


MUA INSURANCE RWANDA LTD - STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

| | 2,021 | 2,020 |
|---|------------------|------------------|
| | Frw'000 | Frw'000 |
| Gross written premiums | 8,293,145 | 7,113,378 |
| Change in unearned premium | (580,668) | (1,019,995) |
| Gross earned premium | 7,712,476 | 6,093,383 |
| Less premium ceded to reinsurers | 2,890,828 | 2,035,368 |
| Net premium revenue | 4,821,649 | 4,058,015 |
| Commission earned | 867,580 | 682,642 |
| Commission paid | (770,865) | (669,506) |
| Net Earned Commission | 96,716 | 13,136 |
| Gross claims paid | 3,111,377 | 2,358,282 |
| Less: Amount recoverable from re-insurers | (812,575) | (515,486) |
| change in outstanding claims | 907,476 | 344,064 |
| change in Reserve for Incurred but Not Reported claims (IBNR)claims | 119,710 | 61,491 |
| Net insurance claims incurred | 3,325,988 | 2,248,352 |
| Commission expenses | - | - |
| Management expenses | 1,753,790 | 1,570,818 |
| Net Underwriting profit/loss | (161,413) | 251,981 |
| Investment income | 954,626 | 815,016 |
| other operating income | 45,956 | 66,576 |
| interest income | - | - |
| other income | 838 | 14,846 |
| Total operating income | 1,001,421 | 896,438 |
| operating expenses other than management | - | - |
| interest expenses/finance costs | - | - |
| other expenses | - | - |
| Profit before income tax | 840,007 | 1,148,420 |
| Income tax expense/(charge) | (254,270) | (361,531) |
| Net Profit or loss for the year | 585,737 | 786,889 |
| Other comprehensive income (Specify) | | |
| Change in fair value on available-for-sale financial assets | 4,766 | (11,033) |
| Total Comprehensive income for the year | 590,503 | 775,856 |

MUA INSURANCE RWANDA LTD - STATEMENT OF FINANCIAL POSITION AS AT YEAR ENDED 31 DECEMBER 2021

| | 2,021 | 2,020 |
|---|-------------------|-------------------|
| | Frw'000 | Frw'000 |
| Assets | | |
| Non- current assets | | |
| Property and equipment | 37,632 | 46,936 |
| Right of use of asset | 246,871 | 93,894 |
| Other Intangible assets | 68,470 | 58,609 |
| Held to maturity investments | 7,634,174 | 5,876,189 |
| Investment in quoted shares | 118,118 | 111,310 |
| Investment in deposits and investment funds | 398,160 | 398,160 |
| Total non -current assets | 8,503,425 | 6,785,098 |
| Current assets: | | |
| Deferred acquisition costs | 430,438 | 373,611 |
| Deferred tax asset | 202,314 | 140,304 |
| Premium Receivables | 1,007,300 | 600,069 |
| Reinsurance Assets | 6,411,246 | 4,850,977 |
| Other receivables | 104,238 | 48,817 |
| Due from related parties | 28,627 | 21,411 |
| Term deposits | 3,544,940 | 2,862,217 |
| Cash and bank balances | 880,772 | 1,547,069 |
| Total current assets | 12,609,875 | 10,444,474 |
| Total assets | 21,113,300 | 17,229,573 |
| Equity and Liabilities | | |
| Equity | | |
| Share capital | 1,000,000 | 1,000,000 |
| Capital reserve | 51,571 | 46,805 |
| Profit/loss for the Year | 585,737 | 786,889 |
| Accumulated loss/ Retained earnings | 3,613,763 | 2,826,874 |
| Total Equity | 5,251,071 | 4,660,568 |
| Liabilities | | |
| Total Technical Provisions | 11,681,102 | 8,630,514 |
| Insurance contract liabilities | 6,876,095 | 4,607,794 |
| Investment contract liabilities | - | - |
| Provision for Incurred but Not Reported claims (IBNR) | 851,705 | 650,087 |
| Provision for unearned premium | 3,953,301 | 3,372,633 |
| Reinsurance payable | 629,889 | 1,077,280 |
| Amount due to related parties | 33,143 | 49,009 |
| Current tax payable | 71,258 | 128,651 |
| Other payables | 3,446,838 | 2,683,550 |
| Total liabilities | 15,862,229 | 12,569,005 |
| Total equity and liabilities | 21,113,300 | 17,229,573 |

