RADIANT INSURANCE COMPANY LTD
ANNUAL FINANCIAL STATEMENTS AND AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024

Content

Corporate Information

Registered Office

RADIANT INSURANCE COMPANY LIMITED
KN2 Avenue
CHIC Building
P.O. Box 1861
Kigali - Rwanda

Shareholding structure - 31 DECEMBER 2024

No	Shareholder	Share group	Number of Shares	Share Capital (Frw' 000)	Shareholding %
1	Berthe KITENGE	Ordinary Share	1,625,000	1,625,000	25.0%
2	Faustin KASHUGERA	Ordinary Share	650,000	650,000	10.0%
3	Valens RURANGWA	Ordinary Share	975,000	975,000	15.0%
4	Edouard RUTERANA	Ordinary Share	325,000	325,000	5.0%
5	Yussuf MUDAHERANWA	Ordinary Share	1,625,000	1,625,000	25.0%
6	Martin HIGIRO	Ordinary Share	650,000	650,000	10.0%
7	Ruth MUKANTABANA	Ordinary Share	325,000	325,000	5.0%
8	Phoebe KAMUGWIZA	Ordinary Share	162,500	162,500	2.5%
9	Jean Baptiste GASANGWA	Ordinary Share	162,500	162,500	2.5%
	TOTAL		**6,500,000**	**6,500,000**	**100%**

Directors

The Directors who were in office at the date of this report are indicated below:

Mr. KABAKA François Régis	Chairperson of the Board of Directors	Appointed May 2022
Mrs. NYIRANEZA Joyce	Non-Executive Director	Appointed April 2019
Mr. RUGIRAMAZA Gilbert	Non-Executive Director	Appointed September 2020
Mrs. MUKANEZA Sandra	Non-Executive Director	Appointed December 2020
Mrs. NIYONKURU Clementine	Non-Executive Director	Appointed December 2020
Mr. KARANGWA Fidel	Non-Executive Director	Appointed April 2022
Mr. MAKUZA Bernard	Non-Executive Director	Appointed December 2022

Company Secretary

SEKABUGA Emmanuel
KN2 Ave. Chic Building
P.O. Box 1861
Kigali, Rwanda

Auditors

BDO East Africa (Rwanda) Ltd
Certified Public Accountants
Career Center Building, 8th Floor
KG 541 ST-P.O. Box 6593
Kigali, Rwanda

Corporate information - Continued

BANKERS

Equity Bank Rwanda Plc
P.O. Box 494
Kigali, Rwanda

KCB Bank Rwanda Plc
P.O. Box 5612
Kigali, Rwanda

Bank of Kigali Plc
P.O. Box 175
Kigali, Rwanda

Banque Populaire du Rwanda Plc
P.O. Box 1348
Kigali Rwanda

Bank of Africa Rwanda Plc
P.O. Box 265
Kigali, Rwanda

Letshego Holdings Plc
P.O. Box 6839
Kigali, Rwanda

UNGUKA Bank Plc
P.O Box 6417
Kigali, Rwanda

I&M Bank Rwanda Plc
P.O. Box 354
Kigali, Rwanda

Ecobank Limited
P.O. Box 3268
Kigali, Rwanda

Cogebanque Plc
P.O. Box 4062
Kigali, Rwanda

Urwego Opportunity Bank Plc
P.O. Box 748
Kigali, Rwanda

ACCESS Bank Rwanda Plc
P.O Box 2059
Kigali Rwanda

Copedu Plc
P.O. Box 4053
Kigali, Rwanda

Amasezerano Community Banking
P.O Box 4691
Kigali, Rwanda

Guaranty Trust Bank (Rwanda) Plc
P.O. Box 331
Kigali, Rwanda

NCBA Plc
P.O. Box 4312
Kigali, Rwanda

Goshen Finance
P.O. Box 4787
Kigali, Rwanda

Duterimbere-IMF,Plc
P.O Box 6719
Kigali Rwanda

Umutanguha Finance Plc
P.O Box 2998
Kigali,Rwanda

Zigama Credit & Savings Society
P.o Box 4772
Kigali, Rwanda

Axon Tungana Microfinance Plc
P.O Box 6441
Kigali, Rwanda

Director's Report

The Directors submit their report together with the audited financial statements for the year ended 31 December 2024, which discloses the state of the company's affairs of Radiant Insurance Company Limited.

Incorporation

The company was incorporated in September 2012.

Principal activity

Radiant Insurance Company Limited underwrites non-life Insurance risks, such as those associated with motor, property, medical and third-party liabilities. The Company is a limited liability company incorporated and domiciled in Rwanda.

Results and dividends

The profit for the year of Frw 1.708 billion (2023: profit of Frw 376 million) has been added to retained earnings. The directors recommend the declaration of dividend equivalent to Frw 3.5 billion (2023: Nil).

Directors

The Directors who held office during the year and to the date of this report are set out on page 2.

Auditors

BDO East Africa (Rwanda) Ltd was appointed as the company's auditors for the current year and expressed their willingness to continue in office in accordance with Regulation no14/2017 of 23/11/2017 on accreditation requirements and in accordance with the Rwandan Companies Act.

Approval of the financial statements

KABAKA Francois Regis
Director Name & Signature

01/04//2025

RADIANT INSURANCE COMPANY
RADIANT
P.O.Box 1861 KIGALI - RWANDA

Corporate information- Continued

Radiant Insurance Company Ltd is accredited by the National Bank of Rwanda to provide short-term insurance. Its primary objective is to provide clients with credible, innovative and tailor-made short-term insurance products. Radiant Insurance company Ltd takes the guesswork out of insurance, by working fast and successfully delivering fit-for-purpose market-leading insurance products and practices to clients across Rwanda.

Board of Directors

The Directors in the company's board during the year ended 31 DECEMBER 2024 are listed on page 2.

Though the overall responsibility of monitoring and controlling the operational and financial performance of Radiant Insurance Company Ltd vests with the Board, the day-to-day management of the company has been delegated to the Chief Executive Officer. The Board of Directors meets at least quarterly and is chaired by an independent non-executive director.

Board of Audit Committee

The Board Audit Committee comprises three Directors. Its key objective is to assist the Board in providing an independent review of the effectiveness of the financial reporting process and internal control system of Radiant Insurance Company Ltd. It will review the performance and findings of Internal Audit and external auditors and recommend appropriate remedial action at least quarterly. The members are:

Mr. RUGIRAMAZA Gilbert	Chairperson	Independent Director
Mr. KARANGWA Fidèle	Member	Independent Director
Mrs. NYIRANEZA Joyce	Member	Independent Director
Mrs. MUKANEZA Sandra	Member	Non-Independent Director

Board Underwriting and Claims Strategy Committee

The Board Underwriting and Claims Strategy Committee key objectives is to assist the Board in establishing and reviewing the company's underwriting and claims policies and guidelines including monitoring overall risk tolerance and risk appetite, establishing policy on fraud detection and prevention, establishing and reviewing claims policies and procedures, and establishing and reviewing policies and guidelines governing the Company's reinsurance treaties arrangements. The members are:

Mr. MAKUZA Bernard	Chairperson	Independent Director
Mrs. NYIRANEZA Joyce	Member	Independent Director
Mrs. MUKANEZA Sandra	Member	Non-Independent Director
Mrs. NIYONKURU Clémentine	Member	Non-Independent Director

Board Risk Management Committee

The Board Risk Management Committee comprises four directors. Its key objective is to oversee the Risk Management Policy of the organization. The Committee is responsible for reviewing and assessing the integrity and effectiveness of the risk management system and ensure that all material risks are identified, measured, monitored and reported. The members are:

Mr. KARANGWA Fidèle	Chairperson	Independent Director
Mr. MAKUZA Bernard	Member	Independent Director
Mrs. MUKANEZA Sandra	Member	Non-Independent Director
Mrs. NIYONKURU Clementine	Member	Non-Independent Director
Mr. RUGIRAMAZA Gilbert	Member	Independent Director

Management Committee

The Management Committee meets once every week and comprises the executive and senior staff. Its key objective is to monitor the implementation of the overall strategy of the company. The committee reviews company's performance of all departments each week and particularly ensures that RADIANT Insurance Company Ltd financial results are maintained.

The table below contains the members of the Management/Executive Committee:

Names of Executive Directors	Position
Mr. RUGENERA Marc	Chief Executive Officer
Mr. HAKIZIMANA Yassin	Director of Administration and Finance
Mrs. UWERA Angélique	Director of Medical Insurance
Ms. KASINE Sarah	Technical Director
Mrs. MUTETERI Solange	Claims Director
Mr. NKULIKIYINKA Pierre Claver	Reinsurance Manager
Mr. ABIZEYE Jean Damascène	Chief Risk Officer

Compliance with Laws

The Board is satisfied that the Company has to the best of its knowledge, complied with all the laws applicable and has conducted its business in accordance with the relevant laws.

Internal Controls

The Board has a collective responsibility for the Company's internal controls and for reviewing their effectiveness. It relies on the Management to establish and manage these and has an internal auditor to monitor the compliance with the policies and procedures as set out by the Company. The internal auditor also reviews the controls efficacy to ensure that they are in line with best practices, and they safeguard Company's assets, transactions accurately and timely recorded and errors detected within reasonable time.

Attendance of Board Meetings

In 2024, the attendance at Board meetings is set out below:

Name	Number of meetings held	Number of meeting attended.	Attendance %
Mr. KABAKA François Régis	5	5	100%
Mrs. NYIRANEZA Joyce	5	4	80%
Mr. RUGIRAMAZA Gilbert	5	5	100%
Mrs. MUKANEZA Sandra	5	5	100%
Mrs. NIYONKURU Clementine	5	4	80%
Mr. KARANGWA Fidèle	5	5	100%
Mr. MAKUZA Bernard	5	5	100%

Statement of Directors' Responsibilities

The Directors are required in terms of the Law No 007/2021 of 05/02/2021 Governing companies in Rwanda as modified and complemented to date by the Law No 019/2023 of 30/03/2023 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is theirresponsibility to ensure that the financial statements fairly present the state of affairs of the Company as at the end of the financial period and the results of its operations and cash flow for the period thenended, in conformity with IFRS Accounting Standards.

The financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the board of Directors sets standardsfor internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standardsinclude the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures, and adequate segregation of duties to ensure an acceptable level of risk. These controls aremonitored throughout the Company and all employees are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing, and monitoring all known forms of risk across the Company. While operating risk cannot be fully eliminated, the Company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems, and ethical behavior are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, thatthe system of internal control provides reasonable assurance that the financial records may be relied onfor the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Company's cash flow forecast for the year to December 31, 2025, and,in light of this review and the current financial position, they are satisfied that the Company has or had access to adequate resources to continue in operational existence for the foreseeable future.

