

OLDMUTUAL

OLD MUTUAL HOLDINGS PLC

ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



DO GREAT THINGS EVERYDAY



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01



ABOUT US

Old Mutual was established in Cape Town in 1845 as South Africa's first mutual life insurance Company, offering financial security in uncertain times.

Today, the Group has grown into a premium pan-African financial services Group that offers a broad spectrum of financial solutions to retail and corporate customers across key market segments in 12 countries, with listings on five stock exchanges.

We now employ about 30,000 people in our primary operations in South Africa and the Rest of Africa, and a niche business in China.



East Africa
Kenya
Uganda
Rwanda
South Sudan

West Africa
Ghana

Southern Africa
South Africa,
Namibia
Botswana
Zimbabwe
Eswatini
Malawi

Asia
China



OUR PURPOSE, VISION & VALUES



OUR VISION

To be our customers' most trusted lifetime partner, passionate about helping them achieve their financial goals.



OUR PURPOSE

Transforming lives and enabling financial goals by keeping our promises

OUR VALUES



Always act with integrity



Agile innovation that makes a difference



The power of diversity and inclusion



Respect for each other and communities we serve



Champion the customer



Trust and accountability

OLD MUTUAL GROUP EAST AFRICA

The Old Mutual Group in East Africa comprises Old Mutual Holdings PLC and its subsidiaries & Old Mutual East Africa Holdings Group Limited and its subsidiaries, which include Old Mutual Investment Group and Faulu Microfinance Bank. The Group, which operates an integrated financial services business model, is one of the largest in East Africa and offers customers insurance, investment, banking, and savings solutions.

financial solutions which include Investment, Insurance, Banking and Savings, through a wide and more accessible distribution network.

The Old Mutual Group is part of Old Mutual Limited (OML). As part of OML, Old Mutual is able to leverage technology, technical expertise and to offer broad career growth prospects for its employees.

The Group pursues an integrated financial services model that avails to customers a comprehensive range of



Our customers can now be assured of holistic solutions and unrivaled convenience to enable them realise their dreams.

ARTHUR OGINGA
GROUP CEO,
OLD MUTUAL GROUP

OLD MUTUAL HOLDINGS PLC EAST AFRICA

Old Mutual Holdings is an East African Integrated Financial Services Group offering insurance, investment management & investments, securities brokerage and financial advisory. Currently, Old Mutual Holdings has 8 businesses operating in Kenya, Uganda, South Sudan and Rwanda.

Old Mutual Holdings is an East African financial services group which comprises seven subsidiaries that underwrite life and non-life insurance risks in Kenya, Uganda, South Sudan and Rwanda, a stock brokering Company in Uganda and two property companies in Uganda and South Sudan.

11
BUSINESSES

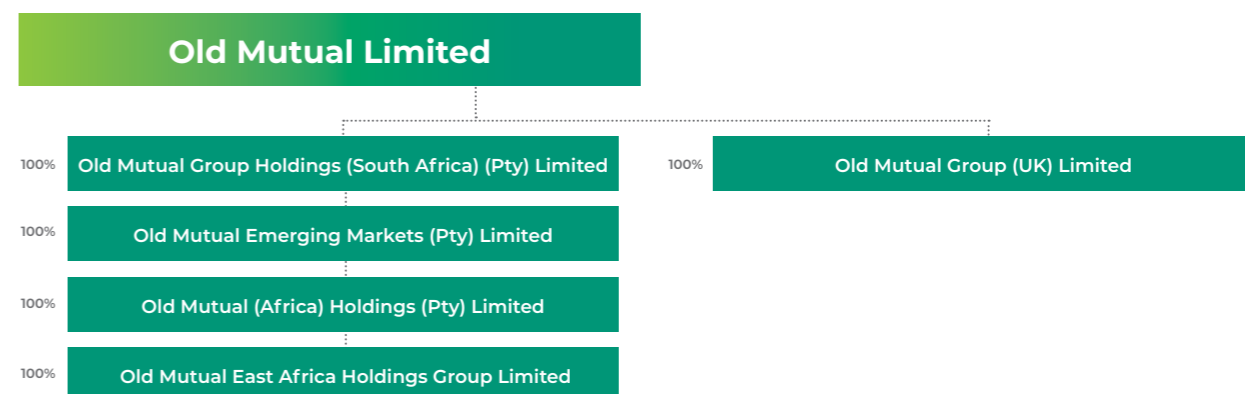
4
COUNTRIES

- Insurance
- Commercial Properties
- Securities Brokerage
- Financial Advisory



ORGANISATIONAL STRUCTURE

OLD MUTUAL GROUP (SOUTH AFRICA)



OLD MUTUAL GROUP (EAST AFRICA)





OLD MUTUAL LIMITED AT A GLANCE

OLD MUTUAL IS AN AFRICAN
FOCUSED IN INVESTMENT, SAVINGS,
INSURANCE & BANKING GROUP.

Old Mutual began in Cape Town in 1845 as South Africa's first mutual life insurance Company, offering financial security in uncertain times. Today, 180 years on, Old Mutual Limited offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 14 countries; serving a combined 11.3 million customers.



Old Mutual Limited (OML) is now anchored in Africa. With the listing on the Johannesburg Stock Exchange and cross - listing on exchanges in Malawi, Namibia and Zimbabwe, OML is now an African business focused on serving customers across the continent.

Old Mutual's customers are at the heart of everything it does. The success of the Company is as a result of the continued support and trust of its customers. Old Mutual aims to be the customers most trusted financial partner helping them achieve their lifetime financial goals while investing their funds in ways that will secure a positive future for themselves and their families.



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FUNDS UNDER MANAGEMENT



11.3M
CUSTOMERS



14
COUNTRIES





STRATEGY AND VALUE CREATION

Our Strategy Overview

Our Truly Mutual strategy is aligned with and inspired by our purpose of transforming lives & enabling financial goals by keeping our promises.

Our strategy builds on a strong foundation of leveraging on our Integrated Financial Services brand and distribution scale to deliver client-focused and leading solutions through an advisor-led approach. Our strategy is crafted, to achieve life-long relevance in the lives of our customers as it seeks to build on our existing strengths to deliver a distinctive and truly engaging experience for our customers. Partnering with our customers on their journey towards financial wellness is at the heart of our integrated ecosystem. Advice-led conversations, which span our holistic and integrated solution offering, are a key component of our approach.

Our interconnected strategic pillars aim to drive brand distinctiveness, anticipate, and fulfill evolving customer needs, and seamlessly integrate both, face to face and digital customer journeys. Supported by our talented workforce, we harness their expertise and passion to drive the realization of these strategic imperatives. Mindful of our societal role, we proactively engage in initiatives aimed at shaping positive outcomes for our customers and communities. The execution of our Truly Mutual strategy will translate to shared value for all our stakeholders by building the most valuable business in our industry.

OUR VISION



“To be our customers’ 1st choice to **sustain, grow and protect** their prosperity”

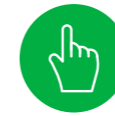


STRATEGY AND VALUE CREATION CONTINUED

Our Strategy Overview



We will make it evident that Old Mutual Cares through solutions and actions that support customers, their families, and communities.



We will aim to be Always present first by ensuring that propositions and advice are available to customers when and how they need them, and through our brand that is always top of mind.



We will build Rewarding digital engagement through considerate and effective use of advice and customer data.



Our high performing Engaged employees will make meaningful contributions to achieve our purpose, vision, and values.



We will deliver Solutions that lead in service and performance, for insurance, investments, and supporting banking needs.

STRATEGIC PILLARS

truly
Mutual

Driven by our **core and supporting solutions**



Old Mutual Cares



Always Present First



Rewarding Digital Engagement



Engaged Employees



Solutions That Lead

VALUE DRIVERS



Revenue Growth



Operating Margins



Competitive Strengths



Execution and Delivery



Capital Efficiencies



OUTCOME

Responsibly build **the most valuable business** in our industry



STRATEGY AND VALUE CREATION CONTINUED

Boards Future Focus Area

- Maintain vigilant oversight over the actions taken to reinforce the Group's medium and long-term strategy.
- Monitor the disruptors in the industry landscape and the Group's proactive responses.
- Provide support to management in pursuing strategic initiatives, emphasizing both organic and inorganic growth, to support innovation and improve competitive position.
- Steering the business towards integrating sustainable principles that not only align with our core values but also position us as industry leaders in responsible corporate citizenship.

our customers first choice to sustain, grow and protect their prosperity. These pillars are crafted to remain relevant over the long term. Progress is tracked through a comprehensive set of strategic Key Performance Indicators (KPIs), which serve as lead indicators of value creation through our value drivers.

Our medium-term priorities are determined on a rolling three-year basis and are multi-year initiatives. These priorities undergo annual review to ensure strategic responsiveness and relevance. Our priorities are also assessed against our five value drivers to ensure that we are enhancing value creation.

Performance Against Our Strategy

Our strategic framework comprises five interconnected strategy pillars aligned to realize our vision of becoming

Our 2024 progress and achievements are highlighted below.



Old Mutual Cares

What are we aiming for

- a. To be known as a financial services provider that truly cares for its stakeholders and delivers shared value across the countries in which we operate.

climate change through our responsible investment philosophy, sustainable product development and by proactively reducing our carbon footprint.

