

**COMPANY STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDING 31 DECEMBER 2022**

	Audited Short term Business 2022 KShs '000	Audited Long term Business 2022 KShs '000	Audited Total 2022 KShs '000	Audited Restated Total 2021 KShs '000
<b>INCOME</b>				
Gross premiums written	19,535,488	2,240,479	21,775,967	17,871,081
Less: change in unearned premiums	(1,128,642)	(131,523)	(1,260,165)	(30,361)
Less: retrocession premiums	(564,405)	(97,338)	(661,743)	(658,889)
<b>NET EARNED PREMIUMS</b>	<b>17,842,441</b>	<b>2,011,618</b>	<b>19,854,059</b>	<b>17,181,831</b>
Investment income-Interest income	1,834,233	983,711	2,817,944	2,665,585
Investment income-Other	667,068	111,628	778,696	895,593
Commissions recovered	31,694	4,644	36,338	27,425
Fair value gains on revaluation of investment properties	(100,985)	8,832	(92,153)	(116,642)
Other income	123,420	-	123,420	57,858
Share of associate profits	551,107	-	551,107	404,714
<b>TOTAL INCOME</b>	<b>20,948,978</b>	<b>3,120,433</b>	<b>24,069,411</b>	<b>21,116,364</b>
<b>CLAIMS AND BENEFITS</b>				
Gross claims incurred and policy holder benefits	(11,542,893)	(1,639,787)	(13,182,680)	(10,250,170)
Less: Re-insurers share of claims and policy holder benefits	70,787	76,992	147,779	230,787
<b>NET CLAIMS AND BENEFITS</b>	<b>(11,472,106)</b>	<b>(1,562,795)</b>	<b>(13,034,901)</b>	<b>(10,019,383)</b>
Cedant acquisition costs	(4,776,421)	(539,441)	(5,315,862)	(4,597,547)
Operating and other expenses	(1,359,881)	(155,962)	(1,515,843)	(1,861,926)
Provision for doubtful debts	(245,200)	-	(245,200)	(571,163)
<b>TOTAL CLAIMS, BENEFITS AND OTHER EXPENSES</b>	<b>(17,853,608)</b>	<b>(2,258,198)</b>	<b>(20,111,806)</b>	<b>(17,050,019)</b>
<b>PROFIT BEFORE TAX</b>	<b>3,095,370</b>	<b>862,235</b>	<b>3,957,605</b>	<b>4,066,345</b>
INCOME TAX EXPENSE	(802,204)	(139,001)	(941,205)	(1,047,094)
<b>PROFIT FOR THE YEAR</b>	<b>2,293,166</b>	<b>723,234</b>	<b>3,016,400</b>	<b>3,019,251</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that will not be reclassified subsequently to profit or loss:				
Share of gain on property revaluation of associate	4,705	-	4,705	8,524
Remeasurement gains/ (losses) on defined benefit plans, net of tax	41,099	-	41,099	26,509
Items that may be reclassified subsequently to profit or loss:				
Reclassification adjustment relating to available-for-sale financial assets disposed in the year	-	-	-	-
Net (losses) / gains on revaluation of available-for-sale quoted equity instruments	(48,392)	-	(48,392)	60,828
Net gains on revaluation of available-for-sale government securities	(78,205)	-	(78,205)	(4,549)
Share of movement in associate reserves:				
- currency translation	603,350	-	603,350	81,219
- fair value reserve	(106,452)	-	(106,452)	11,026
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>416,104</b>	<b>-</b>	<b>416,104</b>	<b>183,557</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>2,709,270</b>	<b>723,234</b>	<b>3,432,504</b>	<b>3,202,808</b>
<b>EARNINGS PER SHARE - basic and diluted</b>			<b>1.08</b>	<b>1.08</b>
<b>Key Ratios</b>				
Capital Adequacy Ratio			875%	875%
Solvency Ratio			767%	759%
Claims Ratio			66%	58%
Expense Ratio			8%	11%

**COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	Audited Short term Business 2022 KShs '000	Audited Long term Business 2022 KShs '000	Audited Total 2022 KShs '000	Audited Restated Total 2021 KShs '000	Audited Restated Total 1.1.2021 KShs '000
<b>EQUITY</b>					
Share capital	6,499,491	500,000	6,999,491	6,999,491	6,999,491
Revaluation reserve	33,697	-	33,697	28,992	20,468
Fair value reserve	(645,950)	(80,064)	(726,013)	(492,965)	(560,270)
Translation reserve	1,348,236	-	1,348,236	744,887	663,668
Statutory reserve	-	8,131,318	8,131,318	7,408,085	6,189,289
Retained earnings	24,042,509	-	24,042,509	21,988,223	20,721,218
<b>TOTAL EQUITY</b>	<b>31,277,983</b>	<b>8,551,255</b>	<b>39,829,238</b>	<b>36,676,713</b>	<b>34,033,864</b>
<b>ASSETS</b>					
Property and equipment	66,580	-	66,580	41,489	59,150
Intangible assets	21,912	35,751	57,663	112,803	297,764
Investment properties	10,783,252	1,621,748	12,405,000	12,250,000	12,175,000
Investment in associate	7,823,043	-	7,823,043	6,770,334	5,761,432
Investment in subsidiary companies	2,761,398	-	2,761,398	2,630,947	2,421,540
Unquoted equity instruments	201,623	-	201,623	194,248	209,674
Mortgage loans	743,491	-	743,491	780,537	765,636
Corporate bonds-held to maturity	45,329	-	45,329	45,329	-
Receivables arising out of reinsurance and retrocession arrangements	1,130,213	502,972	1,633,185	1,023,586	6,273,565
Receivables arising out of reinsurance and retrocession arrangements-Pipeline	7,091,168	435,356	7,526,524	-	-
Premium retained by cedants	310,500	-	310,500	368,638	127,338
Deferred acquisition costs	1,097,410	133,997	1,231,407	864,158	654,771
Due from related party	104,168	-	104,168	55,558	65,311

Other receivables	479,542	-	479,542	525,962	465,515
Income tax receivable	-	-	-	-	25,301
Quoted equity instruments	976,193	177,878	1,154,071	1,202,463	1,186,121
Government securities	12,692,211	6,579,364	19,271,575	18,243,649	17,160,253
Inventory	18,912	-	18,912	18,406	14,152
Deposits with financial institutions	4,712,380	4,482,916	9,195,296	7,677,637	7,585,300
Deferred tax asset	1,452,394	-	1,452,394	-	-
Cash and bank balances	95,091	6	95,097	144,402	136,934
<b>TOTAL ASSETS</b>	<b>52,606,810</b>	<b>13,969,988</b>	<b>66,576,798</b>	<b>52,975,447</b>	<b>55,359,456</b>
<b>LIABILITIES</b>					
Long term reinsurance contract liabilities	-	1,298,214	1,298,214	1,254,757	2,721,542
Short term reinsurance contracts liabilities	9,454,900	-	9,454,900	9,156,159	8,646,523
Payables arising out of reinsurance arrangements	867,040	176,099	1,043,139	221,268	5,262,798
Payables arising out of reinsurance arrangements-Pipeline	6,018,207	338,885	6,357,092	-	-
Deferred tax liability	-	3,143,639	3,143,639	1,552,244	1,264,854
Retirement benefits obligation	19,578	-	19,578	49,000	175,911
Due to related party	252,887	-	252,887	134,940	28,454
Income tax payable	29,525	-	29,525	-	29,858
Other payables	546,212	-	546,212	588,157	603,212
Unearned premiums	4,140,478	461,896	4,602,374	3,342,209	2,592,440
<b>TOTAL LIABILITIES</b>	<b>21,328,827</b>	<b>5,418,733</b>	<b>26,747,560</b>	<b>16,298,734</b>	<b>21,325,592</b>
<b>NET ASSETS</b>	<b>31,277,983</b>	<b>8,551,255</b>	<b>39,829,238</b>	<b>36,676,713</b>	<b>34,033,864</b>

**COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Share capital KShs '000	Revaluation reserve KShs '000	Fair value reserve KShs '000	Translation reserve KShs '000	Statutory reserve KShs '000	Retained earnings KShs '000	Total KShs '000
<b>At 31 December 2020 - as previously reported</b>	<b>6,999,491</b>	<b>20,468</b>	<b>(560,270)</b>	<b>663,668</b>	<b>6,344,673</b>	<b>20,742,369</b>	<b>34,210,399</b>
Prior year adjustments	-	-	-	-	(155,384)	(21,151)	(176,535)
At 31 December 2020-restated	6,999,491	20,468	(560,270)	663,668	6,189,289	20,721,218	34,033,864
At 1 January 2021-Restated	6,999,491	20,468	(560,270)	663,668	6,189,289	20,721,218	34,033,864
Profit for the year	-	-	-	-	1,218,795	1,800,456	3,019,251
Other comprehensive income (loss)/income	-	8,524	67,305	81,219	-	26,509	183,557
<b>Total comprehensive income</b>	<b>-</b>	<b>8,524</b>	<b>67,305</b>	<b>81,219</b>	<b>1,256,401</b>	<b>1,605,713</b>	<b>3,202,808</b>
<b>Dividends declared - 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(559,959)</b>	<b>(559,959)</b>
At 31 December 2021-Restated	6,999,491	28,992	(492,965)	744,887	7,408,085	21,988,223	36,676,713
<b>At 31 December 2021 - as previously reported</b>	<b>6,999,491</b>	<b>28,992</b>	<b>(492,965)</b>	<b>744,887</b>	<b>7,601,074</b>	<b>21,788,123</b>	<b>36,669,602</b>
Prior year adjustments	-	-	-	-	(192,990)	200,101	7,111
At 31 December 2021 - as restated	6,999,491	28,992	(492,965)	744,887	7,408,085	21,988,223	36,676,713
At 1 January 2022 as restated	6,999,491	28,992	(492,965)	744,887	7,408,085	21,988,223	36,676,713
Profit for the year	-	-	-	-	723,234	2,293,166	3,016,400
Other comprehensive income (loss)/income	-	4,705	(233,048)	603,349	-	41,099	416,104
<b>Total comprehensive income</b>	<b>-</b>	<b>4,705</b>	<b>(233,048)</b>	<b>603,349</b>	<b>723,234</b>	<b>2,334,265</b>	<b>3,432,504</b>
<b>Dividends declared - 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(279,979)</b>	<b>(279,979)</b>
At 31 DECEMBER 2022	6,999,491	33,697	(726,013)	1,348,236	8,131,318	24,042,509	39,829,238

**COMPANY STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Audited 2022 KShs '000	Audited 2021 KShs '000
Net cash generated from operations	1,088,999	712,445
Interest received on corporate bonds	5,884	2,865
Interest received on government securities	2,179,297	2,107,016
Interest received on staff mortgages and loans	27,075	27,543
Interest received on deposits with financial institutions	584,300	446,301
Interest received on commercial mortgages	26,842	25,497
Tax paid in the year	(747,379)	(794,045)
<b>Net cash generated from operating activities</b>	<b>3,165,018</b>	<b>2,527,622</b>
Cash flows from investing activities:		
Purchase of investment property	(247,154)	(191,642)
Purchase of property and equipment	(52,664)	(3,632)
Purchase of unquoted equity instruments	(7,375)	(9,048)
Purchase of quoted equity instruments	-	(19,249)
Purchase of intangible assets	(47,128)	(4,043)
Purchase of government securities	(2,969,986)	(2,054,259)
Purchase of corporate bonds	-	(45,200)
Proceeds on maturity of government securities	1,925,832	1,000,535
Proceeds on sale of un quoted equity instruments	-	24,474
Proceeds on sale of quoted equity instruments	-	63,735
Investment in subsidiary	(130,451)	(209,408)
Investment in associate	-	(503,419)
Deposit on offshore investment	-	(114,938)
Dividends received on quoted equity instruments	112,241	83,297
<b>Net cash used in investing activities</b>	<b>(1,416,685)</b>	<b>(1,982,797)</b>
Cash flows used in financing activities:		
Dividends paid	(279,979)	(559,959)
Net increase/(decrease) in cash and cash equivalents	1,468,354	(15,134)
<b>Cash and cash equivalents at 1 January</b>	<b>7,707,101</b>	<b>7,722,235</b>
<b>Cash and cash equivalent at 31 December</b>	<b>9,175,455</b>	<b>7,707,101</b>