Approval of the Financial Statements

The financial statements and notes set out on pages 13 to 62, which have been prepared on the going concern basis, were approved by the Board of Directors on 1st April 2025 and were signed on their behalf by:

RUGIRAMAZA GILBERT

Director name and signature

RADIANT INSURANCE COMPANY
RADIANT
P.O.Box 1861 KIGALI - RWANDA

KABAKA François Regis

Director name and signature

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Career Center Building, 8th Floor
KG 541st Road, P.O. Box 6593
Kigali, Rwanda

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Radiant Insurance Company Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Radiant Insurance Company Ltd "the Company" set out on pages 13 to 62, which comprise:

- the statement of financial position as at December 31, 2024,
- the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and
- notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), Regulation No. 47/2022 of 02/06/2022 on publication of financial statements and other disclosures by insurers, BNR regulations, other supervisory requirement and the requirements of Rwanda Companies Act (Law no 007/2021 of 05/02/2021 governing companies in Rwanda as modified and complemented to date by the Law No 019/2023 of 30/03/2023).

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Rwanda, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter	How the matter was addressed in our audit
IFRS 17 Insurance Contracts	
Key audit matters are those matters that, in our professional judgment, 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	
— ***Transition to IFRS 17 Insurance Contracts*** — On 1 January 2023, the Company transitioned to reporting under the new accounting standard IFRS 17 Insurance Contracts which replaced IFRS 4-Insurance Contracts. The Company has evaluated the requirements of IFRS 17 and exercised judgement to develop accounting policies and determine appropriate methodologies in order to comply with IFRS 17. In	***Our audit procedures in this area included***: — Evaluating whether management's transition approach assessment(s) are in accordance with the requirements of IFRS 17, by performing the following procedures: (a) challenging whether management have appropriately identified all data required to apply the full retrospective approach (FRA) to each group of contracts/ asset for insurance acquisition cash flows (IACF). (b) challenging whether management have appropriately concluded on whether IFRS 17 can be applied retrospectively for each group of contracts/ asset for IACF.

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Key audit matter	How the matter was addressed in our audit
IFRS 17 Insurance Contracts	
particular, the determination of the measurement models (General Measurement Model (GMM) or Premium Allocation Approach (PAA)) to apply under the standard, the determination of risk adjustment and onerous contract methodologies, and the determination of the discount rate, were deemed to be significant to the overall impact of transition. The new standard has also had a significant impact on the disclosures in the financial statements. Due to the significance of the changes introduced by the standard, we considered the transition to the new standard to be a key audit matter.	(c) Evaluating the appropriateness of the Company's premium allocation approach eligibility analysis for insurance and reinsurance contracts with coverage periods greater than one year, including testing the relevant supporting data, the significant assumptions used and scenarios applied, and testing the accuracy of models used — Assessing the significant judgements used by the Company to determine the relevant accounting policies against the requirements of IFRS 17. This included judgements used to determine the measurement models adopted, risk adjustment, onerous contracts and discount rates used. — Evaluating the appropriateness of the methodology used to determine the risk adjustment, including assessing the underlying discounted cash flow model and significant assumptions. — Evaluating the onerous contract methodology used to identify any groups of onerous contracts on transition. Where onerous contracts were identified, we assessed the appropriateness of the significant assumptions and recalculated the relevant loss recovery components.
Valuation of insurance contract liabilities As at 31 December 2024, the Company held Frw 17 billion of insurance contract liabilities of which there are two components. The Valuation of the Liability for Remaining Coverage is a key audit matter due to the complexity of the actuarial methodology and assumptions used to model separate components of the liability, which result in inherent estimation uncertainty. The valuation of the Liability for Incurred Claims is a key audit matter as it is highly judgemental and requires assumptions to be made with inherent estimation uncertainty. These assumptions can have significant impacts on the valuation. This complexity requires us to exercise judgement when evaluating the methodology and assumptions adopted by the Company. The most significant assumptions made in the valuation of policy liability balances arising from the Company's insurance contracts relate to: (i) Discount rates; (ii) Expected claims incurred arising from future coverage (iii) Risk adjustment for non-financial risk	— We tested the design and implementation and operating effectiveness of key controls designed and operated by the Company over the valuation of the insurance contract liabilities. — We challenged key assumptions used to determine insurance policy liability balances. Our challenge focused on the assumptions applied to claims data and future cashflows and included: ▪ Evaluating historical actual versus expected claims experience in relation to the number of delinquencies and the severity assumptions, together with the timing of claims payments and recoveries using historical data; ▪ Assessing the consistency of information, such as claims experience and trends within the Company by benchmarking the risk adjustment adopted by other companies in the same industry and consistency with the risk adjustment adopted at the previous year-end. ▪ Evaluating the impact of more recent claims experience on expected cashflows, including impacts from the current economic environment; ▪ Use of technical expert to review the model. — We assessed the disclosures in the financial statements for adequacy against the requirements of IFRS 17.

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Career Center Building, 8th Floor
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Kigali, Rwanda

Key audit matter	How the matter was addressed in our audit
IFRS 17 Insurance Contracts	
(iv) The uncertainty in the timing of claim payments and recoveries (v) Past claims experience being an appropriate predictor of future experience	

— Refer to Note 2 Material accounting information, note 2 for Significant judgements and note 21 Insurance contract liabilities of the accompanying financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Report of the Directors and Statement of Directors' Responsibilities but 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 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, 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 IFRS Accounting Standards, and for such internal control as management determines 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, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 International Standards on Auditing, 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

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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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management' 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 company's 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 company 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.

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.

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KG 541st Road, P.O. Box 6593
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Report on Other Legal and Regulatory Requirements

As required by the Rwanda Companies Act we report to you, based on our audit, that:

- We have no relationship, interest or debt with Company. As indicated in our report on the audit of the financial statements, we comply with ethical requirements. These are the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which includes comprehensive independence and other requirements.
- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as our examination of those books appears.
- We have communicated with those charged with governance our significant audit findings, and significant deficiencies in internal control that we identified during our audit.
- According to the best of the information and the explanations given to us as auditors, as shown by the accounting and other documents of the company, the financial statements comply with Article 125 of Rwanda Companies Act.

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Certified Public Accountants
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CPA Clément Niyitekega Egide Kabano
PC/CPA 0228/0081
Engagement Partner

Date: 01 / 04 / **2025**

Statement of Comprehensive Income for the year ended 31 DECEMBER 2024

	Note	2024 Frw '000	2023 Frw '000
Insurance revenue	2	21,583,105	16,818,341
Insurance service expenses	3	(18,651,895)	(16,158,250)
Insurance service result before reinsurance contracts held		**2,931,210**	**660,091**
Allocation of reinsurance premiums	4	(2,857,555)	(2,630,839)
Amounts recoverable from reinsurers for incurred claims	5	2,851,397	1,204,645
Net expense from reinsurance contracts held		**(6,158)**	**(1,426,194)**
Insurance service result		**2,925,052**	**(766,103)**
Reinsurance Costs		153,317	159,291
Reinsurance Recoveries		(652,774)	(481,732)
Reinsurance Service result		**(499,457)**	**(322,441)**
Investment income	6	2,669,841	1,627,054
Other Expenses	7	(2,645,058)	-
Profit before tax		**2,450,377**	**538,510**
Taxation	17	(742,372)	(161,802)
Profit for the year		**1,708,005**	**376,708**
Other comprehensive income for the period		-	-
Total Comprehensive income		**1,708,005**	**376,708**

The notes on pages 13 to 62 are an integral part of these financial statements.

Statement of Financial Position as at 31 DECEMBER 2024

	Note	2024 Frw' 000	2023 Frw' 000
Assets			
Cash and cash equivalents	8	4,312,560	1,677,979
Investments in term deposits	9	450,000	450,000
Investment in treasury bonds	10	3,645,000	1,868,000
Investment in unquoted securities	11	3,427,400	1,920,000
Receivables arising out from reinsurance - arrangements	12	4,272,931	2,392,877
Receivables arising out of co- insurance arrangements	13	103,309	78,780
Reinsurance share in insurance contracts liabilities	14	1,407,773	1,874,350
Other receivables	15	763,080	851,327
Inventories	16	32,062	34,381
Income tax receivable	17	-	236,543
Deferred tax asset	17	29,589	-
Investment property	18	14,518,139	14,983,185
Property and equipment	19	1,785,160	157,750
Intangible assets	20	342,697	334,798
Total Assets		**35,089,699**	**26,859,969**
Liabilities			
Insurance contracts liabilities	21	17,059,286	13,515,526
Payable arising out of reinsurance arrangement	22	1,236,217	1,091,330
Payables arising out of co - insurance arrangements	23	63,845	33,274
Other payables	24	2,544,140	2,244,174
Income tax payable	17	290,557	-
Deferred tax liability	17	-	16,866
Total liabilities		**21,194,044**	**16,901,169**
Equity			
Ordinary share capital		6,500,000	6,500,000
Unallotted shares		2,000,000	-
Revaluation reserve		1,520,789	1,291,940
Retained earnings		3,874,866	2,166,862
Total equity		**13,895,655**	**9,958,801**
Total equity and liabilities		**35,089,699**	**26,859,971**

These financial statements and notes on pages 13 to 62, which have been prepared on the going concern basis, were approved by the Board of Directors on 15th April 2025 and signed on its behalf by:

RUGIRAMAZA GILBERT .... KABAKA François Regis

Director name and signature **Director name and signature**

RADIANT INSURANCE COMPANY P.O.Box 1861 KIGALI - RWANDA

Statement of Changes in Equity

	Ordinary share capital Frw' 000	Unallotted shares Frw' 000	Revaluation reserve Frw' 000	Retained earnings Frw' 000	Total Equity Frw' 000
As at 1 January 2023	6,500,000	-	1,329,419	1,657,886	9,487,305
Receipts of share capital					
Change in revaluation reserve			(37,479)		(37,479)
Opening balance adjustment				132,268	132,268
Comprehensive income:					
Profit for the year				376,708	376,708
As at 31 DECEMBER 2023	**6,500,000**	**-**	**1,291,940**	**2,166,862**	**9,958,802**
As at 1 January 2024	6,500,000	-	1,291,940	2,166,862	9,958,802
Receipts of share capital		2,000,000			2,000,000
					-
Change in revaluation reserve					-
Revaluation reserve - written back			228,850		228,850
Comprehensive income:					
Profit for the year				1,708,005	1,708,005
As at 31 DECEMBER 2024	**6,500,000**	**2,000,000**	**1,520,790**	**3,874,867**	**13,895,657**

The notes on pages 13 to 62 are an integral part of these financial statements

Statement of Cash Flows

	Note	2024 Frw' 000	2023 Frw' 000
Operating activities			
Cash flows generated from/(used in) from operations	26	4,956,545	3,607,435
Tax (paid)/refunded	17	(261,727)	(359,073)
Cash generated from operating activities		**4,694,818**	**3,248,362**
Investing activities			
Investments made in treasury bonds	10	(2,277,000)	-
Additional investments in unquoted securities	11	(1,507,400)	(1,560,000)
Investments made in term deposits	9	(450,000)	(300,000)
Receipts upon treasury bonds maturities	10	500,000	900,000
Receipts upon term deposits maturities	9	450,000	350,000
Acquisition of property and equipment	19	(1,914,032)	(57,454)
Acquisition of intangible assets	21	(33,898)	-
Acquisition of investment property	18	(1,556,214)	(2,362,869)
Disposal of investment property	18	2,000,000	-
Cash used in investing activities		**(4,788,544)**	**(3,030,323)**
Financing activities			
Receipts of share capital		2,000,000	-
Interest on Reinsurers' deposits		499,457	-
Revaluation reserve - written back		228,850	-
Lease payments	25	-	(258,443)
Cash (used in)/ from financing activities		**2,728,307**	**(258,443)**
Net movement in cash and cash equivalents		**2,634,581**	**(40,404)**
Cash and cash equivalents at start of year		1,677,979	**1,718,382**
Cash and cash equivalents at end of year		**4,312,560**	**1,677,979**

The notes on pages 13 to 62 are an integral part of these financial statements.