How we will deliver on this

- a. We will make it evident that Old Mutual cares through solutions and actions that support customers, their families, and communities.
- b. We accomplish this by providing our customers with accessible and affordably priced solutions, while also supporting them through financial education initiatives. Additionally, we demonstrate "care" by treating all stakeholders fairly and striving to create shared value through our Responsible Business focus areas. These focus areas encompass responsible investment, environmental impact, financial education and inclusion, and skills development

What we achieved in 2024

- a. **OML Learn.Think.Do:** The Learn.Think.Do initiative, to support the Kenya Institute of Curriculum Development in integrating financial literacy into the education curriculum, has made significant strides. In our partnership with 25 Universities, Safaricom and the Kenya Institute of Curriculum Development we have reached over 25,000 university students and 11,000 high school students across 15 counties. This collaborative approach exemplifies our commitment to creating lasting impact through education, leveraging diverse partnerships to scale our reach and enhance the quality of our sustainability efforts.
- b. **Launch of Old Mutual Financial Services Monitor (OMFSM) in Kenya:** In line with fostering deeper market engagement, we launched the 2nd Old Mutual Financial Services Monitor (OMFSM) in Kenya. The OMFSM report provided insights into the financial wellbeing of Kenyans in Urban and Peri Urban adults between the age 20 to 59.
- c. **Environmental Conservation:** In 2024 we partnered with both KWS and KFS to plant trees in Aberdare's and Kaptagat forest.

Our medium-term priorities

- a. Invest in our Learn, Think, Do initiative which makes education more accessible across the region by providing open education resources that can be accessed in multiple languages and through multiple platforms.
- b. Deliver an integrated, enterprise-wide financial education strategy and embed financial education into all customer touchpoints and solutions.
- c. Further embed and accelerate our response to



STRATEGY AND VALUE CREATION CONTINUED



Old Mutual Cares

d. Key milestones achieved under the OM Foundation:

Financial Wellbeing & Skills

Financial Education

Partnership with **KICD** and **Safaricom:**
25,000 University students and **11,000** High School Students in over **15** Counties

Environment

Environmental Impact Partnerships

Tree Planting at **Aberdare's & Kaptagat Forests** in partnership with **KWS & KFS**

The Board Strategic Focus Areas:

- a. **Climate Action**
The Old Mutual Group acknowledges climate change as a systemic risk that poses a threat to our entire business value chain. We recognize its potential to impact not only our operations but also the sustainability of the communities and countries in which we operate.
- b. **Defining the climate change risk management approach and reviewing key climate change risks and opportunities**

- c. Increase tree planting in EA as carbon sinks through collaborative efforts with environmental conservation partners.
- d. **OM Foundation Focus Areas**
 - Maximize the influence of Financial education through the Learn-Think-Do Program
 - Lock in strategic funding partners for the National rollout of the financial literacy course.
- e. Pursue sustainable product development to improve resilience



Always Present First

What are we aiming for

- a. To provide customers with tailored solutions (products, services, or advice) in a timely manner and accessible through their preferred channels. By deeply understanding each customer on an individual level and employing an advisor-led approach to deliver innovative solutions, we aspire to become the preferred brand for the offerings we provide

Our medium-term priorities

- a. Strengthen Old Mutual brand equity in East Africa through the re-branding of UAP Old Mutual in all the Markets.
- b. Deliver a consistent, high-value customer experience, focused on simple and easy to understand solutions.

What we achieved in 2024

How we will deliver on this

- a. We are committed to seamlessly integrating our advisor solutions with our digital platforms, ensuring a unified and cohesive customer experience across all touchpoints. By complementing our physical reach with a robust digital presence, we aim to establish an 'always present' presence for our valued customers.
- b. This will be reinforced by a strong brand presence so that when customers think of financial services, they think of us first.

- a. In 2024, the OM Sales Academy successfully trained over 700 IFS advisors, equipping them with in-depth knowledge of our product offerings and embedding the OMEA culture across the network. During the year, we launched several core IFS products and solutions, including Lady Anchor, KCB Lady Motor, Linda Biz for SMEs, KCB Linda Biashara, Faulu MMF, and Faulu IPF for medical business. Customer and intermediary engagement were significantly enhanced through targeted branch roadshows led by the IFS leadership team. These combined efforts contributed to a notable improvement in our cross-sell ratio, which rose from



STRATEGY AND VALUE CREATION CONTINUED

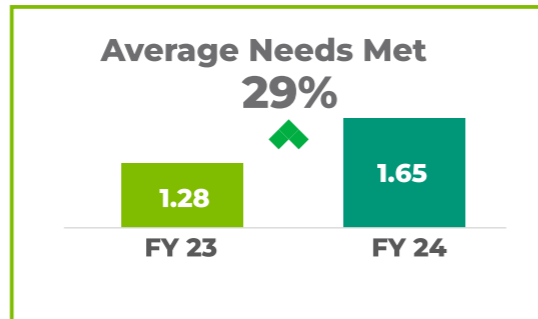
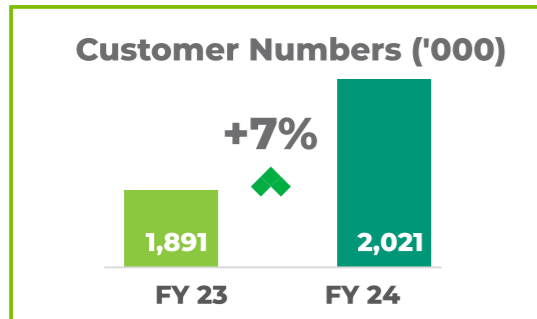
Always Present First

1.41 to 1.59, reflecting stronger advisor capability and improved client engagement.

- b. We reinforced our position as an Integrated Financial Services (IFS) brand through digital marketing, stakeholder engagement, and reputation management. Website traffic reached 2.83 million page views, social media impressions

surpassed 21.1 million, and digital lead generation achieved 99.9% of the annual target. Trust levels remained stable at 34%, supported by initiatives such as staff town hall, targeted social campaigns, and journalist financial literacy forums. The rebrand work in Uganda will be completed in 2025.

Strategic KPIs



The Board Strategic Focus Areas

a. Customers

- Deliver value as an Integrated Financial Services (IFS) business through the implementation of digital solutions, creating a comprehensive ecosystem to address all customer financial

needs via an advisor-led approach

- To create unified customer touchpoints, by harmonizing various channels, from digital platforms to in-person engagements, we aim to create a holistic ecosystem that caters to diverse customer needs and preferences.

Rewarding Digital Engagement

What are we aiming for

- a. To Deliver highly tailored solutions through innovative digital platforms fostering deeper engagement and long-term service to our customers for all their needs
- b. To transition our customer base into multi-product consumers by leveraging insights from advisors and customer data, underpinned by purposeful incentive frameworks.

a seamless and integrated customer experience across our full suite of capabilities. This includes financial advice, financial education, rewards, data driven nudges and a full suite of modular products. This will enable us to offer customers the right time, enabling them to reach their financial goals.

Our medium-term priorities

1. Deliver an e-commerce strategy across all our markets
2. Leverage Data Science, Digital Solutions and Innovation to provide a one-stop shop solution for our customers.

What we achieved in 2024

- a. We rolled out a number of digital solutions across all East Africa markets. Market work is ongoing to ensure full adoption of this products in 2025.
- b. We utilized the power of Machine Learning and

How we will deliver on this

- a. We will convert our understanding of our customers' goals and circumstances to provide personalized, regular, and meaningful engagement. We will do this by educating, encouraging, and rewarding customers for taking consistent action towards achieving their personal financial goals.
- b. At the center of this intent is MyOldMutual, a pan-African digital platform that aims to deliver



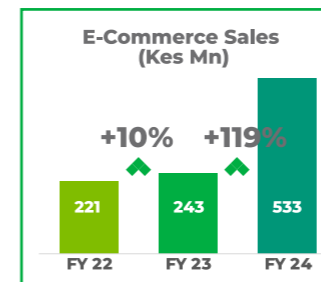
STRATEGY AND VALUE CREATION CONTINUED

Rewarding Digital Engagement

Artificial Intelligence to adjudicate claims and generated leads for cross selling. We are exploring ways to extract more value from the data to generate new innovative solutions.

- c. We continued to undertake comprehensive data management with our data maturity score signaling a strong data governance infrastructure.

Strategic KPIs



The Board Strategic Focus Areas

a. Digital & Data Journey

- Spearhead execution of East Africa e-commerce strategy
- Roll out digital sales and customer self service capabilities for Retail & SME

- Leverage Strategic partnership to continue injecting new capabilities and access to new markets.

- Deliver tangible value from data commercialization/monetization

Engaged Employees

What are we aiming for

- a. To foster an environment where our employees are deeply connected to our purpose and vision, manifesting in their unwavering dedication to delivering exceptional customer experiences throughout every phase of the customer journey. We aspire to empower and inspire our employees, ensuring they feel valued and motivated as integral members of an organization that champions and rewards high-performance.