These financial statements were approved by the Board of Directors on 21st March 2022 and signed on its behalf



by: -


Director


Director


MUA INSURANCE RWANDA LTD - STATEMENT OF CHANGES IN EQUITY AS AT YEAR ENDED 31 DECEMBER 2021

| Year ended 31 December 2020 | Share capital | Available for sale | Accumulated losses/Retained earnings | TOTAL |
|-----------------------------|------------------|--------------------|--------------------------------------|------------------|
| At 1st December 2020 | 1,000,000 | 57,838 | 2,826,874 | 3,884,712 |
| Profit for the year | - | - | 786,889 | 786,889 |
| Other comprehensive income | - | (11,033) | - | (11,033) |
| At 31 December 2020 | 1,000,000 | 46,805 | 3,613,763 | 4,660,568 |
| At 1st January 2021 | 1,000,000 | 46,805 | 3,613,763 | 4,660,568 |
| Profit for the year | - | - | 585,737 | 585,737 |
| Other comprehensive income | - | 4,766 | - | 4,766 |
| At 31 December 2021 | 1,000,000 | 51,571 | 4,199,500 | 5,251,071 |

MUA INSURANCE(RWANDA) LTD - PRODUCT PERFORMANCE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

| Product type | Gross premium written (1) | Ceded premium (2) | Net premium written (3) | Change in unearned premium (4) | Net earned premium (5) (3-4) | Net commission income (6) | Net claims incurred (7) | Management expense (8) | Technical profit/loss (9) (5-6-7-8) |
|-------------------|---------------------------|--------------------|-------------------------|--------------------------------|------------------------------|---------------------------|-------------------------|------------------------|-------------------------------------|
| Motor | 3,746,368 | (102,565) | 3,643,803 | (287,487) | 3,356,316 | (345,316) | (2,009,492) | (1,159,642) | (158,134) |
| Property | 1,681,617 | (1,178,146) | 503,471 | (92,253) | 411,218 | 152,509 | (83,631) | (119,313) | 360,783 |
| Liability | 270,671 | (58,965) | 211,706 | 1,341 | 213,047 | 804 | (148,938) | (27,429) | 37,484 |
| Transportation | 201,057 | (186,972) | 14,085 | (4,100) | 9,985 | (2,450) | (18,743) | (56,530) | (67,739) |
| Accident & health | 627,566 | (93,625) | 533,941 | (128,148) | 405,793 | 415 | (213,647) | (130,161) | 62,399 |
| Engineering | 1,140,831 | (755,516) | 385,315 | (139,997) | 245,318 | 198,001 | (187,999) | (17,295) | 238,025 |
| Guarantee | 625,035 | (489,135) | 135,899 | 44,074 | 179,973 | 92,754 | (663,538) | (243,419) | (634,230) |
| Total | 8,293,145 | (2,864,925) | 5,428,220 | (606,571) | 4,821,649 | 96,716 | (3,325,987) | (1,753,790) | (161,413) |

Key highlights of this financial year include:

MUA Insurance Rwanda Ltd.'s gross premium grew by 17% to Frw 8,293 million (compared to Frw 7,113 million as at December 2020).

Net profit after tax decreased by 26 % to Frw 586 million compared to Frw 789 million in 2020. The decrease in net profit was predominantly attributable to underwriting loss largely due to bond claims.

Basic earnings per share decreased by 25% to Frw 0.59 (2020: Frw 0.79)

Despite the challenging financial environment created by COVID-19, and decline in profit, MUA's solvency remain solid at 210%.