1. Corporate Information

Radiant Insurance Company Ltd is accredited by the National Bank of Rwanda to provide short-term insurance. Its primary objective is to provide clients with credible, innovative and tailor-made short-term insurance products. Radiant Insurance company Ltd takes the guesswork out of insurance, by working fast and successfully delivering fit-for-purpose market-leading insurance products and practices to clients across Rwanda. The company's registered office is at:

RADIANT Building,

KN 3 Ave,

Kigali, Rwanda

2. Material Accounting information

The principal accounting policies adopted in the preparation of this financial statement are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

a) Basis of preparation

The financial statements are prepared under the historical cost convention unless otherwise stated in the accounting policies below. The financial statements are presented in Rwandan Francs (FRW), rounded to the nearest thousand. The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

Statement of Compliance

The financial statements are prepared in compliance with IFRS Accounting Standards, the requirements of the Law N°007/2021 of 05/02/2021 governing companies as modified and complemented to date by the Law No 019/2023 of 30/03/2023, Law no. 52/2008 Of 10/09/2008 governing the organization of Insurance Business in Rwanda and BNR Regulations and others supervisory requirements.

b) New standards, amendments and interpretations

I) New standards, amendments and interpretations effective and adopted during the year

The Company has adopted the following new standards and amendments during the year ended 31 December 2023, including consequential amendments to other standards with the date of initial application by the Company being 1 January 2023. The nature and effects of the changes are as explained here in.

Standards	Effective date
• IFRS 17 Insurance Contracts (Amendments to IFRS 4)	1 January 2023
• Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice Statement 2)	1 January 2023
• Deferred tax (Amendments to IAS 12)	1 January 2023
• Accounting estimates (Amendments to IAS 8)	1 January 2023

II) IFRS 17 Insurance Contracts

Changes to classification and measurement

The Company was previously permitted under IFRS 4 to continue accounting using its previous accounting policies. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Company.

Under IFRS 17, the Company's insurance contracts issued, and reinsurance contracts held are all eligible to be measured by applying the PAA. The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The measurement principles of the PAA differ from the 'earned premium approach' used by the Company under IFRS 4 in the following key areas:

- The liability for remaining coverage reflects premiums received less deferred insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided.
- Measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment for non-financial risk when a group of contracts is onerous in order to calculate a loss component (Previously these may have formed part of the unexpired risk reserve provision)
- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not reported (IBNR) claims) is determined on a discounted probability-weighted expected value basis and includes an explicit risk adjustment for non-financial risk. The liability includes the Company's obligation to pay other incurred insurance expenses.
- Measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance held) is adjusted to include a loss-recovery component to reflect the expected recovery of onerous contract losses where such contracts reinsure onerous direct contracts.

The Company expenses its insurance acquisition cash flows for its portfolios immediately the expense is incurred, and an asset is created for the deferred portion. Insurance acquisition cash flows include those that are directly attributable to a group and to future groups that are expected to arise from renewals of contracts in that group. Where such insurance acquisition cash flows are paid (or where a liability has been recognised applying another IFRS standard) before the related group of insurance contracts is recognised, an asset for insurance acquisition cash flows is recognised. When insurance contracts are recognised, the related portion of the asset for insurance acquisition cash flows is derecognised and subsumed into the measurement at initial recognition of the insurance liability for remaining coverage of the related group.

Changes to presentation and disclosure

For presentation in the statement of financial position, the Company aggregates insurance and reinsurance contracts issued, and reinsurance contracts held, respectively and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets
- Portfolios of insurance and reinsurance contracts issued that are liabilities
- Portfolios of reinsurance contracts held that are assets.
- Portfolios of reinsurance contracts held that are liabilities

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements. Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line-item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously, the Company reported the following line items:

- Gross written premiums
- Net written premiums
- Changes in premium reserves
- Gross insurance claims
- Net insurance claims

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Insurance finance income or expenses
- Income or expenses from reinsurance contracts held

The Company provides disaggregated qualitative and quantitative information about:

- Amounts recognised in its financial statements from insurance contracts
- Significant judgements, and changes in those judgements, when applying the standard

Transition
On transition date, 1 January 2023, the Company:

- Has identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied.
- Has identified, recognised and measured assets for insurance acquisition cash flows as if IFRS 17 has always applied. At transition date, a recoverability assessment was performed, and no impairment loss was identified,
- Derecognised any existing balances that would not exist had IFRS 17 always applied.
- Recognised any resulting net difference in equity.

The adoption of these changes had significant impact on the amounts and the disclosures of the Company's financial statements.

III) Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice Statement 2)

Amendments to IAS 1 requires presentation of Financial Statements of the companies to disclose their material accounting policy information rather than their significant accounting policies.
"Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements." This Practice Aid provides guidance on the disclosures of the accounting policies in the light of the narrow-scope amendments to IAS 1 and includes the following examples:

- Disclosure of accounting policies for cryptocurrency investments
- Disclosure of accounting policies about defined benefit obligation schemes.
- Disclosure of accounting policies for the cap-and-trade schemes
- Disclosure of accounting policies about leasing activities by a lessee
- Disclosure of accounting policies for fixed-fee service contracts and
- Disclosure of accounting policies on revenue recognition

The adoption of these changes did not have significant impact on the amounts presented in the Company's financial statements.

IV) Deferred tax (Amendments to IAS 12)

The standard clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations. Amendments on deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12) is an exemption from the initial recognition exemption provided in IAS 12.15 (b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to the transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

The amendment requires companies, at the beginning of the earliest comparative period presented:

a) to recognise a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised -and a deferred tax liability for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities; and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related asset; and

b) to recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. This will reflect the opening position, without the need for full retrospective application. The Directors concluded that this transition approach would make the amendments easier and less costly to apply than a full retrospective approach, while still achieving their objective.

The adoption of these changes did not have significant impact on the amounts presented in the Company's financial statements.

V) Accounting estimates (Amendments to IAS 8)

IAS 8 accounting policies, changes in accounting estimates and errors is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. This typically involve the use of judgements or assumptions based on the latest available reliable information. Developing an accounting estimate includes both:

- Selecting a measurement technique (estimation or valuation technique) e.g., an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and
- Choosing the inputs to be used when applying the chosen measurement technique e.g., the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The adoption of these changes did not have significant impact on the amounts presented in the Company's financial statements.

(ii) New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2024

1.New and updated for December 2024 year ends.

For annual reporting periods beginning on or after 1 January 2024, the following are newly effective requirements:

(a)IFRS 16 lease liability accounting for sale and leaseback transactions, IASB effective from 1 January 2024. The Company will ensure compliance with these amendments starting from the effective date, reflecting the appropriate lease liabilities and right-of-use assets in the financial statements as per the revised IFRS 16 guidance.

(b)Classification of Liabilities as Current or Non-Current (including Classification of Liabilities as Current or Non-Current Deferral of Effective Date) (Amendments to IAS 1 Presentation of Financial Statements).The Company applies the amendments to IAS 1 Presentation of Financial Statements related to the Classification of Liabilities as Current or Non-Current, IASB effective from 1 January 2024.

(c)Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements).The Company applies the amendments to IAS 1 Presentation of Financial Statements regarding the classification of non-current liabilities with covenants, IASB effective from 1 January 2024.

(d)Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures) The Company applies the amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures regarding Supplier FinanceArrangements, IASB effective from 1 January 2024.

- 2.Early adoption of Standards and Amendments.

Below lists all pronouncements with a mandatory effective date in future accounting periods.

(a)Mandatorily effective for annual reporting periods beginning on or after 1 January 2025:

Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates).

(b)Mandatorily effective for annual reporting periods beginning on or after 1 January 2026:

- amendments to the Classification and Measurement of Financial Instrument (Amendments to IFRS 9 Financial Instruments).

- Contracts Referencing Nature-dependent electricity (Amendments to IFRS 9 and IFRS 7).

(C)Mandatorily effective for annual reporting periods beginning on or after 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements.

- IFRS 19 Subsidiaries without Public Accountability Disclosure.

c) Insurance and reinsurance contracts classification

(a) *Classification*

The Company issues contracts that transfer insurance risk. Insurance contracts are those contracts that transfer significant insurance risk. Insurance contracts issued by the Company are classified as general insurance business based on the duration of the risk insured. Classes of general insurance include accident, crop, engineering, guarantee, liability, medical, motor, property and Transport.

(b) *Separating components from insurance and reinsurance contracts*

The Company assesses its non-life insurance and reinsurance products to determine whether they contain distinct components. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

Some reinsurance 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 insurance component of the reinsurance contacts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

(c) *Level of aggregation*

IFRS 17 requires a company to determine the level of aggregation for applying its requirements.
The level of aggregation for the Company 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 Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator.

However, the Company 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). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Company 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 Company 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 Company 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 Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

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

The Company 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.

As per IFRS 17, the below portfolios have been identified:
- Accident;
- Crop;
- Engineering;
- Guarantee;
- Liability;
- Medical;
- Motor;
- Property; and
- Transport

c) ***Recognition***

The Company recognises groups of insurance 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.
- or a group of onerous contracts if facts and circumstances indicate that the group is onerous.