Our medium-term priorities

- a. Implement agile operating model and ways of working to accelerate the speed of execution
- b. Build leadership capability on lading high-performance teams and future of work critical skills.
- c. Enhance our employee value proposition to attract, engage and retain top talent.
- d. Amplify the Old Mutual Diversity Equity and Inclusion(DEI) agenda goals.

How we will deliver on this

- a. Our people strategy is focused on building a future-fit workforce, culture and people experience that enables the business to respond effectively to rapidly changing customer needs.
- b. Our People Strategy will be fortified by instigating the necessary cultural transformations to cultivate an agile and execution-driven organization. Concurrently, we will prioritize maintaining a compelling employee experience, inclusive of our employee value proposition, to attract and retain top talent.

What we achieved in 2024

- a. We are investing in our people for future growth: In 2024, We made significant investments in talent and leadership development to ensure we have the right leadership pipeline for the future. We exceeded our targets in leadership and high-potential (HiPo) initiatives: Staff development index achieved 92% above 85% targets, Succession cover ratio achieved 87% against 70% target on key roles while HIPO talent retention was at 96%.
- b. Our DEIB strategy has made notable progress.
 - Women in senior leadership roles increased to 32% in 2024, reflecting our focus on improving



STRATEGY AND VALUE CREATION CONTINUED



Engaged Employees

- gender diversity at all levels of the organization.
- Barbershop Initiative: Launched to support male employees, this initiative fosters open conversations on well-being and mentorship as part of our broader DEIB efforts.
- c. Embedding Culture as a Strategic Enabler: Our culture is integral to achieving strategic goals. We took deliberate steps to strengthen our workplace culture through employee engagement. Key achievements include:
 - Thrive App Integration: Enhanced integration with Human Capital to support employee wellness. The app earned industry recognition, emerging as First Runner-Up in the Best Employee Wellness Category at the IHRM Awards 2024.
 - The launch of the Barbershop initiative to support male employees as part of our broader Diversity, Equity, Inclusion, and Belonging (DEIB) efforts.
 - Launch of Care and Share App to support Employee Volunteerism, allowing employees to track their volunteer activities.
- d. In partnership with the Old Mutual Foundation and through our Care and Share App, employees contributed a total of 1,848 volunteer hours across various community-driven initiatives, including environmental conservation, financial education, and health-related projects. This effort underscores our commitment to sustainable development and community empowerment.
- e. As part of our medium-term priority to enhance our employee value proposition and attract, engage, and retain top talent, we continue to uphold fair and responsible pay practices. In 2024, we completed our annual remuneration review cycle which marked the final phase of addressing pay inequities within the business. We continue to review the minimum hiring threshold progressively and review benefits to reflect market benchmarks and incentivize innovation.
- **The Board Strategic Focus Areas**
 - a. Building an agile, high-performing workforce by introducing structured coaching frameworks to ensure leadership development translates into business impact.
 - b. Embed a strong, value-driven culture across our business.
 - c. Embedding a fit for purpose model which will inform renewed workforce composition
 - d. Building a future of work that incorporates reskilling, upskilling and out-skilling to build corresponding critical skills and capabilities
 - e. Accelerate the speed of execution



Solutions That Lead

- **What are we aiming for**
 - a. We commit to delivering leading-edge solutions that excel in both customer service relevance in meeting their needs and service experience. Our strategy hinges on strategic partnerships, digitalization, data optimization, and product innovation to ensure we stay ahead in meeting evolving customer needs.
 - **How we will deliver on this**
 - a. For our compelling solutions where we are already competitive and market-leaders, we will focus on enhancing their flexibility and ease of use.
 - b. We will continuously improve solutions and launch innovative and refreshed propositions.
- These propositions will enable key shifts that our customers require, including customized solutions and the best advice delivered through a seamless experience.
- **Our medium-term priorities**
 - a. Forge strategic partnerships with industry leaders and stakeholders to leverage expertise, resources, and market reach, enhancing service offerings and expanding our market presence.
 - b. Invest in offering solutions through our digital platforms to optimize service delivery and responsiveness.
 - c. Launch new and flexible solutions for customers to be able to achieve financial needs and goals.



STRATEGY AND VALUE CREATION CONTINUED



Solutions That Lead

- **What we achieved in 2024**
 - a. We strengthened strategic partnerships to drive growth and transformation, focusing on expanding distribution and enhancing product relevance. Notably, we partnered with leading banks to distribute a customized range of our products to their customers. In addition, we are engaging international partners to develop an International Private Medical Insurance product, scheduled for rollout in 2025. We are also pursuing partnerships with affinity groups, leveraging their extensive networks to distribute tailored life and asset management solutions.
 - b. We have revamped our product strategies across various business lines to better address customer needs and close market gaps. In Asset Management, we finalized our Alternative Investment Strategy,
- with the first green solution set for launch in 2025. In Insurance and Banking, we introduced several innovative offerings—including Linda Biz in partnership with Absa, the Life Digital Saving Solution, OM Lady Motor, OM Rescue Plus, and the Monthly Motor Product—designed to enhance relevance, accessibility, and customer experience. Notably, many of these are digital solutions, allowing customers to access them conveniently online
- **Board Strategic Focus Areas**
 - a. Enhancing and Expanding Strategic Partnerships for Growth
 - b. Propelling Product Innovation to Meet Dynamic Customer Demands and Sustain Competitiveness



DIRECTORS

DIRECTORS

DIRECTORS





BOARD OF DIRECTORS



- 1. Dr. Habil Olaka
- 2. Craig Aitchison
- 3. James Muguiyi
- 4. Joyce-Ann Wainaina
- 5. Francis Kamulegeya
- 6. Dr. Catherine Adeya
- 7. Arthur Oginga
- 8. Clement Chinaka
- 9. Flora Mutahi
- 10. Nannette Miingi
- 11. Joseph Wanjui Jr
- 12. Robert Mbugua
- 13. Richard Treagus



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BOARD OF DIRECTORS PROFILES



Dr. Habil Olaka - Chairman
Independent Non-Executive Director

Doctor of Business Administration from USIU-Africa
MBA Finance Graduate Manchester Business School

Member of the Institute of the Certified Public Accountants of Kenya (ICPAK)

Date of Birth: 14 November 1964

Date of appointment to the Board:
3 June 2024

Experience:

Dr. Olaka is the immediate former Chief Executive Officer of the Kenya Bankers Association (KBA). Prior to that he has worked at the East African Development Bank (EADB) and Banque Indosuez (now Bank of Africa) in various capacities in audit, risk management and operations. He started his career at PricewaterhouseCoopers, Nairobi in the Audit and Business Advisory Services Division.

Dr. Olaka is a member of the Institute of the Certified Public Accountants of Kenya (ICPAK) and an alumnus of the Strathmore School of Accountancy. He holds a Doctor of Business Administration from USIU-Africa, and his DBA dissertation was on strategic leadership's influence on strategy implementation in commercial banks in Kenya. An MBA in Finance from the Manchester Business School, UK, and a First Class Honours BSc degree in Electrical Engineering from the University of Nairobi.

He is currently the chairperson of the Remuneration, Nominations and Corporate Governance Committee.

He sits on the board of Waica Re (K) Limited where he is the Chairman of the Audit, Risk & Compliance Committee, Gras Savoye Insurance Brokers (K) Limited, Centre for Corporate Governance and Federation of Kenya Employers.



James Muguiyi
Non-Executive Director

Fellow of the Institute of Certified Public Accountants of Kenya (FCPA (K))

Date of Birth: 19 September 1943

Date of appointment to the Board:
8 November 2007

Experience:

James was the Deputy Managing Director at UAP Insurance between 1988 and 2001. During this time, he oversaw the merger of Provincial Insurance with Union Insurance to form UAP Provincial Insurance in 1994.

Thereafter, he served as the Group Managing Director for the UAP Group before retiring in 2012. During this period, he oversaw the growth of the Group's business in Kenya, and the expansion into Uganda in 2004 and South Sudan in 2006 as well as the demerger of the Life Assurance Business from General Insurance Business in Kenya.

He has been instrumental in the formation of UAP Holdings (now, Old Mutual Holdings Plc) as the holding Company for all the UAP (now, Old Mutual) subsidiaries and its listing on the Over-The-Counter market at the Nairobi Securities Exchange. Additionally, he played a key role in conceptualizing the various property developments in the Group's portfolio with Old Mutual Tower being one of the major installations completed under his stewardship.

He is currently a member of the Committee for Customer Affairs and the Remuneration, Nominations and Corporate Governance Committee.

His other directorships include Aimsoft Kenya Limited, Anvil Equatorial Development Limited, 2017 and Sunridge Mall 2020.



BOARD OF DIRECTORS PROFILES



Robert Mbugua
Non-Executive Director

MBA Bond University Graduate School of Business

Date of Birth: 7 July 1967

Date of appointment to the Board:
1 July 2017

Experience:

Robert started his career at Pricewaterhouse Coopers (PwC) in Kenya in 1989 and rose through the ranks. In June 2001, he was admitted to the position of Partner in the Johannesburg office of PwC where he served until 2003.

Robert joined Standard Bank's Africa business in 2003 and during his eight-year tenure with the bank, served in various Executive director positions including Regional Managing Director responsible for a number of African countries.

He currently chairs the Risk and Compliance Committee and is a member of the Audit Committee.

