)	(149)	(84)	(149)
Mortality experience	Up by 1 Year	1	1	1	1
	Down by 1 Year	(1)	(1)	(1)	(1)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

#### (ii) Other expenses

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Advertising and business promotion	1,196	1,024	809	705
Audit fees	143	154	87	87
Depreciation and amortization	1,286	673	984	453
Utility bills	83	97	80	88
Legal and professional fees	2,224	1,225	1,730	974
Directors' fees	816	714	546	487
Dues, subscriptions, and donation	567	461	88	55
Business, license & permit	36	49	8	1
Bank charges	680	694	612	669
Meals and entertainment	54	44	54	39
Rent expense	120	76	-	-
Clearing/balancing	-	131	-	249
Taxation irrecoverable	30	239	30	198
Motor running expenses	74	69	37	37
Communication expenses	296	303	152	180
Printing and stationery	28	74	24	69
Travelling and marketing	814	764	684	470
Meetings, conferences and training	594	1,165	409	744
Repairs and maintenance	63	76	40	34
Other operating cost	3,347	2,839	2,519	2,104
Insurance	329	270	254	231
Loss on disposal	-	465	-	358
	12,780	11,606	9,147	8,232



## Notes to the Financial Statements (continued)

## 32. FINANCIAL INSTRUMENTS – FAIR VALUES

## (a) Accounting classifications and fair values

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

## Group 2024

In thousands of United States Dollars	Amortised cost	FVPL	Other financial liabilities	Total	Fair value			
					Level 1	Level 2	Level 3	Total
<b>Assets</b>								
Cash and bank balances	-	20,638	-	20,638	-	20,638	-	20,638
Financial assets	164,100	28,671	-	192,771	-	164,100	28,671	192,771
Other assets	10,068	-	-	10,068	-	10,068	-	10,068
	<b>174,168</b>	<b>49,309</b>	<b>-</b>	<b>223,477</b>	<b>-</b>	<b>194,806</b>	<b>28,671</b>	<b>223,477</b>
<b>Liabilities</b>								
Trade and other payables	-	-	7,174	7,174	-	7,174	-	7,174
	<b>-</b>	<b>-</b>	<b>7,174</b>	<b>7,174</b>	<b>-</b>	<b>7,174</b>	<b>-</b>	<b>7,174</b>



## Notes to the Financial Statements (continued)

## 32. FINANCIAL INSTRUMENTS – FAIR VALUES (continued)

## (a) Accounting classifications and fair values (continued)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Group 2023

In thousands of United States Dollars	Amortised cost	FVPL	Other financial liabilities	Total	Fair value			
					Level 1	Level 2	Level 3	Total
Assets								
Cash and bank balances	-	23,083	-	23,083	-	23,083	-	23,083
Financial assets	180,747	4,740	-	185,487	-	180,747	4,740	185,487
Other assets	3,939	-	-	3,939	-	3,939	-	3,939
	184,686	27,823	-	212,509	-	207,769	4,740	212,509
Liabilities								
Trade and other payables	-	-	1,715	1,715	-	1,715	-	1,715
	-	-	1,715	1,715	-	1,715	-	1,715



## Notes to the Financial Statements (continued)

## 32. FINANCIAL INSTRUMENTS – FAIR VALUES (continued)

## (a) Accounting classifications and fair values (continued)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

## Corporation 2024

In thousands of United States Dollars	Amortised cost	FVPL	Other financial liabilities	Total	Fair value			
					Level 1	Level 2	Level 3	Total
<b>Assets</b>								
Cash and bank balances	17,885	-	-	17,885	-	17,885	-	17,885
Financial assets	106,006	47,819	-	153,825	-	106,006	47,819	153,825
Other assets	4,229	-	-	4,229	-	4,229	-	4,229
	<b>128,120</b>	<b>47,819</b>	<b>-</b>	<b>175,939</b>	<b>-</b>	<b>128,120</b>	<b>47,819</b>	<b>175,939</b>
<b>Liabilities</b>								
Trade and other payables	-	-	5,215	5,215	-	5,215	-	5,215
	<b>-</b>	<b>-</b>	<b>5,215</b>	<b>5,215</b>	<b>-</b>	<b>5,215</b>	<b>-</b>	<b>5,215</b>