The Company recognises a group of reinsurance contracts held it has entered from the earlier of the following:
- The beginning of the coverage period of the group of reinsurance contracts held. (However, the
- Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held. And
- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into, the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

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

d) Measurement - Premium Allocation Approach

Measurement is not carried out at the level of individual contracts, but on the basis of groups of contracts. To allocate individual insurance contracts to groups of contracts, an entity first needs to define portfolios which include contracts with similar risks that are managed together. These portfolios are to be subdivided into groups of contracts on the basis of profitability and annual cohorts. IFRS 17 consists of 3 measurement models:

The general measurement model (GMM), also known as the building block approach, consists of the fulfilment cash flows and the contractual service margin.
The variable fee approach (VFA) is a mandatory modification of the general measurement model regarding the treatment of the contractual service margin in order to accommodate direct participating contracts.
The premium allocation approach (PAA) is a simplified approach for the measurement of the liability for remaining coverage an entity may choose to use when the premium allocation approach provides a measurement which is not materially different from that under the general measurement model or if the coverage period of each contract in the group of insurance contracts is one year or less. Under the premium allocation approach, the liability for remaining coverage is measured as the amount of premiums received net of acquisition cash flows paid, less the net amount of premiums and acquisition cash flows that have been recognized in profit or loss over the expired portion of the coverage period based on the passage of time.

The measurement of the liability for incurred claims is identical under all three measurement models, apart from the determination of locked-in interest rates used for discounting. An explicit risk adjustment for non-financial risk is estimated separately from the other estimates for the liability for incurred claims. This risk adjustment represents compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk. The risk adjustment forms part of the fulfilment cash flows for a group of insurance contracts.

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds.

Insurance revenue and insurance service expenses are recognised in the statement of comprehensive income based on the concept of services provided during the period. The standard requires losses to be recognised immediately on contracts that are expected to be onerous. For insurance contracts measured under the PAA, it is assumed that contracts are not onerous at initial recognition, unless facts and circumstances indicate otherwise. The Company's focus is to grow a profitable and sustainable business and does not anticipate the recognition of onerous contracts except where the following have been identified:

- Relevant pricing decisions.
- Initial stages of a new business acquired where the underlying contracts are onerous.
- Any other strategic decisions the board considers appropriate.

2. Accounting policies (continued)

e) Accounting policy choices

The following table sets out the accounting policy choices adopted by the Company:

	IFRS 17 options	Adopted approach
Insurance acquisition cash flows	Provided that the coverage period of each contract in the group at initial recognition is no more than one year, IFRS 17 allows an accounting policy choice of either expensing the insurance acquisition cash flows when incurred or amortizing them over the contract's coverage period.	Insurance acquisition expenses are included in the measurement of the insurance liability and amortized over the coverage period. This is aligned to the current practice and reduces the possibility of onerous contracts.
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.	The Company does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money, because insurance premiums are due within the coverage period of contracts, which is one year or less.
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 that are expected to be paid out in less than one year, no adjustment is made for the time value of money. For all other business, the LIC is adjusted for the time value of money since these typically have a settlement period of over one year.
Disaggregation of risk adjustment	An insurer is not required to include the entire change in the risk adjustment for non- financial risk in the insurance service result. Instead, it can choose to split the amount between the insurance service result and insurance finance income or expenses.	For contracts measured under the PAA, the Company will include the entire change in risk adjustment for non-financial risk as part of the insurance service result.
Insurance finance income and expense.	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present this in OCI.	The impact on LFIC of changes in discount rates will be captured within the statement of profit or loss.

2. Accounting policies (continued)

f) Insurance contracts - initial measurement

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

- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary.

  Or

- For contracts longer than one year, the Company 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 Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

  The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

  The extent of future cash flows related to any derivatives embedded in the contracts

- The length of the coverage period of the group of contracts

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

- The premiums, if any, received at initial recognition
- Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed, plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company 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 Company 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 Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

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

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

2. Accounting policies (continued)

(i) Reinsurance contracts held - initial measurement

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

g) Insurance contracts - subsequent measurement

The Company 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 insurance acquisition cash flows
- Plus any amounts relating to the amortisation of the insurance 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 insurance revenue for the services provided in the period
- Minus any investment component paid or transferred to the liability for incurred claims

The Company 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 Company and include an explicit adjustment for non-financial risk (the risk adjustment). The Company 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 insurance contracts is onerous, the Company 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 Company for the liability for remaining coverage for such onerous group depicting the losses recognised. Insurance acquisition cash flows are allocated on a straight-line basis as a portion of premium to profit or loss (through insurance revenue).

h) Reinsurance contracts held - subsequent measurement.

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held. Where the Company has established a loss-recovery component, the Company subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying insurance 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 insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

2. Accounting policies (continued)

i) Insurance acquisition cash flows

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

The Company uses a systematic and rational method to allocate:

a) Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
   (i) to that group; and
   (ii) to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group.
b) Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

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

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

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

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

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance 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 Company 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.

j) Insurance contracts - modification and derecognition

The Company derecognises insurance 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 Company derecognises the initial contract and recognises the modified contract as a new contract. When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

2. Accounting policies (continued)

k) Presentation

The Company has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.
Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.
The Company disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.
The Company 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 insurance service result.
The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

l) Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of insurance 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 insurance service expenses.
The Company 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.

m) Loss components

The Company 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 insurance contracts is onerous, the Company 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. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

n) Loss recovery components

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance 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 insurance 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 insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

2. Accounting policies (continued)

o) *Insurance finance income and expense*

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance 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.

The Standard allows for Companies to disaggregate insurance finance income or expenses on insurance contracts issued between profit or loss and OCI. The impact of changes in market interest rates on the value of the insurance assets and liabilities are reflected in OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities. The Company does not disaggregate finance income and expenses because the related financial assets are managed on amortized cost.

p) *Net income or expense from reinsurance contracts held*

The Company presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance 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 held 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.

Transition

On the date of initial application, 01 January 2023, IFRS 17 should be applied retrospectively. Where the full retrospective approach is impracticable, IFRS 17 allows for alternative transition methods.

The Company has determined that reasonable and supportable information is available for all contracts in force at the transition date. In addition, as the contracts are eligible for the PAA, the Company has concluded that only current and prospective information was required to reflect circumstances at the transition date, which made the full retrospective application practicable and, hence, the only available option for insurance contracts issued by the Company.

q) Property and equipment

Items of property and equipment are stated at historical cost less accumulated depreciation and impairment losses. Depreciation is charged on a reducing balance method to allocate their cost to their residual values over the estimated useful lives of the assets at the following rates:

Property	20 Years
Motor vehicles	4 Years
Computers	2 Years
Furniture, fixtures and equipment	4 Years

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

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are included in the profit and loss account

r) Intangible assets

The company's intangible assets are made of Establishment & Development costs and computer software.

The establishment and development costs were initially recognized at cost are amortized over 5 years.

Computer software is recognized at cost less amortization and impairment charges. Computer software packages acquired are initially recognized at fair value. Cost associated with maintaining computer software programs are recognized as an expense when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The Company's intangibles assets are made of software licenses and are amortised on reducing balance method at the rate of 50% per annum.

Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

s) Employee benefits

Defined contribution scheme

The company and all its employees contribute to the national Social Security Fund, which is a defined contribution scheme.

Termination benefits

Termination benefits are recognized as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

t) Identification and measurement of impairment of financial assets

The carrying amounts of the Company's financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated, and an impairment loss recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income.

The particular impairment policies for each category of financial asset are described below:

Held-to-maturity.

The recoverable amount of held-to-maturity financial assets carried at amortized cost is calculated as the present value of estimated future cash flows discounted at the original effective interest rate.

An impairment loss for these assets can be reversed if the subsequent increase in the recoverable amount can be related objectively to an event occurring after the impairment loss was recognized.

Loans and receivables

Loans and receivables are shown at the gross amount adjusted for any provision for impairment losses.

A provision for loan impairment is established if there is objective evidence that the Company will not be able to collect all amounts due according to the original contractual terms of the loan. The amount of the provision is the difference between the carrying amount and the estimated recoverable amount.

In addition, a portfolio impairment provision is made to cover losses that have been incurred but not reported at the reporting date. The Company sets the portfolio impairment with reference to past experience taking into account the effect of current conditions that did not affect the period on which the historic loss is based and to remove the effect of conditions in the historical period that do not exist currently. These factors include, but are not limited to, the economic environment, the shape of the portfolio with reference to a range of indicators and management actions taken to proactively manage the portfolio.

When a loan is deemed uncollectable, it is written off against the related provision for impairment. Subsequent recoveries are credited to the other income in the statement of comprehensive income.

Available-for-sale

When a decline in the fair value for available-for-sale financial assets has been recognized directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognized directly in equity is recognized in the statement of comprehensive income even though the asset has not been derecognized. The amount of cumulative loss that is recognized in the statement of comprehensive income is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized in the statement of comprehensive income. If the fair value of the financial asset increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the statement of comprehensive income, the impairment loss shall be reversed with the amount of reversal being recognized in the statement of comprehensive income.

Impairment for non-financial assets

The carrying amounts of the Company's non-financial assets, inventories 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. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Company that generates cash flows that largely are independent from other assets and Companies. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units reduce the carrying amount of the other assets in the unit (Company of units) on a pro rata basis.

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. Impairment losses recognized 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 recognized.

u) Taxation

Tax on the operating results for the year comprises current tax expense Current tax is provided on the results in the year as shown in the financial statements adjusted in accordance with tax legislation. Deferred tax is provided using the statement of financial position liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset Current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized for all deductible temporary differences carried forward of unused tax credits to the extent that it is probable that future profit will be available against which the deductible temporary differences, unused tax losses and the unused tax credits can be utilized.

Deferred tax is calculated on the basis of the tax rate currently enacted.

The company is entitled to deferred tax assets as there are no changes made in ownership of the share capital and the voting rights of a company above 25% during the year as per article 29 of Law N° 16/2005 OF 18/08/2005 2005 on direct taxes on income.

"If the determination of business profit results in a loss in a tax period, the loss may be deducted from the business profit in the next five (5) tax periods, earlier losses being deducted before later losses.

During a tax period, foreign sourced losses can neither reduce domestic sourced business profits nor can they reduce future domestic sourced business profits.

If during a tax period, the direct and indirect ownership of the share capital or the voting rights of a company, which shares are not traded on a recognized stock exchange changes more than twenty-five per cent (25%) by value or by number, paragraph one of this Article ceases to apply to losses incurred by that company in the tax period and previous tax periods."

v) Cash and cash equivalents
For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances, deposits held at call or for a term with the banks.

w) Dividends
Dividends declared after the reporting period but before the financial statements are authorized for issue, are not recognized as a liability at the end of the reporting period because no obligation exists at that time.

x) Provisions
Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

y) Share capital
Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Shares are classified as equity when there is no obligation to transfer cash or other assets.

z) Provisions and contingencies

Provisions are recognised when;

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be require to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required settling a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity has a detailed formal plan for the restructuring, identifying at least: the business or part of a business concerned;

- the principal locations affected;
- the location, function, and approximate number of employees who will be compensated for terminating their services;
- the expenditures that will be undertaken; and
- When the plan will be implemented; and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

aa) Currency and translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency'). The financial statements are presented in Rwanda Francs which is the Company's functional currency.

bb) Critical accounting estimates and judgments in applying accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

(a) Onerous Groups

An insurance contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract, any previously recognized acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total are a net outflow. Management has assessed the onerous portfolios based on historical profitability.