His other directorships include Old Mutual Life Assurance Company Limited, Old Mutual Life Malawi, Standard Chartered Bank Kenya Limited and Edison Solar Group.



Dr. Catherine Adeya
Independent non-Executive Director

Doctor of Philosophy in Information and Development and a Master of Philosophy in Electronic Publishing and Information Development from Edinburgh Napier University, Scotland, United Kingdom

Date of Birth: 16 November 1968

Date of appointment to the Board:
10 December 2020

Experience:

Catherine is a results-driven and seasoned Information Scientist with over 20 years' experience in multidisciplinary global environments, both in the public and private sector.

She is an expert in bilateral and multilateral agency operations with consolidated expertise and excellent skills in research, project planning and execution, finance management and policy development. She is a strategic thinker with vast global exposure in the UK, the Netherlands, USA and sub-Sahara Africa.

She has held senior roles at World Wide Web Foundation, USA, the United Nations University/Institute of New Technologies in the Netherlands; as a Director at the Ministry of Information Communications and Technology in Kenya; and was the founder CEO of Konza Technology City. Her experience in Information Sciences also includes senior consultant at @iLabAfrica, and a chairperson of the Kenya Government Taskforce on the Migration from Analogue to Digital Broadcasting.

She chairs the Technology, Digital and Innovation Committee and is a member of the Audit Committee.

Her other directorships include Standard Chartered Bank Kenya Limited UH Kenya, and East Africa Infrastructure Platform.



BOARD OF DIRECTORS PROFILES



Mr. Francis Kamulegeya
Independent Non-Executive Director

Bachelor of Science Degree in Agricultural Economics from Makerere University, Uganda (BSC Agric), a Fellow of the Chartered Association of Certified Accountants (FCCA), a Certified Public Accountant (CPA) and a Chartered Tax Adviser (CTA).

Date of Birth: 12 December 1967

Date of appointment to the Board:
1 January 2023

Experience:
Francis has over 30 years' experience as a business leader, tax adviser, human resource consultant, business adviser, and management consultant.

He had worked with PwC since 1996 until June 2022, when he took early retirement. During his tenure at PwC, he served the firm as a Partner for 17 years and as the Managing Partner of PwC Uganda for 12 years. He was also a member of the PwC Africa Governance Board for 8 years.

Francis also served as a member of the PwC Africa new Partners Admission Committee where he was responsible for preparing the new Partner candidates for admission, interviewing them, and making recommendations to Management/Exco, on the suitability and readiness of the candidates for admission as Partners.

He currently chairs the Audit Committee and is a member of the Risk and Compliance Committee.

His other directorships include I&M Bank Uganda Limited, MTN Uganda Limited, Buganda Land Board Limited, Masaka Vocational Technical Institute Limited, Nakasero Hospital Limited, Quality Chemical Limited and Lubiri Palace Development Committee



Flora Mutahi
Independent Non-Executive Director

Bachelor of Science (Finance and accounts) from the United States International University, Master of Business Administration (Finance) from University of Cape Town; Executive Marketing Diploma from the Marketing Society of Kenya and The Practitioners Diploma in Executive coaching. She is a Certified Public Accountant, with the Institute of Public Accountants of Kenya.

Date of Birth: 12 December 1967

Date of appointment to the Board:
1 July 2023

Experience:
Flora has over 30 years extensive local and international experience in strategic leadership, business development, market penetration and marketing. An astute entrepreneur, she is the founder and CEO of Melvin Marsh International Limited and has proven ability to innovate, conceptualize and implement products and business solutions and to lead and mentor others to achieve company and personal goals.

She is highly experienced in boards and currently sits on the Simba Corp Limited board. She has previously served in Kenya Private Sector Alliance as Chairperson, Kenya Association of Manufacturers as Chairperson, Anti-Counterfeit Agency, COMESA Business Council as Vice Chair, Tea Board of Kenya, Jubilee Insurance, P4G, UN Global Compact – Kenya, UN Global Compact New York and SBM Bank among others.

She is a member of the Remuneration, Nominations and Corporate Governance Committee, the Audit Committee and Committee for Customer Affairs.



BOARD OF DIRECTORS PROFILES



Richard Treagus
Non-Executive Director

Bachelor of Science (Actuarial) from the University of Cape Town and is a Fellow of the Institute of Actuaries

Date of Birth: 18 November 1965

Date of appointment to the Board:
13 November 2019

Experience:
Richard joined the Old Mutual Group in 1989 and has served the Old Mutual business in many different roles. He worked in Product Development as a junior actuary followed by a short secondment to a Reinsurance Company in the United Kingdom.

Since then, he has held positions in Old Mutual as: Finance Actuary for the Individual Life Division, Group Assurance Executive, General Manager of Product Development and General Manager of Savings Solutions.

He is the Chief Risk Officer of Old Mutual Limited and Old Mutual Life Assurance Company (South Africa).

His other directorships include Old Mutual Transactions Services (pty) Ltd.



Mr. Clement Chinaka
Non-Executive Director

Bachelor of Science (Computer Science and Statistics) degree from the University of Zimbabwe

Date of Birth: 8 March 1970

Date of appointment to the Board:
4 March 2020

Experience:
Clement currently serves as Managing Director - Old Mutual Africa Regions (OMAR).

He has worked within the Old Mutual Group over the last 30 years in various roles including Head of Corporate Segment at Old Mutual South Africa, Chief Actuary and General Manager of Actuarial at Old Mutual Life Assurance Company of Zimbabwe, Head of Channel Finance and Strategy Executive for OMLACSA's Retail Affluent segment, Head of Emerging Markets Group Planning and Business Insights at Group Finance and General Manager of Finance and Strategy of Old Mutual Corporate.

He is currently a member of the Remuneration, Nominations and Corporate Governance Committee.

Clement sits on the Old Mutual Namibia, Old Mutual Zimbabwe, Old Mutual East Africa Holdings Group Ltd and Old Mutual Africa Holdings Boards.



BOARD OF DIRECTORS PROFILES



Joe Wanjui Jr.
Non-Executive Director

Bachelor of Science in Business Administration and a Master of Business Administration in Finance and Marketing both from Duquesne University, Pittsburgh, Pennsylvania

Date of Birth: 16 October 1975

Date of appointment to the Board:
Date of appointment: 27 August 2021

Experience:
Joseph has over 15 years' experience in banking and investments having previously worked at Citibank South Africa as a senior relationship manager, corporate banking and, prior to that, Stanbic Limited in both Kenya and Tanzania.

He is currently the General Manager - Real Estate and Investments at Bawan Limited.

He is currently a member of the Technology Digital and Innovation Committee.

His other directorship includes Bawan Limited.



Joyce-Ann Wainaina
Non-Executive Director

Bachelor of Science (Finance) degree from Duquesne University Pittsburgh, USA and a Master of Science (Financial Economics) from the University of London (SOAS)

Date of Birth: 22 December 1967

Date of appointment to the Board: 15 March 2024

Experience:
Joyce-Ann has over 30 years of global banking experience with expertise in business leadership, strategy, risk and operations management.

She has had an extensive and longstanding career with Citibank where she held senior positions across Africa including Managing Director - Sub-Saharan Africa, CEO of Citi East Africa and CEO- Citi Zambia, among others. Joyce-Ann is highly experienced in strategic leadership, business growth, investments and stakeholder relations within the financial services industry.

Currently a senior Fellow at the Jackson School for Global Affairs, Yale University, Joyce-Ann has spearheaded various leadership and talent development programs and partnerships within the banking industry, notably Kenya Bankers Association and Central Bank of Kenya.

She is currently a member of the Risk and Compliance Committee and Committee for Customer Affairs.

Joyce-Ann is the Founder and Managing Partner of Chui Ventures, a Pan-African Seed Fund Company. She currently serves as a director at Bawan Limited and the founding Trustee of the JB Wanjui Education Trust.



BOARD OF DIRECTORS PROFILES



Craig Aitchison
Non-Executive Director

Bachelor of Science in Actuarial Science from the University of Witwatersrand

Date of Birth: 19 November 1976

Date of appointment to the Board: 15 March 2024

Experience:
Craig is an experienced executive with 25 years of experience in the Financial Services industry and highly experience in customer centricity and outcomes as well as creating competitive customer experiences.
He is a qualified actuary and is a Fellow of the Actuarial Society of South Africa.

He is currently the Executive Head -Customer, at Old Mutual Limited in charge of Customer Experience, Customer Engagement and Market Conduct functions. Craig has previously served as General Manager-Corporate Customer Solutions responsible for operations and service delivery to Mass and Foundation Cluster (MFC) and corporate customers. Prior to that, he was the Enablement Executive in MFC where he oversaw customer service, intermediary support, project delivery and retention. He also served as the Managing Director of Old Mutual Actuaries and Consultants (OMAC), between 2009- 2012. Aitchison was previously responsible for the operational management and client service side of the OMAC business.

Craig is currently the chairperson of the Committee for Customer Affairs and a member of the Technology Digital Innovation Committee.

His other directorships include Old Mutual Alternative Solutions Board and Portfolio 145 Property Investment Company (Pty) Limited.