**KENYA RE****Kenya Reinsurance Corporation Limited**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDING 31 DECEMBER 2022**

	Audited Short term Business 2022	Audited Long term Business 2022	Audited Total 2022	Audited Restated Total 2021
	KShs '000	KShs '000	KShs '000	KShs '000
<b>INCOME</b>				
Gross premiums written	22,699,777	2,280,158	24,979,935	20,296,197
Less: change in unearned premiums	(1,451,046)	(143,524)	(1,594,570)	(97,620)
Less: retrocession premiums	(1,142,585)	(97,338)	(1,239,923)	(1,162,210)
<b>NET EARNED PREMIUMS</b>	<b>20,106,146</b>	<b>2,039,296</b>	<b>22,145,442</b>	<b>19,036,367</b>
Investment income-Interest income	2,037,727	927,270	2,964,997	2,762,092
Investment income-Other	667,068	111,628	778,696	895,593
Commissions recovered	224,201	32,850	257,051	136,630
Fair value gains on revaluation of investment properties	(100,985)	8,832	(92,153)	(116,642)
Other income	72,023	-	72,023	58,323
Share of associate profits	551,107	-	551,107	404,714
<b>TOTAL INCOME</b>	<b>23,557,287</b>	<b>3,119,876</b>	<b>26,677,163</b>	<b>23,177,077</b>
<b>CLAIMS AND BENEFITS</b>				
Gross claims incurred and policy holder benefits	(12,807,004)	(1,642,398)	(14,449,402)	(10,875,525)
Less: Re-insurers share of claims and policy holder benefits	505,971	76,992	582,963	230,787
<b>NET CLAIMS AND BENEFITS</b>	<b>(12,301,033)</b>	<b>(1,565,406)</b>	<b>(13,866,439)</b>	<b>(10,644,738)</b>
Cedant acquisition costs	(5,600,794)	(539,666)	(6,140,460)	(5,259,613)
Operating and other expenses	(1,594,737)	(160,190)	(1,754,927)	(2,095,804)
Provision for doubtful debts	(329,029)	-	(329,029)	(909,370)
<b>TOTAL CLAIMS, BENEFITS, AND OTHER EXPENSES</b>	<b>(19,825,593)</b>	<b>(2,265,262)</b>	<b>(22,090,855)</b>	<b>(18,909,525)</b>
<b>PROFIT BEFORE TAX</b>	<b>3,731,694</b>	<b>854,614</b>	<b>4,586,308</b>	<b>4,267,552</b>
<b>INCOME TAX EXPENSE</b>	<b>(825,326)</b>	<b>(143,007)</b>	<b>(968,333)</b>	<b>(1,112,248)</b>
<b>PROFIT FOR THE YEAR</b>	<b>2,906,368</b>	<b>711,607</b>	<b>3,617,975</b>	<b>3,155,304</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that will not be reclassified subsequently to profit or loss:				
Share of gain on property revaluation of associate	4,705	-	4,705	8,524
Remeasurement gains/ (losses) on defined benefit plans, net of tax	41,099	-	41,099	26,509
Items that may be reclassified subsequently to profit or loss:				
Reclassification adjustment relating to available-for-sale financial assets disposed in the year	-	-	-	-
Net gains / (losses) on revaluation of available-for-sale quoted equity instruments	(48,392)	-	(48,392)	60,828