(b) Liability for remaining coverage

Premium income is recognized on assumption of risks and includes estimates of premiums due but not yet received less unexpired portion of the coverage period. The liability for remaining coverage is the Company's obligation to:

(a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (i.e., the obligation that relates to the unexpired portion of the coverage period); and
(b) pay amounts under existing insurance contracts that are not included in (a) and that related to:
(i) insurance contract services not yet provided (i.e., the obligation that relates to future provision of insurance contract services); or
(ii) any investment component or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.

Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

For groups of contracts measured under the Premium Allocation Approach, the liability for remaining coverage at any point in time is calculated as the sum of the liability for the remaining coverage excluding any loss component and any loss component. Using the premium allocation approach, the Company measures the liability for remaining coverage as follows:

a) On initial recognition, the carrying amount of the liability is:

1. The premiums, if any, received at initial recognition.
2. Minus any insurance acquisition cash flows at that date, unless the entity chooses to recognise the payments as an expense.
3. Plus or minus any amount arising from the derecognition at that date of;

- Any asset for insurance acquisition cashflows and

b) At the end of each subsequent reporting period, the carrying amount of the liability is the carrying amount at the start of the reporting period:

   1. plus the premiums received in the period
   2. minus insurance acquisition cash flows; unless the entity chooses to recognise the payments as an expense;
   3. plus any amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period; unless the entity chooses to recognise insurance acquisition cash flows as an expense;

minus the amount recognised as insurance revenue for insurance contract services coverage provided in that period.

(c) Risk adjustment

The Company has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Company has assessed its indifference to uncertainty for all portfolios (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 Company 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.

(d) Assets for insurance acquisition cash flows

Insurance acquisition expenses are included in the measurement of the insurance liability and amortized over the coverage period. This is aligned to the current practice and reduces the possibility of onerous contracts.

The Company expenses its insurance acquisition cash flows for its portfolios immediately the expense is incurred, and an asset is created for the deferred portion. The asset for insurance acquisition cashflow is derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

cc) 4. Management of insurance and financial risk

The Company's activities expose it to a variety of risks, including insurance risk, financial risk, liquidity risk, credit risk, and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the identification and management of risks and seeks to minimise potential adverse effects on its financial performance, by use of underwriting guidelines and capacity limits, reinsurance planning, credit policy governing the acceptance of clients, and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place which help manage liquidity and seek to maximise return within an acceptable level of interest rate risk. This section summarises the way the Company manages key risks:

(a) Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

Notes to the Financial Statements - Continued

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Sensitivity analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

The Company purchases reinsurance as part of its risk mitigation program. Reinsurance held is placed on either a proportional basis, non-proportional basis or/and facultative basis. Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying insurance contract liabilities and in accordance with the reinsurance contracts.

Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations. The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract. There is no single counterparty exposure that exceeds 5% of total reinsurance assets at the reporting date.

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

Frw' 000	2024			2023		
Portfolio	**Insurance**	**Reinsurance held**	**Net**	**Insurance**	**Reinsurance held**	**Net**
Motor	7,940,458	1,102,362	6,838,097	6,459,123	1,260,282	5,198,841
Medical	1,175,897	0	1,175,897	765,133	3,646	761,488
Property	1,517,296	1,161,647	355,648	122,740	68,663	54,077
Transport	574	179	395	5,209	257	4,952
Guarantee	256,318	20,804	235,514	233,420	27,606	205,814
Crop	518	95	423	6,932	5,139	1,792
Engineering	344,486	214,693	129,793	532,425	405,659	126,766
Liability	235,481	145,726	89,755	173,009	34,854	138,155
Accident	37,625	308	37,317	56,732	1,325	55,407
Total	**11,508,652**	**2,645,814**	**8,862,838**	**8,354,723**	**1,807,432**	**6,547,292**

Notes to the Financial Statements - Continued

The geographical concentration of the Company's insurance contract liabilities is noted below. The disclosure is based on the countries where the business is written:

Frw' 000	2024									
Rwanda	Motor	Medical	Property	Transport	Guarantee	Crop	Engineering	Liability	Accident	Total
Contracts issued	7,940,458	1,175,897	1,517,296	574	256,318	518	344,486	235,481	37,625	11,508,652
Reinsurance held	1,102,362	0	1,161,647	179	20,804	95	214,693	145,726	308	2,645,814
Total net insurance contracts	**6,838,097**	**1,175,897**	**355,648**	**395**	**235,514**	**423**	**129,793**	**89,755**	**37,317**	**8,862,838**

Frw' 000	2023									
Rwanda	Motor	Medical	Property	Transport	Guarantee	Crop	Engineering	Liability	Accident	Total
Contracts issued	6,459,123	765,133	122,740	5,209	233,420	6,932	532,425	173,009	56,732	8,354,723
Reinsurance held	1,260,282	3,646	68,663	257	27,606	5,139	405,659	34,854	1,325	1,807,432
Total net insurance contracts	**5,198,841**	**761,488**	**54,077**	**4,952**	**205,814**	**1,792**	**126,766**	**138,155**	**55,407**	**6,547,292**

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 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 non linear. The method used for deriving sensitivity information and significant assumptions did not change from the previous period.
The impact of sensitivities to changes in discount rates is minimal due to the combination of:

- The discount rate for liability for remaining coverage being set at the date of initial recognition remaining unchanged and therefore not subject to variation.

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 Company 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. The Company 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.

Accident Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	85,564	91,842	74,333	78,538	81,697	82,717	82,717
2019	39,460	75,338	91,733	90,245	89,518	91,372	
2020	41,104	57,554	54,133	57,682	55,845		
2021	86,722	94,900	98,127	99,250			
2022	45,525	56,908	58,189				
2023	20,561	34,011					
2024	16,432						
Selection	1.5000	1.0400	1.0300	1.0100	1.0000	1.0000	1.0050

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		83,131	39.7%
ICL		91,829	41.9%
ICL		56,124	26.8%
ICL		100,744	32.7%
ICL		60,836	29.7%
ICL		36,981	21.7%
IBF	29.7%	30,463	24.9%

Engineering Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	73,051	190,543	341,783	343,113	343,113	343,113	343,113
2019	21,921	173,766	170,987	170,987	170,987	170,987	
2020	28,664	50,256	36,062	45,493	45,493		
2021	46,556	48,203	54,490	54,855			
2022	30,209	118,141	133,278				
2023	34,906	63,631					
2024	4,905						
Selection	2.5000	1.1500	1.0500	1.0000	1.0000	1.0000	1.0000

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		343,113	74.8%
ICL		170,987	35.6%
ICL		45,493	11.7%
ICL		54,855	25.7%
ICL		176,179	12.8%
ICL	27.0%	899,346	8.9%
IBF	27.0%	179,104	18.6%

Notes to the Financial Statements - Continued

Guarantee Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	237,763	323,422	294,507	286,303	287,850	301,045	340,961
2019	306,742	265,276	268,085	269,518	269,831	269,856	
2020	800,990	549,977	543,953	549,500	550,948		
2021	618,080	741,716	739,959	746,931			
2022	55,320	58,972	60,283				
2023	58,674	104,614					
2024	102,180						
Selection	1.4000	1.0300	1.0010	1.0000	1.0000	1.0000	1.0200

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		1,297,415	37.1%
ICL		275,253	32.9%
ICL		1,348,377	74.6%
ICL		761,870	110.6%
ICL		61,550	6.7%
ICL		110,017	10.8%
IBF	15.0%	146,065	16.0%

Liability Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	90,748	61,435	69,213	61,392	61,559	73,053	73,053
2019	46,455	59,027	100,513	127,464	157,518	153,518	
2020	14,325	27,872	25,423	26,352	25,950		
2021	85,926	106,605	111,833	125,213			
2022	63,988	92,865	105,583				
2023	74,201	117,355					
2024	186,224						
Selection	1.5000	1.1200	1.1000	1.0000	1.0000	1.0000	1.0000

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		73,053	39.3%
ICL		153,518	64.8%
ICL		25,950	8.5%
ICL		125,213	28.1%
ICL		116,142	26.2%
ICL		144,581	33.4%
IBF	28.0%	242,600	55.3%

Notes to the Financial Statements - Continued

Medical Triangles Used: Paid

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	887,602	942,138	942,209	942,209	942,209	942,209	942,209
2019	1,344,414	1,825,438	1,825,459	1,827,584	1,827,584	1,827,584	
2020	1,155,838	1,751,792	1,757,905	1,757,905	1,757,905		
2021	1,016,227	1,473,516	1,473,680	1,473,680			
2022	2,082,816	2,598,932	2,598,932				
2023	2,171,069	2,668,811					
2024	1,906,987						
Selection	1.3000	1.0010	1.0000	1.0000	1.0000	1.0000	1.0000

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		942,209	37.8%
ICL		1,827,584	76.7%
ICL		1,757,905	66.2%
ICL		1,473,680	85.4%
ICL		2,598,932	82.0%
ICL		2,668,811	64.3%
ICL	77.2%	3,018,050	81.1%

Motor

Accident Period	0	1	2	3	4	5	6	7
2023_Q1	111,441	348,419	655,323	1,200,313	1,110,542	1,231,186	1,301,840	1,481,001
2023_Q2	101,314	356,581	981,753	854,101	1,023,798	1,177,473	1,314,757	
2023_Q3	154,240	921,216	671,241	1,020,536	1,312,590	1,650,348		
2023_Q4	514,600	230,824	499,578	825,563	1,269,776			
2024_Q1	25,629	258,704	519,763	1,343,367				
2024_Q2	30,966	302,074	1,261,654					
2024_Q3	42,398	1,550,541						
2024_Q4	998,699							
Selection	5.2000	2.0500	1.4000	1.2000	1.1200	1.0700	1.0500	1.1743

Method	ILER Assumption	Ultimate Loss Ratio
PCL		99%
PCL		82%
PCL		84%
PBF	65%	62%
PBF	65%	52%
PBF	65%	56%
PBF	65%	73%
PBF	65%	65%

Notes to the Financial Statements - Continued

Property Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	101,395	127,805	113,937	114,004	114,425	114,425	114,425
2019	84,545	150,076	149,162	148,265	146,972	146,972	
2020	326,258	371,052	357,010	356,999	356,999		
2021	149,799	237,064	239,763	241,139			
2022	38,815	49,872	49,872				
2023	126,218	207,079					
2024	112,837						
Selection	1.5000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0010

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		114,540	14.6%
ICL		147,119	15.3%
ICL		357,356	47.3%
ICL		710,458	24.5%
ICL		49,921	4.0%
ICL		489,947	12.5%
IBF	20.0%	2,039,252	12.6%

Transport Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	1,595	18,343	18,143	18,143	18,143	18,143	18,143
2019	14,624	15,429	15,172	14,966	14,668	14,668	
2020	57,356	60,577	59,262	57,367	57,367		
2021	2,670	1,318	1,120	4,862			
2022	27,282	27,493	27,493				
2023	4,413	268					
2024	-						
Selection	1.5000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
PCL		18,143	11.9%
PCL		14,668	8.1%
PCL		57,367	37.2%
PCL		4,862	0.5%
PCL		28,043	10.1%
PCL		281	0.1%
PCL	20.0%	-	0.0%

Notes to the Financial Statements - Continued

Crop Triangles Used: Incurred

	Development Year						
Loss Year	0	1	2	3	4	5	6
2018	-	-	-	-	-	-	-
2019	3,938	47,191	45,317	45,325	45,243	45,243	
2020	413,893	474,366	483,861	483,348	482,071		
2021	360,253	424,254	426,857	425,339			
2022	82,063	82,063	82,063				
2023	16,815	16,551					
2024	-						
Selection	1.1500	1.0100	1.0000	1.0000	1.0000	1.0000	1.0000

Method	IEULR	Selected Ultimates	Ultimate Loss Ratio
ICL		18,143	0.0%
ICL		14,668	44.1%
ICL		57,367	111.0%
ICL		4,862	67.4%
ICL		28,043	60.6%
ICL		281	98.4%
ICL	40.0%	-	0.0%

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with insurance 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 recoveries.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity.