Arthur Oginga
Group Chief Executive Officer

Bachelor of Arts Degree (Economics and Sociology) from the University of Nairobi, member of the Institute of Certified Public Accountants Kenya (ICPAK) and Institute of Certified Public Accountants Uganda (ICPAU)

Date of Birth: 20 February 1970

Date of appointment to the Board: 1 May 2020

Experience:
Arthur has over 25 years' experience in executive and leadership positions including serving as the Group Chief Operations Officer and Group Chief Financial Officer, for the Old Mutual Africa Regions business as well as the Acting Group Chief Financial Officer for the Old Mutual East Africa Group.

He has also served in various senior leadership positions within the financial services sector across Africa.

Arthur serves as a director at Faulu Microfinance Bank.



BOARD OF DIRECTORS PROFILES



Nannette Wangari Miingi

Company Secretary

Bachelor of Laws (LL.B) from the University of Nairobi. Law Society of Kenya (LSK) and Institute of Certified Secretaries (ICS), accredited Governance Auditor.

Date of Birth: 18 March 1983

Date of appointment to the Board:

1 September 2021

Experience:

Nannette is an advocate of the High Court of Kenya with over thirteen (13) years of experience within the legal and

governance field. She joined the Old Mutual East Africa Group in 2013 in the Group Risk and Compliance function before joining the legal team in 2015 as a Regional Legal Counsel where she has been involved in noteworthy transactions and projects.

Prior to joining the Old Mutual East Africa Group, she worked at KPMG East Africa as a Senior Advisor, Quality & Risk Management where she was involved in the implementation of the Firm's risk management framework within East Africa.

EXECUTIVE MANAGEMENT





OLD MUTUAL

Executive Management at Old Mutual Holdings PLC



Arthur Oginga
Group Chief Executive Officer



Nannette Miingi
Group Company Secretary & Legal Counsel



Dr. Isaac Nzyoka
Group Chief Operations Officer



Nkirote Mworira Njiru
Group Human Capital Executive



David Muchai
Group Chief Financial Officer



Japheth Ogalloh
Managing Director
OM General Insurance Kenya



Loreen Makwanya
Managing Director
Old Mutual Life Assurance Kenya



Anthony Mwithiga
Group Managing Director Asset Management



Mary Mbataru
Group Head of Strategy



OLD MUTUAL

Executive Management at Old Mutual Holdings PLC



Carol Misiko
Sustainability, Risk and Compliance Executive



Julius Ouma
Managing Director
Faulu Microfinance Bank



Stephen Chikvora
Chief Executive Officer
UAP Old Mutual Insurance Uganda



Annie Nibishaka
Managing Director
OM Insurance Rwanda



Zacchaeus J Kisesi
Managing Director
OM Investment Group Uganda



Patrick Kinoti Kimanathi
Managing Director
UAP Old Mutual Life Assurance Uganda



Japheth Omare
Managing Director
UAP Insurance South Sudan



Annet Mburu
Head of Internal Audit
Old Mutual



CHAIRMAN'S STATEMENT

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The Group's performance in 2024 reflects the strength of our long-term ambition: to be our customers' first choice to sustain, grow, and protect their prosperity. Despite challenging operating environment, we continued to execute our strategy with discipline and focus, reinforcing Old Mutual's position as a trusted partner in financial services across East Africa.

DR. HABIL OLAKA

03

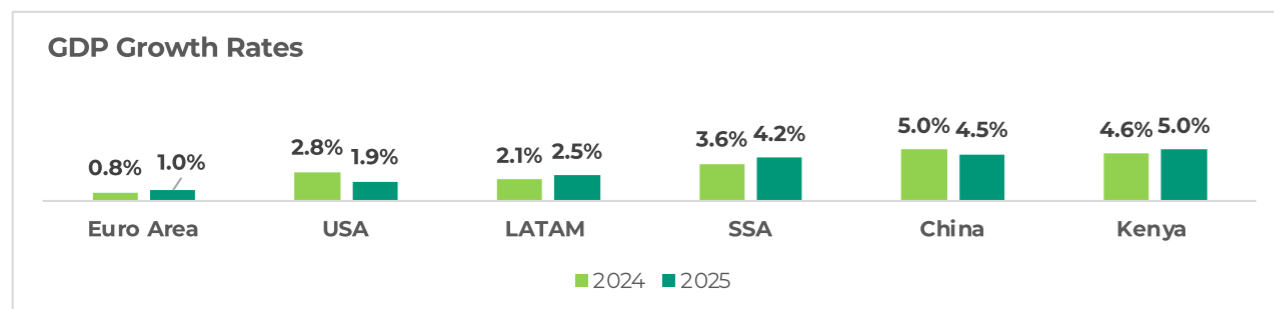




CHAIRMAN'S STATEMENT

Macro-Economic Environment

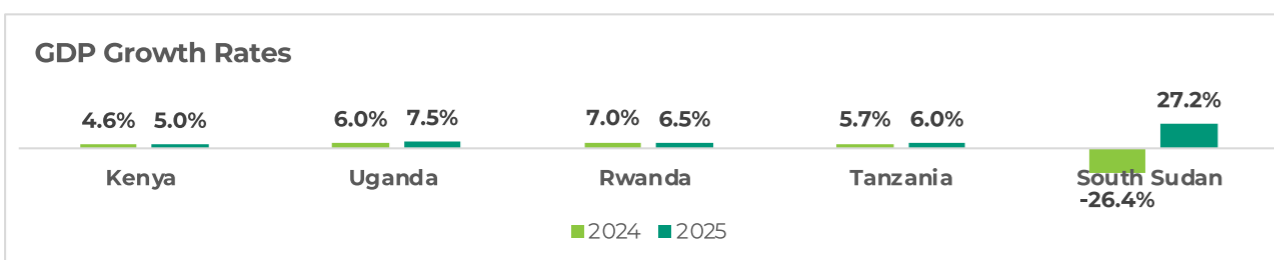
Global Economy



Global economic growth stabilized at 2.7% in 2024, with advanced economies expanding by 1.7% and emerging markets growing at 4.1%. A similar trend is projected for 2025 – 2026, with global growth expected to reach 3.0%. While the easing of inflation and supportive monetary policies offer opportunities for recovery, vulnerabilities remain.

Policy uncertainty, geopolitical tensions, trade disruptions, and climate change continue to pose significant risks. However, stronger demand and faster disinflation present opportunities for growth. Decisive policy action will be critical to ensuring resilience, driving investment, and fostering sustainable long-term development.

East Africa Economy



East Africa remains the fastest-growing region in Africa, with GDP growth projected to accelerate from 4.4% in 2024 to 5.3% in 2025 and 6.1% in 2026, driven by economic reforms, infrastructure investments, and energy sector expansion. South Sudan is expected to lead global growth, rebounding from a 26.4% contraction in 2024 to a projected 27.2% expansion in 2025, fueled by resumed crude oil production, though this remains contingent on political stability. Inflation eased across most of the region except for South Sudan, where economic volatility persists. On the exchange rate front, in 2024, the Kenyan shilling appreciated by 17%, supported by CBK measures and strong FX inflows into the bond market, while Uganda's currency remained stable, appreciating 4% due to robust inflows and a reserve-building strategy. In contrast, Rwanda's currency depreciated by 9%, impacted by a trade deficit and regional instability linked to the DRC conflict, while South Sudan continues to experience sharp

depreciation. Interest rates in Kenya remained at a 20-year high for most of the year, affecting credit accessibility and investment flows.

Despite positive economic trends, the region faces political and governance challenges, including rising political tensions in Uganda ahead of the 2026 elections, economic hardship-driven protests in Kenya, and Rwanda's international scrutiny over alleged support for M23 rebels in the DRC. South Sudan continues to grapple with stalled peace negotiations and worsening humanitarian conditions, further exacerbated by U.S. aid cuts and security risks.

Against this backdrop, Old Mutual remains resilient, leveraging its strong market presence, diversified portfolio, and strategic partnerships to navigate uncertainty while positioning for long-term growth



CHAIRMAN'S STATEMENT CONTINUED

East Africa Economy continued

Delivering on Our Strategy

The Group's performance in 2024 reflects the strength of our long-term ambition: to be our customers' first choice to sustain, grow, and protect their prosperity. Despite challenging operating environment, we continued to execute our strategy with discipline and focus, reinforcing Old Mutual's position as a trusted partner in financial services across East Africa.

Our strategy is anchored on an Integrated Financial Services (IFS) model designed to meet the full spectrum of customer financial needs through a unified and customer-centric approach. This model positions us to offer holistic, insight-driven solutions across insurance and investment services, with an advisor led approach. During the year, we made progress in embedding the IFS model across our markets, Investments in digital platforms enhanced accessibility and customer experience, while enabling the seamless delivery of integrated solutions. These efforts reflect our continued commitment to innovation and customer relevance.

Equally, we recognize that the success of our strategy depends on the strength of our people. In 2024, we deepened our investment in talent development, strong culture, and employee well-being, ensuring our teams are equipped to lead the transformation and deliver long-term value.

Looking ahead, we remain confident in our strategic direction and the Group's ability to adapt, grow, and create sustainable value for all stakeholders. The Group Chief Executive Officer will provide a more detailed update on the execution of our strategy and business performance.