| MUA INSURANCE(RWANDA) LTD - STATEMENT OF CASH FLOWS OF AS AT YEAR ENDED 31 DECEMBER 2021 | | |
|---|--------------------|--------------------|
| | 2,021 | 2,020 |
| | Frw'000 | Frw'000 |
| Profit before tax | 840,007 | 1,148,420 |
| Adjustments for: | - | - |
| Depreciation properties of properties and equipment | 25,635 | 30,150 |
| Amortisation | 33,232 | 32,032 |
| Impairment provision | 14,454 | 9,150 |
| Change in provision bad debt | 246,626 | 30,957 |
| Depreciation of right-of-use assets | 47,023 | 47,023 |
| Interest income/expense | (959,287) | (827,891) |
| Dividend received | (7,165) | (326) |
| Operating profit before changes in working capital | 240,524 | 469,514 |
| Changes in working capital | | |
| (Increase)/decrease of premium outstanding | (653,857) | (265,825) |
| (Increase)/decrease in deferred acquisition cost | (56,827) | (87,542) |
| (Increase)/decrease of reinsurance assets | (1,560,269) | (3,489,031) |
| (Increase)/decrease in commission income | (21,283) | 251,845 |
| (Increase)/decrease in due to related parties | (15,866) | 24,822 |
| (Increase)/decrease in other payable | 817,565 | 134,477 |
| (Increase)/decrease in reinsurance payable | (447,391) | 558,360 |
| (Increase)/decrease in technical reserves | 3,050,588 | 4,003,453 |
| (Increase)/decrease of other receivables | (55,421) | (7,710) |
| (Increase)/decrease of Due from related parties | (8,056) | (8,626) |
| Cash generated from operating activities | 1,289,706 | 1,583,738 |
| Tax paid in the year | (375,716) | (314,225) |
| Net cash flows generated from operating activities | 913,990 | 1,269,513 |
| Investment activities | | |
| Purchase of property equipment | (16,331) | (32,099) |
| Purchase of intangible assets | (43,093) | (5,767) |
| Investment in government securities | (1,771,739) | (1,083,415) |
| Term deposits with financial institutions | (685,538) | (779,091) |
| Dividend Received | 7,165 | 326 |
| Interests received | 959,287 | 827,891 |
| Net cash generated from investment activities | (1,550,249) | (1,072,155) |
| Cash flows from financing activities | | |
| Cash paid for: | | |
| Repayment of finance lease | (32,993) | (28,077) |
| Dividend paid | - | - |
| Net cashflow from financing activities | (32,993) | (28,077) |
| Net(decrease)/increase in cash and cash equivalents | (669,252) | 169,282 |
| Cash and cash equivalents at the beginning of the year | 1,553,139 | 1,383,858 |
| Cash and cash equivalents at the end of the year | 883,888 | 1,553,139 |

| MUA INSURANCE(RWANDA) LTD - QUANTITATIVE DISCLOSURES | | | |
|--|--|-------------------------|-------------------------|
| Item | Formula/ description | Amount/ Ratio | |
| | | 2021 | 2020 |
| | | Frw'000 | Frw'000 |
| A. Solvency coverage | | | |
| a. Solvency required | | 825,287 | 965,377 |
| b. Admitted assets | | 18,762,620 | 15,650,400 |
| c. Admitted liabilities | | 17,030,340 | 13,432,056 |
| d. Solvency available | | 1,732,280 | 2,218,344 |
| e. Solvency surplus (gap) | | 906,993 | 1,252,967 |
| f. Solvency coverage ratio | | 210% | 230% |
| B. Capital Strength | | | |
| a. TAC (Total Available Capital) | | 4,425,778 | 4,011,864 |
| b. RCR (Risk Based Capital Required) | | 3,481,310 | 2,482,594 |
| c. CAR (Capital Adequacy ratio) | | 127% | 134% |
| a. Claims Ratio | Net Claims Incurred/ Net Earned Premiums | 69% | 55% |
| b. Management Expenses Ratio | Management expenses/ Net Earned Premiums | 36% | 39% |
| c. Underwriting expenses ratio | Net commission expenses/ net earned Premiums | -2% | -0.3% |
| d. Combined Ratio (For General insurance Only) | Claims ratio+ Management expenses ratio+ Underwriting expenses ratio | 103% | 94% |
| D. INVESTMENT EXPOSURE | | | |
| a. Investment Exposure (s) | Any investment above ten percent of total assets (name and amount) | | |
| b. Earning assets ratio | Earning Assets/ total assets | 55% | 53% |
| c. Investment property ratio | Investment property/ total assets | - | - |
| d. Equities assets ratio | Investment Equities/ total assets | 1% | 1% |
| E. Liquidity Risk | | | |
| a. Liquidity Ratio (LCR) | Liquid assets/ current liabilities | 78% | 84% |
| F. Exposures to related parties | | | |
| a. Loans to employees/ staff | | 1,911 | 1 |
| F. Business composition | | | |
| a. Number of policyholders per branch | | 8,226 | 8,226 |
| b. Number of policies in force per branch | | 19,282 | 18,634 |
| G. Management and Board Composition | | | |
| a. Number of Board members (Independent and non-independent) | | 7 | 7 |
| b. Number of Board committees | | 3 | 3 |
| c. Number of senior management staff by gender | | 6 males | 5 males |
| H. Staff | | | |
| a. Total Number of non-managerial Staff by gender | | 18 Males and 15 females | 18 Males and 14 females |
| I. Insurance Intermediaries | | | |
| a. Number of insurance agents | | 94 | 103 |
| b. Number of loss adjusters/ assessors | | 6 | 6 |
| L. Branches | | | |
| a. Number of Branches by Province including Kigali City | | 16 | 16 |