- The Company's liquidity risk policy sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- The Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow. The Company also has committed lines of credit that it can access to meet liquidity needs.

Maturity profiles

The following table summarises the maturity profile of portfolios of insurance contracts issued that are liabilities and portfolios of reinsurance contracts held that are liabilities of the Company based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

Maturity profile

Frw' 000	2024					
Portfolio	Upto 1 year	1-2 years	2-3 years	3-4 years	> 5 years	Total
Accident	87,830	21,465	-	-	-	**109,295**
Crop	-	-	-	-	-	**-**
Engineering	520,174	332,189	6,299	-	255,224	**1,113,886**
Guarantee	755,013	147,047	8,419	-	-	**910,479**
Liability	365,726	106,004	-	-	-	**471,730**
Medical	2,771,405	1,223,883	-	-	-	**3,995,288**
Motor	12,463,607	708,795	-	-	-	**13,172,402**
Property	1,317,140	822,686	-	-	-	**2,139,826**
Transport	346,658	14,164	-	-	-	**360,822**
Total	18,627,553	3,376,234	14,719	-	255,224	22,273,729

Maturity profile

Frw' 000	2023					
Portfolio	Upto 1 year	1-2 years	2-3 years	3-4 years	> 5 years	Total
Accident	25,950	118,036	-	-	-	**143,986**
Crop	-	3,846	-	-	-	**3,846**
Engineering	148,537	781,708	72,349	-	-	**1,002,594**
Guarantee	514,079	463,504	24,392	-	-	**1,001,976**
Liability	136,372	285,493	-	-	-	**421,865**
Medical	2,389,375	1,383,467	-	-	-	**3,772,842**
Motor	6,971,116	2,636,538	-	-	-	**9,607,655**
Property	286,152	1,416,816	-	-	-	**1,702,968**
Transport	230,414	71,539	-	-	-	**301,953**
Total	10,701,997	7,160,947	96,742	-	-	17,959,686

UPR_FY 2024

Earning Profile

Frw '000	Upto 1 year	1-2 years	2-3 years	3-4 years	> 5 years	Total
Accident	58,079	-	-	-	-	58,079
Crop	-	-	-	-	-	-
Engineering	497,390	92,932	57,754	57,912	23,418	729,405
Guarantee	391,376	3,986	13	-	-	395,375
Liability	206,814	-	-	-	-	206,814
Medical	1,267,211	23	23	24	8	1,267,290
Motor	3,555,107	-	-	-	-	3,555,107
Property	1,079,663	-	-	-	-	1,079,663
Transport	48,602	-	-	-	-	48,602
Total	7,104,243	96,941	57,791	57,935	23,426	7,340,335

UPR_FY 2023

Earning Profile

Frw '000	Upto 1 year	1-2 years	2-3 years	3-4 years	> 5 years	Total
Accident	72,372	-	-	-	-	72,372
Crop	1,492	-	-	-	-	1,492
Engineering	560,169	28,910	5,804	-	-	594,883
Guarantee	417,888	9,573	80	13	-	427,554
Liability	179,342	2,088	-	-	-	181,430
Medical	1,218,055	269	23	23	31	1,218,401
Motor	3,198,777	346	-	-	-	3,199,123
Property	892,587	370	-	-	-	892,957
Transport	61,500	-	-	-	-	61,500
Total	6,602,181	41,555	5,907	37	31	6,649,712

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument, insurance contract issued or reinsurance 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 Company'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 Company'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 Company's contractual requirements.

The nature of the Company'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.

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.

Fixed interest rate financial instruments expose the Company to fair value interest rate risk. Variable interest rate financial instruments expose the Company to cash flow interest rate risk. The Company's fixed interest rate financial instruments are government securities, deposits with financial institutions and borrowings.

The Company has no significant concentration of interest rate risk.
The Company is exposed to interest rate risk through its debt instruments held and in respect of liabilities or assets for incurred claims where cash flows are not expected to be settled within a year from when claims are incurred.

In respect of insurance or reinsurance contract assets or liabilities for remaining coverage to which the PAA is applied:
If at initial recognition, an entity expects that the time between providing each part of the services and the related premium due date is no more than a year apart, then the time value of money is not required to be taken into account.
Or
If this is not the case, then the liability or asset is calculated using a discount rate determined at initial recognition and, as such, the balance is not sensitive to movements in interest rates.

In respect of insurance or reinsurance contract assets or liabilities for incurred claims to which the PAA is applied:
If cash flows are expected to be paid or received in one year or less from the date the claims are incurred, then the time value of money is not required to be taken into account.
Or
If this is not the case, then the liability or asset would be adjusted using a discount rate updated at each reporting period, therefore, resulting in the balance being sensitive to interest rate movements.

Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments or insurance contract assets and/or liabilities will fluctuate because of changes in market prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or contract, or by factors affecting all similar contracts or financial instruments traded in the market.

The Company's price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices. The Company does not issue any participating contracts. Therefore, there are no insurance or reinsurance contracts which are exposed to price risk.

The Company's price risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on individual and total equity instruments.
The Company has no significant concentration of price risk.

Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorization and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

Notes to the Financial Statements - Continued

Capital Management

The Company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- To maintain the required level of stability of the Company thereby providing a degree of security to policyholders
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders.
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- To align the profile of assets and liabilities, taking account of risks inherent in the business
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders.
- To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders' value.

The Company is also subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseeable liabilities as they arise. The Company has met all of these requirements throughout the financial year. The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics. An important aspect of the Company's overall capital management process is the setting of target risk adjusted rates of return, which are aligned to performance objectives and ensure that the Company is focused on the creation of value for shareholders. The primary source of capital used by the Company is total equity. The Company also uses, where it is efficient to do so, sources of capital such as reinsurance, in addition to more traditional sources of funding.

The capital requirements are routinely forecast on a periodic basis and assessed against both the forecast available capital and the expected internal rate of return, including risk and sensitivity analyses. The process is ultimately subject to approval by the Board.

		2024	2023
		Frw' 000	**Frw' 000**
(i)	Admitted Assets	27,804,950	21,196,059
(ii)	Less Admitted Liabilities	22,899,972	18,252,722
	Solvency Margin	**4,904,977**	**2,943,337**
	Required solvency margin	**3,065,506**	**2,442,034**
	Surplus/(Deficiency)	1,839,471	501,303
	Solvency Coverage Ratio	**160.01%**	**120.53%**

2. Insurance revenue

	YE 2024 Frw' 000	YE 2023 Frw' 000
Accident	23,587	170,029
Crop	1,492	16,917
Engineering	79,364	837,650
Guarantee	42,658	1,008,619
Liability	46,346	458,235
Medical	3,946,400	3,877,511
Motor	12,816,418	8,550,234
Property	1,953,120	1,614,753
Transport	373,720	284,392
	21,583,105	**16,818,341**

3. Insurance service expenses

	YE 2024 Frw' 000	YE 2023 Frw' 000
Actual claims and expenses over the period	14,449,764	13,443,055
Expected release of incurred claims over the period	(5,702,883)	(4,107,795)
Expected release of risk adjustment for incurred claims	(364,972)	(345,749)
Newly Incurred Claims over the period	7,315,469	5,708,620
Increase in incurred claims liability for past periods	1,253,541	587,696
Release of deferred acquisition cost	1,711,313	1,252,295
Increase in losses on onerous contracts	(10,337)	(379,873)
	18,651,895	**16,158,250**

Notes to the Financial Statements - Continued

The insurance service expenses for the current year has been classified per portfolio as follows:

31 December 2024

	Accident	Crop	Engineering	Guarantee	Liability	Medical	Motor	Property	Transport	Totals
Actual claims and expenses over the period	67,218	-	516,587	345,010	266,740	2,900,912	9,312,358	992,118	48,821	14,449,764
Expected release of incurred claims over the period	(40,739)	(5,797)	(282,350)	(219,832)	(109,893)	(746,517)	(4,186,667)	(107,788)	(3,302)	(5,702,883)
Expected release of risk adjustment for incurred claims	(2,694)	(417)	(14,581)	(16,672)	(6,680)	(57,424)	(258,373)	(7,931)	(200)	(364,972)
Newly Incurred Claims over the period	15,865	-	190,290	49,502	160,207	1,175,896	5,589,778	133,931	-	7,315,469
Increase in incurred claims liability for past periods	4,322	(639)	(125,112)	193,631	4,915	(3,834)	(167,858)	1,349,631	(1,515)	1,253,541
Release of deferred acquisition cost	12,332	656	120,814	115,062	43,052	273,947	856,241	261,177	28,031	1,711,313
Increase in losses on onerous contracts	-	(1,072)	-	(2,266)	-	(6,999)	-	-	-	(10,337)
	56,305	(7,268)	405,648	464,436	358,342	3,535,981	11,145,479	2,621,139	71,835	18,651,895