Business Performance

We reported a KES 1.1 Bn increase in profit after tax from continuing operations for the year 2024, rising from KES 0.2 Bn profit in 2023 to KES 1.3 Bn profit in 2024. The GCEO will provide a detailed commentary on the business performance. Our results for 2024 demonstrate the efforts and strategic decision of Management and Board to pursue profitable growth and generate value for stakeholders. Dividends: The board of Directors do not recommend the payment of a dividend with respect to the financial year 2024 (2023: Nil)

OM Foundation

In alignment with the government's climate resilience agenda and our unwavering commitment to environmental conservation, we forged strategic partnerships with the Kenya Wildlife Service (KWS) and Kenya Forest Service (KFS) to lead tree-planting initiatives in the Aberdare and Kaptagat forests. These initiatives not only contribute to carbon sequestration but also reinforce our role in supporting biodiversity and environmental restoration.

Beyond conservation, we continue to innovate for sustainability. Our Asset Management division and Old Mutual General Insurance have each developed green solutions aimed at fostering long-term environmental and financial sustainability. These efforts reflect our commitment to integrating sustainable finance and responsible business practices into our core strategy.

Our leadership in sustainability reporting has also been recognized on the regional stage. UAP Old Mutual Insurance Uganda Limited received the prestigious FIRE Award for excellence in sustainable reporting, underscoring our continued efforts to align with global best practices in Environmental, Social, and Governance (ESG) standards. This recognition is a testament to our drive towards long-term value creation, responsible corporate citizenship, and a more sustainable future for the communities we serve.

The Board

The Board's dedication to best-practice governance remains unwavering. Throughout the year, we fortified this commitment by welcoming new leadership in select Old Mutual East Africa Businesses and reinforcing our efforts to uphold the institution's integrity. In addition to our regular responsibilities, the Board diligently addressed identified gaps, implementing essential enhancements based on comprehensive assessments. Our adept risk management was further underscored this year as we proactively identified and mitigated emerging threats, showcasing our steadfast commitment to safeguarding the organization's interests. During the year, notable changes occurred in the Board composition. Vincent Rague retired from the board following the lapse of his term and replaced by Dr Habil Olaka who was elected as the board chairman. Additionally, Shailesh Devchand resigned, and Joyce Ann Wainana and Craig Aitchison joined as non-executive directors.



CHAIRMAN'S STATEMENT CONTINUED

Looking Ahead continued

Looking Ahead

As we step into 2025, we remain optimistic about our business prospects, underpinned by the anticipated economic growth in East Africa and easing inflationary pressures. These positive macroeconomic trends are expected to create new opportunities for our business, supporting expansion and improved financial performance. However, we are also aware of the evolving challenges in our operating environment. Geopolitical tensions and the ongoing USAID funding freeze may impact on our revenue streams, particularly in our Asset and Insurance business. Despite these headwinds, we remain confident in our ability to navigate uncertainties with resilience and agility.

Our strategic focus on innovation, operational efficiency, and adaptability positions us well to mitigate risks and seize emerging opportunities. By leveraging technology, strengthening partnerships, and optimizing our business model, we are committed to sustaining growth and enhancing value for our stakeholders.

Appreciation

I would like to express my gratitude to our shareholders for their unwavering support and to my fellow directors for their valuable contributions. A sincere appreciation goes on to our dedicated management and staff, encouraging them to continue their hard work, drive good performance in 2025 and beyond. Furthermore, I would like to extend my heartfelt thanks to our intermediaries, regional regulators, revenue authorities, and governments for their collaborative efforts in cultivating a conducive business environment. Their contributions have been instrumental in shaping our journey. Finally, a special acknowledgment to our esteemed customers for their ongoing support. We reaffirm our commitment to delivering innovative solutions that align with their financial objectives, as we look forward to continuing this journey together.





GCEO'S STATEMENT

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The Group reported a profit after tax from continuing operations of KES 1.3 Bn, a significant improvement from KES 0.2 Bn in 2023. The notable sources of the increase in profits include the continued growth of the asset management business which registered a KES 0.3Bn increase in profits and a significant increase in investment income of KES 2.3Bn.

ARTHUR OGINGA



GROUP CEO'S STATEMENT

Dear Shareholders,

Opening Remarks

It is my pleasure to present to you Old Mutual Holdings Plc's Annual Integrated Report for the year ended 31 December 2024. This year, we reinforced our purpose of enabling customers to sustain, grow, and protect their prosperity by deepening our commitment as an Integrated Financial Services (IFS) provider. At Old Mutual we are transforming into a wellness-driven company, embracing a holistic approach to prosperity—one that integrates financial stability, health, and overall well-being to create lasting value for our customers and communities.

The world around us continues to shift in unprecedented ways - macroeconomic fluctuations, social transformations, and digital evolution have all tested the agility of businesses globally. But through it all, Old Mutual has remained a beacon of stability, navigating uncertainty with boldness and purpose.

The East African macroeconomic environment in 2024 was shaped by a mix of global and regional factors. Global inflation showed signs of moderation, driven by tighter monetary policies, easing supply chain disruptions, while regionally, economic performance varied. Kenya experienced moderated growth projected at 5.2% with inflation easing to 3% and the Kenya Shilling appreciating by 17%, supported by CBK interventions. Uganda and Rwanda maintained stable growth. South Sudan faced economic pressures from reduced oil production. Across the region, inflation trends were largely stable, and exchange rate movements reflected country-specific economic conditions.

Our Strategy

Old Mutual East Africa focuses on delivering sustainable returns, we achieved a remarkable annual growth rate (CAGR) of 55% over the past three years in our returns from operations, reflecting the success of our "Fix, Grow & Transform" strategy.

Profitable Topline Growth

Our strategic emphasis on growth and profitability delivered strong results across key business lines. The General Insurance business (P&C) maintained market leadership in Kenya, Uganda, and Rwanda, with insurance revenue growing by 4% to Ksh 29.2 Bn. The business implemented select underwriting measures to enhance portfolio quality. Life APE sales were driven by strong corporate sales and bancassurance partnerships, while

Funds Under Management (FUM) grew by 26%, supported by strong traction in our Unit Trust solutions in Uganda. Key growth drivers included IFS bundled solutions, which expanded cross-sell initiatives and improved customer average needs met and lifetime value, as well as strategic partnerships and innovation in distribution, with the OM Sales Academy strengthening our advisory-led sales approach.

On bottom-line efficiencies, we recorded a Profit Before Tax of Ksh 2,582 million, an 86% increase from the prior year. The business sustained strong performance despite challenges such as volatility in the medical insurance portfolio, floods, and PVT claims experienced during the year.

Customer-Centric Innovations

Our commitment to meeting customer needs remains at the core of our strategy, with a strong focus on expanding the range of solutions available to our clientele. As an Integrated Financial Services (IFS) provider, we continue to embed ourselves within customer ecosystems, ensuring accessibility and convenience.

During the year, we prioritized the rollout of innovative solutions that go beyond traditional products, reinforcing our commitment to delivering holistic financial well-being. One of the key highlights was the launch of OM Rescue Plus, an "uberized" service providing access to essential protective services such as ambulance response, home security, and roadside assistance. Additionally, we expanded our digital retail insurance portfolio to include life-saving solutions, unit trust investments, health insurance, and home insurance, catering to a broader segment of the market.

The SME segment was a particular area of focus, as we took deliberate steps to understand their unique needs and develop targeted solutions. Through strategic partnerships with KCB and ABSA, we introduced SME Solutions, combining General Insurance and Life Insurance to provide comprehensive coverage that enhances business resilience.

Digital engagement remained a critical enabler of our customer-centric strategy. We registered strong growth in digital adoption, with active digital users reaching 36,895 and digital sales increasing by 119% year-on-year. This growth reflects our commitment to leveraging technology to enhance customer experience, improve service accessibility, and drive efficiency in our operations.



GROUP CEO'S STATEMENT CONTINUED

Sustainable Value Creation

We launched our sustainability strategy, anchored on three key pillars: Financial Education, Sustainable Investing & Climate Risk Mitigation, and Environmental Impact Partnerships. Our environmental initiatives focused on afforestation and ecosystem restoration. In collaboration with Kenya Wildlife Service (KWS) and Kenya Forest Service (KFS), we participated in tree-planting efforts across Aberdare and Kaptagat forests, reinforcing our dedication to climate action. Beyond conservation, we introduced two green investment solutions—the Solar as a Service Alternative Investment Solution and the Geothermal Well Output Solution—providing sustainable energy options that align with the global transition towards a low-carbon economy.

Recognizing the critical role of Financial Education in enhancing financial wellness, increasing insurance penetration, and supporting overall economic growth, we continued to invest in knowledge-building initiatives. For the second consecutive year, we launched the Old Mutual Financial Education Monitor (OMFSM), a research-based initiative designed to track shifts in income management, savings, investment behavior, and debt trends among Kenyans. Insights from this study enable us to develop solutions that align with emerging consumer needs and financial behaviors. Additionally, in partnership with Kenya Institute of Curriculum Development (KICED) and Safaricom, we expanded our financial inclusion programs, positively impacting 25,000 university students and 11,000 high school students across 15 counties. These efforts demonstrate our commitment to equipping young people with the financial literacy skills necessary to build a financially secure future.