Net gains on revaluation of available-for-sale government securities	(78,205)	-	(78,205)	(4,549)
Translation reserve	(77,884)	-	(77,884)	50,241
Share of movement in associate reserves:				
- currency translation	603,350	-	603,350	81,219
- fair value reserve	(106,452)	-	(106,452)	11,026
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>338,221</b>	<b>-</b>	<b>338,221</b>	<b>233,798</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>3,244,589</b>	<b>711,607</b>	<b>3,956,196</b>	<b>3,389,102</b>
<b>EARNINGS PER SHARE - basic and diluted</b>			<b>1.29</b>	<b>1.13</b>
<b>Key Ratios</b>				
Capital Adequacy Ratio			<b>875%</b>	<b>875%</b>
Solvency Ratio			<b>731%</b>	<b>759%</b>
Claims Ratio			<b>63%</b>	<b>56%</b>
Expense Ratio			<b>8%</b>	<b>11%</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	Audited Short term Business 2022	Audited Long term Business 2022	Audited Total 2022	Audited Restated Total 2021	Audited Restated Total 1.1.2021
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
<b>EQUITY</b>					
Share capital	6,499,491	500,000	6,999,491	6,999,491	6,999,491
Revaluation reserve	33,697	-	33,697	28,992	20,468
Fair value reserve	(645,952)	(80,061)	(726,013)	(492,965)	(560,270)
Translation reserve	1,347,425	-	1,347,425	821,958	690,498
Statutory reserve	-	8,145,000	8,145,000	7,433,393	6,237,682
Retained earnings	24,972,103	-	24,972,103	22,304,615	20,878,472
<b>TOTAL EQUITY</b>	<b>32,206,764</b>	<b>8,564,939</b>	<b>40,771,703</b>	<b>37,095,484</b>	<b>34,266,341</b>
<b>ASSETS</b>					
<b>Property and equipment</b>	93,426	-	93,426	68,256	92,729
<b>Intangible assets</b>	21,912	35,751	57,663	112,803	297,764
<b>Investment properties</b>	10,649,225	1,755,775	12,405,000	12,250,000	12,175,000
Investment in associate	7,823,043	-	7,823,043	6,770,334	5,761,432
Unquoted equity instruments	201,623	-	201,623	194,248	209,674
Mortgage loans	750,213	-	750,213	790,455	776,835
Corporate bonds-held to maturity	45,329	-	45,329	45,329	-
Receivables arising out of reinsurance and retrocession arrangements	1,584,575	557,698	2,142,273	2,065,570	7,347,292
Receivables arising out of reinsurance and retrocession arrangements-Pipeline	7,968,485	448,546	8,417,031	-	-
Premiums retained by cedants	424,861	-	424,861	418,173	153,294
Deferred acquisition costs	1,301,433	138,300	1,439,733	979,601	737,689
Other receivables	437,655	82,222	519,877	570,299	493,185
Quoted equity instruments	976,193	177,878	1,154,071	1,202,463	1,186,121
Government securities	13,353,705	6,579,364	19,933,069	18,551,024	17,258,062
Inventory	20,345	-	20,345	18,505	14,265