## Notes to the Financial Statements (continued)

## 32. FINANCIAL INSTRUMENTS – FAIR VALUES (continued)

## (a) Accounting classifications and fair values (continued)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Corporation 2023

In thousands of United States Dollars	Amortised cost	FVPL	Other financial liabilities	Total	Fair value			
					Level 1	Level 2	Level 3	Total
Assets								
Cash and bank balances	-	21,356	-	21,356	-	21,356	-	21,356
Financial assets	134,017	23,456	-	157,473	-	134,017	23,456	157,473
Other assets	1,166	-	-	1,166	-	1,166	-	1,166
	135,183	44,812	-	179,995	-	156,539	23,456	179,995
Liabilities								
Trade and other payables	-	-	871	871	-	871	-	871
	-	-	871	871	-	871	-	871





## Notes to the Financial Statements (continued)

### 32. FINANCIAL INSTRUMENTS – FAIR VALUES (continued)

#### (b) Measurement of fair values

See accounting policy in note 3.4

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

#### Valuation models

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and polynomial option pricing models and other valuation models. Assumptions

and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

The Director of Finance has overall responsibility for verifying all significant fair value measurements. Specific controls include:

- verification of observable pricing;
- re-performance of model valuations;



## Notes to the Financial Statements (continued)

## 32. FINANCIAL INSTRUMENTS – FAIR VALUES (continued)

## (b) Measurement of fair values (continued)

- quarterly calibration and back-testing of models against observed market transactions; and
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous measurement.

When third party information, such as broker quotes or pricing services, is used to measure fair value, these would be assessed and documented to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- verifying that the broker or pricing service is approved by the Group for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

## Financial instruments measured at fair value – fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

## Group 2024

	Level 1	Level 2	Level 3	Total fair value
Cash and bank balances	-	20,638	-	20,638
Investment –Non listed equities	-	-	28,671	28,671
	-	20,638	28,671	49,309

## Group 2023

	Level 1	Level 2	Level 3	Total fair value
Cash and bank balances	-	23,083	-	23,083
Investment –Non listed equities	-	-	4,740	4,740
	-	23,083	4,740	27,823

## Corporate 2024

	Level 1	Level 2	Level 3	Total fair value
Cash and bank balances	-	17,885	-	17,885
Investment –Non listed equities	-	-	47,819	47,819
	-	17,885	47,819	65,704

## Corporate 2023

	Level 1	Level 2	Level 3	Total fair value
Cash and bank balances	-	21,356	-	21,356
Investment –Non listed equities	-	-	23,456	23,456
	-	21,356	23,456	44,812

The Group has equity in non-listed entities, the investment is initially recognized at transaction price and re-measured (to the extent information is available) and valued on case-by-case basis. The fair values of equity instruments are determined using market proxy.



## Notes to the Financial Statements (continued)

## 33. DIVIDEND

In respect of the year ended 31 December 2024 result, the Board of Directors proposed a dividend of US\$ \$ 0.14705 per share amounting to US\$ 8,500,277 to be paid to existing Shareholders whose names appear in the register of the Corporation as at the date of the Annual General Meeting. (2023: Dividend of US\$8,000,261).

## 34. CAPITAL COMMITMENT

There were no capital commitments at 31 December 2024 (2023: Nil).

## 35. CONTINGENT LIABILITIES

There were no capital commitments at 31 December 2024 (2023: Nil).

## 36. RELATED PARTY DISCLOSURE

The following transactions were carried out with related parties:

## (a) Key management compensation

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Salaries and other short-term employee benefits	3,211	2,919	1,856	1,533
	3,211	2,919	1,856	1,533

## b) Director's remuneration

In thousands of United States Dollars	Group		Corporation	
	2024	2023	2024	2023
Salaries and other short-term employee benefits	816	714	546	487
	816	714	546	487

## 37. SUBSEQUENT EVENTS

There were no material significant events after the reporting date that require disclosure in or adjustment to the financial statements for the year ended 31 December 2024.