Empowering Our People

Our people are at the heart of our success, and we continue to foster a workplace culture that prioritizes employee well-being, leadership development, and exceptional employee experience. Through various culture shift initiatives, wellness programs, leadership development programs, and remuneration review programs, we have strengthened our commitment to making Old Mutual a top employer of choice.

Our dedication to diversity and inclusion remains a core pillar of our people's strategy. We have made significant strides in promoting gender balance, with a male-to-female ratio of 53% to 47%, ensuring equitable representation across the organization. Additionally, we continue to

nurture young talent, with 56% of our workforce aged 35 years and below, reflecting our commitment to building a dynamic and future-ready workforce.

Financial Outcome

Business Profitability

The Group reported a profit after tax from continuing operations of KES 1.3 Bn, a significant improvement from KES 0.2 Bn in 2023. The notable sources of the increase in profits include the continued growth of the asset management business which registered a KES 0.3Bn increase in profits and a significant increase in investment income of KES 2.3Bn. We also recorded savings in operating expenses as well as a reduction in finance costs driven by the debt restructuring initiative. The Group's net profit for the year closed at KES 838 million, a significant improvement from the net loss of KES 141 million in 2023, demonstrating the effectiveness of our strategic interventions and disciplined financial management.

Operating profit before financing costs amounted to KES 3.8Bn (2023: KES 3.8Bn), reflecting stability year after year. The Group concluded the sale of the UAP Insurance Tanzania business in 2024 following the strategic exit from the market. The sale of the subsidiary was concluded with a loss on disposal of KES 0.4 Bn being recorded in the income statement. Other comprehensive loss of KES 0.6 Bn arises from the impact of a stronger Kenya Shilling when translating the financial results of our foreign operations into the Group's Consolidated Financial Statements.

Topline Growth:

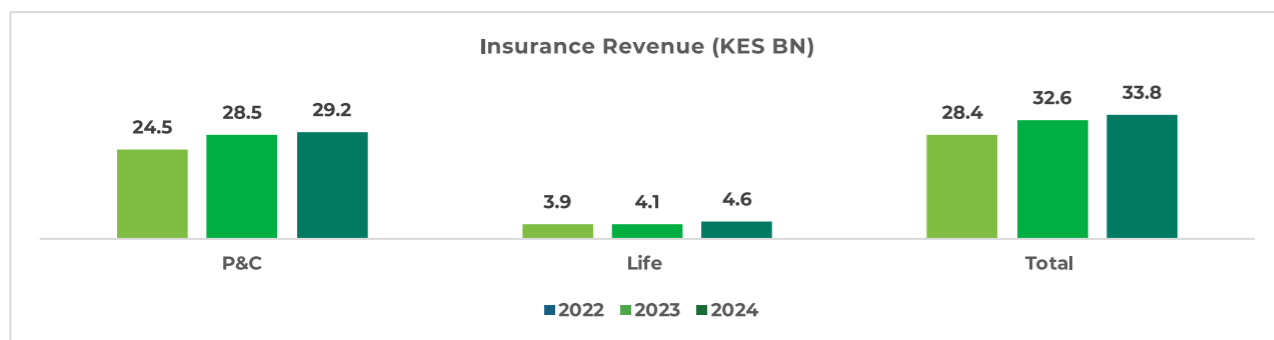
We sustained topline growth in 2024, driven by strong performance in our core markets—Kenya and Uganda—and across key business lines, including General Insurance, Life Insurance, and Asset Management. Notably, we recorded significant growth in our high-margin Pure General Insurance and Unit Trust segments, both of which remain central to our strategic focus.

The business reported a 4% increase in Insurance revenue (KES 33.8 Bn Vs KES 32.6 Bn in 2023). P&C Insurance Revenue grew by 2% while Life revenues grew by 14%. P&C business continue to maintain market leadership across our Kenya, Rwanda and Uganda markets. As well as Asset management business in Uganda

business continue to maintain market leadership across our Kenya, Rwanda and Uganda markets.



GROUP CEO'S STATEMENT CONTINUED



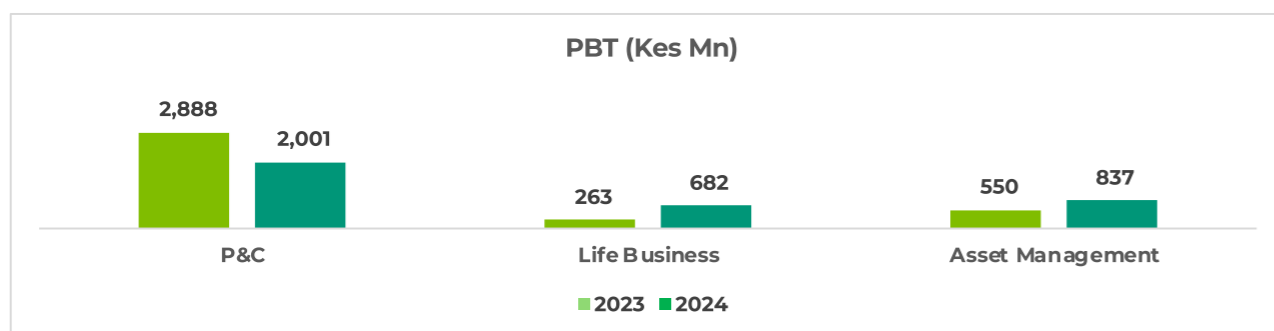
Insurance Service Results:

Our insurance profit margins were lower in 2024 compared to 2023 due to increased cost of claims from the medical businesses and costs arising from exceptional events such as the floods in Kenya. In 2024, claim costs incurred were KES 1.5bn higher than in 2023 reflecting our commitment to protect and sustain the wellbeing of our customers when

insured losses arise. Additionally, lower claim recoveries on our facultative business in Uganda led to increased outflows in our reinsurance results.

Business Line Performance

The chart below highlights the profitability of the respective lines of business within the Group.



Insurance revenue grew by

4% to **Kes 33.8 billion** ↑

Funds Under Management (FUM) grew by

26%

Kes 1.3 billion

Profit after tax from continuing operations ↑

85% increase in Profit Before Tax from prior year of
Kes 2.6 billion ↑



GROUP CEO'S STATEMENT CONTINUED

P&C Business

The P&C business' PBT declined year-on-year, primarily due to an increase in medical claims caused by rising healthcare costs and the impact of floods on the Pure GI business.

Life Business

The Life business achieved PBT growth of over 100%, reaching KES 682 Mn, driven by optimization of our investment strategy that led to growth in investment income.

Asset Management

Our Uganda Asset Management business recorded 54% growth in PBT driven by 88% growth in Asset Under Management (AUM)

Looking Ahead

As we step into 2025, our focus is to accelerate growth

and transform our business into an integrated Financial Service provider (IFS) and a wellness brand, by growing profitably in chosen segments, delivering leading solutions to our evolving customers, driving business agility through an engaged and transformed workforce, accelerating digitalization and AI business transformation and deepening strategic partnerships.

Closing Remarks

I am excited about the Group's prospects. We find ourselves amidst a phase of dynamic growth, capitalizing on the significant economic shifts in the region that present promising opportunities. I extend my heartfelt gratitude to our customers, partners, and employees for their unwavering support and dedication. Together, we will continue to navigate the complexities of our environment, innovate for the future, and uphold our commitment to securing, growing, and protecting the prosperity of those we serve.



CORPORATE GOVERNANCE REPORT

04



THE CORPORATE GOVERNANCE REPORT-2024

STATEMENT OF CORPORATE GOVERNANCE

The board of directors of Old Mutual Holdings PLC (the "Company") recognise that a strong governance culture is the cornerstone of the Company's business operations. This culture has played a crucial role in the stability of the company and in improving its interactions with its stakeholders, including regulators, thereby safeguarding the interests of policyholders.

The Board and Management of the Company have implemented high standards and practices for corporate governance including those outlined in the Companies Act, 2015, Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015 ("the CMA Code") and other relevant CMA regulations. The Company also abides by the Insurance Regulatory Authority (IRA) Group Wide Supervision Framework, all applicable laws in the jurisdictions in which it conducts business, and the moral principles outlined in its Code of Conduct. Additionally, the Company abides by the rules outlined in its articles of association.

The board maintains a strong belief that transparent, clear governance policies and procedures are an indispensable component of corporate governance and it shall uphold Old Mutual Groups' short-, medium- and long-term interests for the benefit of customers, shareholder, employees and stakeholders.

BOARD FOCUS AREAS FOR 2024

The key governance highlights for 2024 were as follows:

- The annual strategy meeting where the Board reviewed and discussed the Group's strategy with Executive Management and directors from the East Africa operating entities.
- Participation in Board development programmes touching on IFRS 17 implementation, Tax changes and Tax trends across East Africa, were held virtually, while the Anti-Money Laundering were undertaken through an online platform.
- 3rd Annual East Africa Board Chairpersons Forum on 18 June 2024. The engagement focused on alignment on the oversight and leadership of the Old Mutual East Africa Group including its strategic positioning and the group governance framework.
- The Board Chairman, Vincent Rague convened the 2nd East Africa Remuneration, Nominations and Corporate Governance Committees Chairpersons forum on 11 March 2024. The forum focused on alignment on oversight and best practices on people, talent and

reward and culture as transformational pillars within Old Mutual East Africa Group.