Deposits with financial institutions	8,171,395	4,186,346	12,357,741	10,566,834	8,306,552
Cash and bank balances	822,315	66,000	888,315	1,029,913	2,453,326
Deferred tax asset	1,452,394	-	1,452,394	-	-
<b>TOTAL ASSETS</b>	<b>56,098,127</b>	<b>14,027,880</b>	<b>70,126,007</b>	<b>55,633,807</b>	<b>57,263,220</b>
<b>LIABILITIES</b>					
Long term reinsurance contract liabilities	-	1,309,997	1,309,997	1,262,731	2,721,542
Short term reinsurance contracts liabilities	10,273,510	-	10,273,510	9,915,675	9,340,902
Payables arising out of reinsurance arrangements	1,542,390	175,806	1,718,197	1,306,359	5,815,974
<b>Payables arising out of reinsurance arrangements-Pipeline</b>	<b>6,602,886</b>	<b>341,317</b>	<b>6,944,203</b>	<b>-</b>	<b>-</b>
Deferred tax liability	-	3,160,311	3,160,311	1,568,916	1,281,527
Retirement benefits obligation	19,578	-	19,578	49,000	175,911
Income tax payable	39,276	-	39,276	84,980	99,965
Other payables	626,306	-	626,306	682,305	709,728
Unearned premiums	4,787,417	475,510	5,262,927	3,668,357	2,851,330
<b>TOTAL LIABILITIES</b>	<b>23,891,363</b>	<b>5,462,941</b>	<b>29,354,304</b>	<b>18,538,323</b>	<b>22,996,879</b>
<b>NET ASSETS</b>	<b>32,206,764</b>	<b>8,564,939</b>	<b>40,771,703</b>	<b>37,095,484</b>	<b>34,266,341</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Share capital	Revaluation reserve	Fair value reserve	Translation reserve	Statutory reserve	Retained earnings	Total
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
<b>At 31 December 2020 -as previously reported</b>	<b>6,999,491</b>	<b>20,468</b>	<b>(560,270)</b>	<b>690,498</b>	<b>6,387,470</b>	<b>20,859,668</b>	<b>34,397,325</b>
Prior year adjustments	-	-	-	-	(149,788)	18,804	(130,984)
At 31 December 2020-restated	6,999,491	20,468	(560,270)	690,498	6,237,682	20,878,472	34,266,341
At 1 January 2021-Restated	6,999,491	20,468	(560,270)	690,498	6,237,682	20,878,472	34,266,341
Profit for the year	-	-	-	-	1,195,711	1,959,593	3,155,304
Other comprehensive income (loss)/ income	-	8,524	67,305	131,460	-	26,509	233,798
Total comprehensive income	-	8,524	67,305	131,460	1,195,711	1,986,102	3,389,102
Dividends declared - 2021	-	-	-	-	-	(559,959)	(559,959)
<b>At 31 December 2021-Restated</b>	<b>6,999,491</b>	<b>28,992</b>	<b>(492,965)</b>	<b>821,958</b>	<b>7,433,393</b>	<b>22,304,615</b>	<b>37,095,484</b>
At 31 December 2021 -as previously reported	6,999,491	28,992	(492,965)	821,958	7,625,237	22,056,816	37,039,529
Prior year adjustments	-	-	-	-	(191,844)	247,799	55,955
<b>At 31 December 2021- as restated</b>	<b>6,999,491</b>	<b>28,992</b>	<b>(492,965)</b>	<b>821,958</b>	<b>7,433,393</b>	<b>22,304,615</b>	<b>37,095,484</b>
<b>At 1 January 2022 as restated</b>	<b>6,999,491</b>	<b>28,992</b>	<b>(492,965)</b>	<b>821,958</b>	<b>7,433,393</b>	<b>22,304,615</b>	<b>37,095,484</b>
Profit for the year	-	-	-	-	711,607	2,906,368	3,617,975
Other comprehensive income (loss)/ income	-	4,705	(233,048)	525,467	-	41,099	338,222
Total comprehensive income	-	4,705	(233,048)	525,467	711,607	2,947,467	3,956,197
Dividends declared - 2021	-	-	-	-	-	(279,979)	(279,979)
<b>At 31 DECEMBER 2022</b>	<b>6,999,491</b>	<b>33,697</b>	<b>(726,613)</b>	<b>1,347,425</b>	<b>8,145,000</b>	<b>24,972,103</b>	<b>40,771,703</b>

**CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Audited 2022	Audited 2021
	KShs '000	KShs '000
Net cash generated from operations	1,381,556	1,422,530
Interest received on corporate bonds	5,884	2,865
Interest received on government securities	2,202,932	2,121,115
Interest received on staff mortgages and loans	27,435	28,169
Interest received on deposits with financial institutions	674,273	484,218
Interest received on commercial mortgages	26,842	25,497
Tax paid in the year	(774,507)	(819,074)
<b>Net cash generated from operating activities</b>	<b>3,544,415</b>	<b>3,265,320</b>
<b>Cash flows from investing activities:</b>		
<b>Purchase of investment property</b>	<b>(247,154 )</b>	<b>(191,642)</b>
Purchase of property and equipment	(60,523)	(4,566)
Purchase of un quoted equity instruments	(7,375)	(9,048)
Purchase of quoted equity instruments	-	(19,249)
Purchase of intangible assets	(47,128)	(4,043)
Purchase of government securities	(3,424,759)	(2,381,065)
Purchase of corporate bonds	-	(45,200)
Proceeds on maturity of government securities	2,059,573	1,118,234
Proceeds on sale of quoted equity instruments	-	63,735
Proceeds on sale of un quoted equity instruments	-	24,474
Investment in associate	-	(503,419)
Deposit on offshore investment	-	(114,938)
Dividends received on quoted equity instruments	112,241	83,297
Net cash used in investing activities	(1,615,125)	(1,983,430)
<b>Cash flows used in financing activities:</b>		
<b>Dividends paid</b>	<b>(279,979)</b>	<b>(559,959)</b>
Net increase in cash and cash equivalents	1,649,311	721,931
Cash and cash equivalents at 1 January	11,481,809	10,759,878
<b>Cash and cash equivalent at 31 December</b>	<b>13,131,120</b>	<b>11,481,809</b>

The Audited financial statements were approved by the Board of Directors on 27th March 2023 and were signed on its behalf by:

Michael Mbeshi  
Principal Officer

Dr. Hon. Catherine Ngima Kimura  
Chairman

David Muthusi  
Director

**PERFORMANCE COMMENTARY**  
**FINANCIAL HIGHLIGHTS**

Gross written premiums grew by 23% from KShs 20.30 billion in the year 2021 to KShs 24.98 billion in 2022. Net earned premium increased by 16% from KShs 19.04 billion in 2021 to KShs 22.15 billion in 2022. Investment income increased by 2% from KShs 3.66 billion in 2021 to KShs 3.74 billion in 2022, due to the effects of full containment of Covid-19 pandemic on the investment environment. Claims incurred in year 2022 increased by 30% to KShs 13.87 billion from from KShs 10.64 billion in 2021. Cedant acquisition costs increased by 17% from KShs. 5.26 billion in 2021 to KShs. 6.14 billion in 2022. Operating expenses decreased by 16% from KShs. 2.10 billion as at 31 December 2021 to KShs. 1.75 billion as at 31st December 2022. Profit before tax for the year 2022 stood at KShs 4.59 billion, an increase of 7% from the profit before tax of KShs 4.27 billion in 2021. The asset base increased from KShs 55.63 billion in 2021 to KShs 70.13 billion in 2022, a growth of 26%. The Shareholders funds increased from KShs 37.10 billion in 2021 to KShs 40.77 billion in 2022, a growth of 10%.

**DIVIDENDS**

The Board of Directors recommend a payment of Kes 0.20 dividend per share

**AUDIT OPINION**

The Auditor General carried out the audit of the Corporation's books as at 31st December 2022 and gave an unqualified opinion signed on 27th March 2023

**KEY AUDIT MATTER**

Valuation of reinsurance contract liabilities

**By Order of the Board**

Charles Kariuki  
Company Secretary