31 December 2023

	Accident	Crop	Engineering	Guarantee	Liability	Medical	Motor	Property	Transport	Totals
Actual claims and expenses over the period	74,901	25,165	738,312	319,077	171,225	3,448,387	7,879,562	724,454	61,973	13,443,055
Expected release of incurred claims over the period	(48,145)	(27,114)	(42,595)	(108,641)	(49,153)	(777,815)	(2,969,070)	(78,566)	(6,697)	(4,107,795)
Expected release of risk adjustment for incurred claims	(4,028)	(2,236)	(3,940)	(8,935)	(4,176)	(63,699)	(251,692)	(6,493)	(549)	(345,749)
Newly Incurred Claims over the period	20,411	3,259	306,497	15,420	84,561	765,054	4,404,004	106,092	3,322	5,708,620
Increase in incurred claims liability for past periods	17,370	64	126,498	207,720	54,942	(6,008)	182,112	3,333	1,664	587,696
Release of deferred acquisition cost	15,575	2,330	43,734	78,572	29,315	309,862	638,270	112,029	22,609	1,252,295
Increase in losses on onerous contracts	-	1,030	-	(2,468)	-	(286,626)	(91,809)	-	-	(379,873)
	76,084	2,498	1,168,506	500,745	286,714	3,389,156	9,791,376	860,849	82,321	16,158,250

Notes to the Financial Statements - Continued

4. Allocation of reinsurance premiums

	2024 Frw' 000	2023 Frw' 000
Allocation of reinsurance premiums	2,857,555	2,630,839
	2,857,555	**2,630,839**

5. Amounts recoverable from reinsurers for incurred claims

	2024 Frw' 000	2023 Frw' 000
Actual claims recoveries	1,832,323	1,017,829
Expected release of incurred claims over the period	(1,149,418)	(1,193,464)
Expected release of risk adjustment for incurred claims	(69,932)	(101,292)
New Incurred Claims over the period	1,100,444	945,294
Increase in PV and RA of incurred claims liability	803,972	82,480
Release of deferred acquisition cost	335,381	488,345
Increase in losses on onerous contracts	(1,373)	(34,547)
	2,851,397	**1,204,645**

6. Investment income

	2024 Frw' 000	2023 Frw' 000
Investment income	2,669,841	1,627,054
	2,669,841	**1,627,054**

7. Other Expenses

	2024 Frw' 000	2024 Frw' 000
Accident	12,304	-
Engineering	94,562	-
Guarantee	63,155	-
Liability	48,827	-
Medical	531,018	-
Motor	1,704,645	-
Property	181,609	-
Transport	8,937	-
	2,645,058	-

8. Cash and cash equivalents

	2024 Frw' 000	2023 Frw' 000
Bank balances	4,064,929	1,275,903
Cash in hand	1,980	3,229
Transfers	68,378	326,353
Interest on deposits	177,272	72,493
	4,312,560	**1,677,979**

9. Investments in term deposits

	2024 Frw' 000	2023 Frw' 000
Held to maturity:		
Bank term deposits	450,000	450,000
With below movement in during the year:		
AS at I January	450,000	500,000
Investments made in the year	450,000	300,000
Repayments received in the year	(450,000)	(350,000)
Balance as at 31 December	**450,000**	**450,000**
Comprising:		
Current portion	450,000	450,000
Noncurrent portion	-	-
	450,000	**450,000**

10.Investments in treasury bonds

	2024 Frw' 000	2023 Frw' 000
Held to maturity:		
Fixed rate treasury bonds		1,868,000
With below movement in during the year:		
AS at 1 January	1,868,000	2,768,000
Investments made in the year	2,277,000	-
Repayments received in the year	(500,000)	(900,000)
Balance as at 31 December	**3,645,000**	**1,868,000**
Comprising:		
Current portion	-	-
Noncurrent portion	3,645,000	1,868,000
	3,645,000	**1,868,000**

11. Investment in unquoted securities

	2024 Frw' 000	2023 Frw' 000
Investment in unquoted securities		
Investee		
Regional Potatoes Trading - Shareholding 14.53%	60,000	60,000
Radiant Yacu - Shareholding 50.00%	500,000	500,000
Cyato Tea Plantation and Factory	1,665,000	1,360,000
Bank of Africa	1,202,400	-
Balance as at 31 December	**3,427,400**	**1,920,000**

Notes to the Financial Statements - Continued

12.Re- insurance contract receivables

	2024 Frw' 000	2023 Frw' 000
GLOBUS RE	1,364,809	707,837
ZEP RE	75,125	74,648
AFRICA RE	247,423	442,324
CICA RE	297,558	211,785
SCG RE	127,959	37,714
NCA RE	249,668	132,031
GIC	176,704	72,794
KENYA RE	336,077	127,200
SCR	79,416	75,883
CONTINENTAL RE	395,856	188,905
TAN RE	243,101	72,716
GHANA RE	316,143	110,082
CLAPTON RE	269,318	138,958
WAICA RE	93,774	-
	4,272,931	**2,392,877**

13.Receivables arising out of co- insurance arrangements

Prime	20,022	45,593
Mayfair	15,816	4,206
Britam	20,022	4,206
Mua	15,816	4,206
Old Mutual	15,816	4,206
BK Insurance	15,816	16,364
	103,309	**78,780**

14. Reinsurance share in insurance contracts liabilities

Reinsurance share in insurance contracts liabilities	1,407,773	1,874,350
	1,407,773	**1,874,350**

15. Other receivables

Other receivables		
Deposits and guarantees	54,415	72,965
Rentals receivable	29,060	23,094
VAT receivable	170,070	20,032
Prepayments	52,202	34,274
Dues from independent branches	482	5,997
Miscellaneous debtors	456,851	694,965
	763,080	**851,327**

Notes to the Financial Statements - Continued

16. Inventories

Inventories	32,062	34,381
	32,062	**34,381**

17. Taxation

(a) Statement of financial position

Statement of financial position		
As at 01 January	(236,543)	(152,513)
Current year charge	788,827	275,043
Tax paid	(261,727)	(359,073)
Tax (receivable)/ payable	**290,557**	**(236,543)**

(b) Statement of profit or loss

Statement of profit or loss		
Corporate tax charge for the year	(788,827)	(275,043)
Deferred tax charge/(credit) for the year	46,455	113,241
	(742,372)	**(161,802)**

(c) Reconciliation of tax charge for the year to the tax based on accounting profit

Profit/(Loss) before tax (2023:29.4%)	2,450,377	538,510
Tax at applicable rate of 28%(2023:29.4%)	686,106	158,322
Effects of net tax adjustments	56,266	3,480
	742,372	**161,802**

(d) Deferred tax liability

As at 01 January	16,866	130,107
Deferred tax (credit)/charge	(46,455)	(113,241)
As at 31 December	**(29,589)**	**16,866**

Notes to the Financial Statements - Continued

18. Investment property

Investment property			
As at 31 December 2024:	Land	Buildings	Total
Cost:	Frw' 000	Frw' 000	Frw' 000
As at 1 January 2024	2,996,223	12,164,437	15,160,660
Additions during the year		1,556,214	1,556,214
Disposal during the year	-	(2,000,000)	(2,000,000)
As at 31 December 2024:	**2,996,223**	**11,720,651**	**14,716,874**
Depreciation:			
As at 1 January 2024	-	177,475	177,475
Charge for the year	-	21,260	21,260
As at 31 December 2024:	**-**	**198,735**	**198,735**
Net book value	**2,996,223**	**11,521,916**	**14,518,139**

As at 31 December 2023:	Land	Buildings	Total
Cost:	Frw' 000	Frw' 000	Frw' 000
As at 1 January 2023	2,996,223	9,801,568	12,797,791
Additions during the year	-	2,362,869	2,362,869
As at 31 December 2023:	**2,996,223**	**12,164,437**	**15,160,660**
Depreciation:			
As at 1 January 2023	-	156,215	156,215
Charge for the year	-	21,260	21,260
As at 31 December 2023	**-**	**177,475**	**177,475**
Net book value	**2,996,223**	**11,986,962**	**14,983,185**

19.Property and equipment

As at 31 December 2024:	Office furniture	Office equipment	Motor vehicle	IT equipment	Total
Cost:	Frw' 000	Frw' 000	Frw' 000	Frw' 000	Frw' 000
As at 1 January 2024	228,426	56,144	504,391	418,274	1,207,235
Additions	711,873	1,174,830		27,329	1,914,032
As at 31 December 2024:	**940,299**	**1,230,974**	**504,391**	**445,603**	**3,121,267**
Depreciation:					
As at 1 January 2024	198,617	48,898	432,973	368,996	1,049,484
Charge for the year	185,820	44,644	17,855	38,303	286,622
As at 31 December 2024	**384,437**	**93,542**	**450,828**	**407,299**	**1,336,106**
Net book value	**555,862**	**1,137,432**	**53,563**	**38,304**	**1,785,161**

As at 31 December 2023:	Office furniture	Office equipment	Motor vehicle	IT equipment	Total
Cost:	Frw' 000	Frw' 000	Frw' 000	Frw' 000	Frw' 000
As at 1 January 2023	226,485	56,144	504,391	362,761	1,149,781
Additions	1,941	-	-	55,513	57,454
As at 31 December 2023:	**228,426**	**56,144**	**504,391**	**418,274**	**1,207,235**
Depreciation:					
As at 1 January 2023	188,681	46,483	409,167	319,718	964,049
Charge for the year	9,936	2,415	23,806	49,278	85,435
As at 31 December 2023	**198,617**	**48,898**	**432,973**	**368,996**	**1,049,484**
Net book value	**29,809**	**7,246**	**71,418**	**49,278**	**157,751**

20. Intangible assets

As at 31 December 2024:

	Establishment & Development costs	Computer software	Software in progress	Total
Cost:	Frw' 000	Frw' 000	Frw' 000	Frw' 000
As at 1 January 2024	163,859	273,182	108,708	545,749
Additions during the year	33,898			33,898
Transfer	-			-
As at 31 December 2024:	**197,757**	**273,182**	**108,708**	**579,647**
Depreciation:				
As at 1 January 2024	117,948	93,002	-	210,950
Charge for the year	18,018	7,981	-	25,999
As at 31 December 2023	**135,966**	**100,983**	**-**	**236,949**
Net book value	**61,791**	**172,199**	**108,708**	**342,698**

As at 31 December 2023:

	Establishment & Development costs	Computer software	Software in progress	Total
Cost:	Frw' 000	Frw' 000	Frw' 000	Frw' 000
As at 1 January 2023	163,859	91,780	290,110	545,749
Transfer	-	181,402	- 181,402	-
As at 31 December 2023:	**163,859**	**273,182**	**108,708**	**545,749**
Depreciation:				
As at 1 January 2023	99,284	86,545	-	185,829
Charge for the year	18,664	6,457	-	25,121
As at 31 December 2023	**117,948**	**93,002**	**-**	**210,950**
Net book value	**45,911**	**180,180**	**108,708**	**334,799**

21. Insurance contracts liabilities

	2024 Frw' 000	2023 Frw' 000
IBNR + OCR	11,309,057	8,525,130
Effect of Discounting	(870,371)	(738,809)
Risk Adjustment	1,069,965	568,401
Liability for Incurred Claims	11,508,652	8,354,723
Unearned Premium Reserve	7,340,335	6,649,712
Deferred Acquisition Cost	(653,394)	(657,705)
Loss Component	58,008	68,345
Premium Debtors	(1,194,315)	(899,549)
Liability for Remaining Coverage	5,550,634	5,160,801
	17,059,286	**13,515,525**

22. Re- insurance contract liabilities

	2024 Frw' 000	2023 Frw' 000
GLOBUS RE	374,055	217,040
ZEP RE	4,980	2,494
AFRICA RE	61,845	127,491
CICA RE	67,472	87,134
SCG RE	70,544	50,920
NCA RE	78,096	67,881
GIC RE	53,275	58,898
KENYA RE	104,115	106,108
SCR RE	3,204	17,059
CONTINENTAL RE	109,763	97,958
TAN RE	62,657	53,417
GHANA RE	111,000	99,028
CLAPTON RE	71,261	105,901
WAICA RE	63,950	-
	1,236,217	**1,091,330**

23. Payables arising out of co - insurance arrangements.

	2024 Frw' 000	2023 Frw' 000
Sonarwa GI	11,067	-
SANLAM	19,800	-
MUA	2,500	-
MAYFAIR	19,410	-
BRITAM	11,067	-
Prime	-	33,274
	63,845	**33,274**

24. Other payables

	2024	2023
	Frw' 000	Frw' 000
Pay as you earn (PAYE)	69,171	65,817
Withholding taxes	20,135	26,889
RSSB - Pensions & Maternity leave	21,042	19,769
VAT payable	179,282	93,874
Special Guarantee Fund (SGF)	96,850	81,934
Guarantee deposits	1,564,625	1,349,855
Miscellaneous creditors	593,034	606,036
	2,544,140	**2,244,174**

25. Cash flows generated from/ (used in) from operations

	Note	2024	2023
		Frw' 000	Frw' 000
Profit before tax		3,174,270	538,510
Adjustments for:			
Depreciation and amortization		333,880	348,886
Interest on Reinsurers' deposits		(499,457)	(322,441)
Interest on lease liability	25	-	21,072
Change in working capital:		3,008,693	586,027
Inventories	16	2,320	(5,835)
Other receivables	15	(406,795)	619,582
Opening Balance adjustments		-	422,010
Reinsurance share in insurance contracts liabilities	14	466,576	112,552
Receivables arising out from re- insurance - arrangement	12	(1,880,054)	91,921
Receivables arising out of co- insurance arrangement	13	(24,529)	215,021
Insurance contracts liabilities	21	3,543,760	2,696,947
Payable arising out of reinsurance arrangement	22	144,887	(533,120)
Payables arising out of co- insurance arrangements	23	30,571	(146,832)
Other payables	24	299,966	(450,838)
Operating activities			
Cash flows generated from/(used in) from operations	**26**	**5,185,395**	**3,607,435**

26.Capital commitments

There were no capital commitments (2023: Nil) towards acquisition and/or construction of capital expenditure items. No advances were paid on capital commitments (2023: Nil) during the year.

27.Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

28. Events after the reporting period

On the 28th of March 2025, the Directors reviewed the Company's financial statements for the year ended 31 December 2024 and determined that the Company has sufficient retained profits available for distribution to its Shareholders.

The directors recommended a distribution of dividends in the amount of three billion and five hundred million Rwandan francs (3,500,000,000 Frw). This distribution is subjected to the approval of the regulator.

Other Disclosures by Insurers

Appendix 1: Regulatory solvency margin

			2024	2023
Required Solvency Margin				
1	Gross Premium less reinsurance ceded last preceding year	Frw' 000	15,327,532	12,210,172
2	Solvency Margin Required:20% of I.1. or Rwf 500 million whichever is greater	Frw' 000	**3,065,506**	**2,442,034**
	Compliance with Solvency Margin			-
3	Total Assets	Frw' 000	35,089,699	26,859,969
4	Less: Non admitted Assets as per II.A.7	Frw' 000	939,259	369,204
5	Less: Deductions for assets subject to maximum admissible % as per II.B.7	Frw' 000	6,345,491	5,294,706
6	Admitted Assets I.3 less I.4 and I.5	Frw' 000	27,804,950	21,196,059
7	Less Admitted Liabilities as per III.C.3	Frw' 000	22,899,972	18,252,722
8	Solvency Margin Available (I.6 less I.7)	Frw' 000	**4,904,977**	**2,943,337**
9	Excess of solvency required (I.8 less I.2)	Frw' 000	1,839,471	501,303
10	**Solvency Coverage Ratio (I.8 divided by I.2)**	%	**160.01%**	**120.53%**

II.A. Non-admitted Assets

			2024	2023
1	Intangible Assets	Frw' 000	342,697	334,798
2	Exposure (Loans & Investment) to connected persons	Frw' 000	-	-
3	Loans to Insurance Intermediaries overdue for more than 6 mouths	Frw' 000	-	-
4	Receivables from reinsurers overdue for more than 6 months	Frw' 000	366,792	133
5	Loans and other receivables overdue for more than 6 months	Frw' 000	177,567	-
6	Deferred expenses, deferred taxes and prepayments	Frw' 000	52,202	34,274
7	Non-Admitted Assets (Add II.A.1. to 6)	Frw' 000	939,259	369,204

Other Disclosures by Insurers

II.B. Deductions for Assets Subject to Maximum Admissible Percentage

As at 31 December 2024

			A	Maximum admissible percentage (B)	Deductions (A less AxB)
1	Investment in equities: listed	Frw' 000	-	90%	-
2	Investment in equities: Unlisted	Frw' 000	3,427,400	70%	1,028,220
3	Investment in debt securities	Frw' 000	-	70%	-
4	Investments in properties	Frw' 000	13,377,547	80%	2,675,509
5	Receivables from reinsurers which are non-overdue	Frw' 000	4,009,448	90%	400,945
6	a) All other Assets (Total assets less II.A.7 and II.B.1,2,3,4 and 5)	Frw' 000	13,336,046		
	Less				
	Cash	Frw' 000	4,312,560		
	Deposit Balances	Frw' 000	450,000		
	Government Securities	Frw' 000	3,645,000		
	Government Receivables	Frw' 000	446,853		
	b) All other assets subject to maximum %	Frw' 000	4,481,633	50%	2,240,816
7	**Total Deductions (add II.B.1,2,3,4,5 and 6)**				**6,345,491**

As at 31 December 2023

			A	Maximum admissible percentage (B)	Deductions (A less AxB)
1	Investment in equities: listed	Frw' 000	-	90%	-
2	Investment in equities: Unlisted	Frw' 000	1,920,000	70%	576,000
3	Investment in debt securities	Frw' 000	-	70%	-
4	Investments in properties	Frw' 000	14,014,230	80%	2,802,846
5	Receivables from reinsurers which are non-overdue	Frw' 000	2,471,524	90%	247,152
6	a) All other Assets (Total assets less II.A.7 and II.B.1,2,3,4 and 5)	Frw' 000	8,085,011		
	Less				
	Cash	Frw' 000	1,677,979		
	Deposit Balances	Frw' 000	450,000		
	Government Securities	Frw' 000	1,868,000		
	Government Receivables	Frw' 000	751,617		
	All other assets subject to maximum %	Frw' 000	3,337,414	50%	1,668,707
7	**Total Deductions (add II.B.1,2,3,4,5 and 6)**				**5,294,705**

Other Disclosures by Insurers

III.C. Admitted Liabilities

As at 31 December 2024

1	Technical Provisions	Amount on Balance sheet A	Additional Percentage factor B	Admitted Liabilities (A +(Ax B))
	Unearned Premium	5,550,6334	10%	6,105,697
	Unexpired Risk	-	10%	-
	Outstanding claims	6,620,136	10%	7,282,149
	IBNR	4,888,516	10%	5,377,368
2	All other liabilities (Total Liabilities less technical provisions)	4,134,758	0%	4,134,758
3	**Total Admitted Liabilities**			**22,899,972**

As at 31 December 2023

1	**Technical Provisions**	**Amount on Balance sheet (A)**	**Additional Percentage factor (B)**	**Admitted Liabilities (A + (Ax B))**
	Unearned Premium	5,160,802	10%	5,676,883
	Unexpired Risk	-	10%	-
	Outstanding claims	5,807,161	10%	6,387,877
	IBNR	2,547,562	10%	2,802,318
2	All other liabilities (Total Liabilities less technical provisions)	3,385,644	0%	3,385,644
3	**Total Admitted Liabilities**			**18,252,722**

Other Disclosures by Insurers

Appendix 2: Detailed revenue account - 31 DECEMBER 2024

	Product Performance 2024									
In RWF 000										
Product Performance	Accident	Crop	Engineering	Guarantee	Liability	Medical	Motor	Property	Transport	Total
Total Insurance Revenue	123,587	1,492	979,364	942,658	446,346	3,946,400	12,816,418	1,953,120	373,720	21,583,105
Insurance service expenses	56,305	(7,268)	405,648	464,436	358,342	3,535,981	11,145,479	2,621,139	71,835	18,651,895
Insurance service results before reinsurance contracts held	67,282	8,761	573,716	478,222	88,004	410,419	1,670,939	(668,019)	301,885	2,931,210
Allocation of reinsurance premiums	1,875	1,492	657,949	201,784	293,329	(101)	843,258	710,362	147,608	2,857,555
Amount recoverable from reinsurers for incurred claims	(4,076)	(19,760)	(799,046)	(27,829)	426,426	(14,001)	(775,444)	4,065,462	(333)	2,851,397
Net expenses from reinsurance contracts held	5,951	21,252	1,456,995	229,613	(133,097)	13,900	1,618,702	(3,355,100)	147,941	6,158
Insurance service result	61,331	(12,492)	(883,279)	248,609	221,101	396,520	52,237	2,687,081	153,944	2,925,052

	Product Performance 2023									
In RWF 000										
	Accident	Crop	Engineering	Guarantee	Liability	Medical	Motor	Property	Transport	Total
Total Insurance Revenue	170,029	16,917	837,650	1,008,619	458,235	3,877,511	8,550,234	1,614,753	284,392	16,818,341
Insurance service expenses	76,083	2,498	1,168,506	500,745	286,714	3,389,155	9,791,377	860,849	82,322	16,158,249
Insurance service results before reinsurance contracts held	93,946	14,419	(330,856)	507,874	171,521	488,356	(1,241,143)	753,904	202,070	660,091
Allocation of reinsurance premiums	1,627	3,844	663,520	286,557	330,771	74,456	635,540	613,307	21,216	2,630,839
Amount recoverable from reinsurers for incurred claims	-	1,128	524,504	3,559	21,036		349,410	302,186	2,824	1,204,645
Net expenses from reinsurance contracts held	1,627	2,717	139,016	282,998	309,736	74,456	286,130	311,121	18,392	1,426,194
Insurance service result	92,319	11,702	(469,872)	224,876	(138,214)	413,901	(1,527,274)	442,782	183,678	(766,102)