- The Audit and Risk Chairpersons of the Old Mutual East Africa Group attended the Board Audit and Risk Committee Chairpersons Conference held on 21st and 22nd November 2024 with a focus on governance as a competitive advantage.
- The Board also held a board tour to Uganda on 15-17 May 2024, in order to gain a deeper understanding of the Uganda market and opportunities the market presents, enhance the connection and engagement with Uganda stakeholders.
- Various initiatives to enhance the governance framework such as: CMA Governance assessment, annual conflict of interest assessment, and a review of the Board's succession plan to ensure the board composition is appropriate for its size and span.
- Adoption and implementation of the Delegation of Authority Framework and the Scheme of Delegated Authority as well as enhancement of expenditure limit, to ensure that there is a clear matrix and accountability of business actions within the company for enhanced business operations.
- Review of non-executive directors' remuneration as against comparator organization's to assess the base fees and benefits provided to non-executive directors are competitive and appropriately benchmarked.
- Continued to enhance our level of transparency by ensuring that our stakeholders are provided with regular and accurate information relating to the Company through semi-annual stakeholder briefings, public announcements placed in the press as well as on the Company's website.

BOARD FUNCTIONS AND RESPONSIBILITIES

The board serves as the focal point and custodian of corporate governance. It is ultimately responsible for the Group's performance and reputation as well as overseeing that the company does business in a responsible, moral, and sustainable manner.

The Board is responsible for the formulation, and monitoring implementation of the Company's Strategic Plan with the aim of achieving sustainable, profitable growth for the benefit of all its stakeholders. The board is also responsible for approving policies, procedures and guidelines which ensure that all management decisions are made in accordance with prudent corporate governance practices. The Board Charter together with the Articles of Association guide the board of directors in the discharge of their duties as they set out the roles and responsibilities of the board



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD FUNCTIONS AND RESPONSIBILITIES CONTINUED

and management. Every board committee has its own Terms of Reference that sets out the scope and mandate of the Committee and its responsibilities to the Board. The Charter is reviewed on a biennial basis or as frequently as

is necessary to ensure that the principles set out therein are relevant and comply with the applicable laws and regulations.

KEY RESPONSIBILITIES IN TERMS OF THE BOARD CHARTER

STRATEGY & CULTURE	MANAGEMENT	PERFORMANCE & INFORMATION TECHNOLOGY (IT)	GOVERNANCE & ASSURANCE	RESPONSIBLE BUSINESS	STAKEHOLDERS	COMPLIANCE
<ul style="list-style-type: none"> • Set and steer strategic direction and culture of the Group 	<ul style="list-style-type: none"> • Ensure there is an effective and competent management team in place, as well as adequate succession planning for this team 	<ul style="list-style-type: none"> • Monitor operational performance and ensure accountability • Review and monitor the adequacy of the IT function, architecture, policy, strategy and risk management 	<ul style="list-style-type: none"> • Facilitate an effective governance environment and risk management framework • Oversees relationships with assurance providers 	<ul style="list-style-type: none"> • Ensure that the Group is a responsible corporate citizen and that its Responsible Business Strategy aligns with its sustainability policies and overall strategy 	<ul style="list-style-type: none"> • Manage stakeholder relationships 	<ul style="list-style-type: none"> • Ensure that the Group complies with its regulatory and statutory obligations

COMPOSITION TENURE AND SKILLS

The Board is currently comprised of twelve (12) directors with the necessary qualifications, collective skills and expertise required to guide and steer the Company.

Independent non-executive directors comprise one-third of the board, in particular, 4 independent non-executive directors, 4 non-executive directors and 4 executive directors. In the course of 2024, 3 non-executive directors, designations were updated to executive director, in compliance with the definition of an executive directors within the Corporate Governance guidelines issued by the Capital Markets Authority in 2023.

The Remuneration, Nominations and Corporate Governance committee also quarterly evaluates the composition of the Board, taking into consideration its succession plan and rotation schedule. The Board composition is also reviewed

to ensure an appropriate balance of knowledge, skills, experience, diversity and independence.

Directors' independence is assessed annually from the perspective of a reasonable and informed third party, based on, among other things, the prevailing circumstances, the definition of independence in terms of the CMA Code of Corporate Governance assessment of independence (substance over form), conflicts of interest, whether perceived or actual, and other relevant considerations. The 2023 independence assessment did not result in any changes in the designations of our directors.

Board Metrics

The directors' diverse professional and industry backgrounds, as well as their experience and knowledge in strategy and sustainability; risk management; finance & audit; banking; information technology governance; and actuarial, are aligned with the company's needs.

Table 1: Gender diversity

	2024		2023	
Male	9	73%	9	81%
Female	3	27%	2	19%



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

COMPOSITION TENURE AND SKILLS CONTINUED

The CMA Code as well as corporate governance best practice requires that organizations maintain an appropriate gender balance. In its commitment to maintaining gender diversity and inclusivity, the Company appointed one (1) additional female director to increase the number to three (3) female directors. The Company reiterates its

commitment to maintaining a well-balanced and inclusive board composition and upholding the highest corporate governance standards. The Board has undertaken to meet the minimum 30%:70% gender representation through successive appointments in line with the director's rotation plan.

Table 2: Directors' Tenure

Information computed up to 31 December 2024

	2024	2023
0-3 Years	54%	45%
4-6 Years	28%	37%
>7 years	18%	18%

SEPARATION OF ROLES AND RESPONSIBILITIES

The Board of Directors has delegated the day-to-day operations of the Company to the Group Chief Executive Officer and supported by the Senior Leadership Team. The roles and responsibilities of the Chairman, the Group

Chief Executive Officer and the Group Company Secretary are separate with each having their distinct duties and responsibilities and clearly defined as set out in our Board Charter. The separation of responsibilities is designed to ensure that no single individual or group of individuals have unrestricted powers and that the appropriate balance of power and authority exists on the Board.

Table 2: Directors' Tenure

Information computed up to 31 December 2024

CHAIRMAN	GROUP CHIEF EXECUTIVE OFFICER (GCEO)	GROUP COMPANY SECRETARY
The Chairman, Dr Habil Olaka, is an independent director who is responsible for leading the Board and ensuring its effectiveness. The Chairman promotes good corporate governance and the highest standards of integrity and probity. The role of the Chairman of the Board and the role of the Group Chief Executive Officer (Group CEO) are separate. The Board elects its Chairman by simple majority from among its members. The board has adopted formal Terms of Reference for the position of Chairman.	The Group Chief Executive Officer, Arthur Oginga, has overall responsibility for the performance of the business and provides leadership to management in the day-to-day operations and implements strategies, plans and objectives within the East Africa business. The Board delegates the responsibility for overseeing the management of the Old Mutual East Africa Group as strategic controller to the Group CEO in accordance with the description of his role as determined by the Board from time to time, subject to the matters reserved for the Board and the matters delegated to the Committees of the Board.	The Group Company Secretary, Nannette Miingi, plays a critical role in facilitating good corporate governance and has the responsibilities which include ensuring that the conduct of the Board and general meetings in accordance with the Group's articles of association, the Board charter and relevant legislation. The Company Secretary is a member of good standing of the Institute of Certified Secretaries (ICS) and assists the Board in discharging its responsibilities.

The Board is satisfied that the arrangements for its delegation within its own structures promotes independent judgement and assist with a balance of power and the effective discharge of its duties.



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD AND COMMITTEE RESPONSIBILITIES

1.1. Main Board

The mandate of the board is to act as strategic controller and to provide oversight in respect of all the Business Operations that form part of Old Mutual Group East Africa (OMG), including Faulu. The Old Mutual Group (OMG) includes all the entities owned or controlled by OMEAH and the Company, comprising, inter alia, Long-term and Short-term Insurance Operations; Asset Management Operations, Property Operations and Banking Operations. OM Group operations include, currently, Business Operations in Kenya, Uganda, South Sudan, Rwanda and Mauritius. The board also provided oversight over the transition of the Tanzania business, which is now a discontinued operation.

The Board meets at least once every quarter and may convene special meetings from time to time depending

on business exigencies. All board meetings are scheduled in advance of the respective year using an annual calendar of board meetings to facilities effective planning by the members. Board committee meetings are scheduled in advance of the main board meeting to ensure that all technical issues are robustly interrogated and reported to the Board for ratification or approval. Prior to board meetings, directors are provided with pertinent and timely information about the company's operations and the rationale for any approvals pursued by management.

For the year ended 31st December 2024, the board met five (5) times with four quarterly meetings and one (1) special board meeting in June of the same year.

During the year, the following Directors held office and attended meetings as follows:

NAME	ROLE	Attendance at qualifying meetings	Average attendance
Vincent Rague*	Independent Non-Executive Director	3/3	100%
Dr. Habil Olaka*	Independent Non-Executive Director	3/3	100%
Francis Kamulegeya	Independent Non-Executive Director	5/5	100%
Flora Mutahi	Independent Non-Executive Director	5/5	100%
Dr. Catherine Adeya	Independent Non-Executive Director	5/5	100%
Clement Chinaka	Executive Director	5/5	100%
James Muguiyi	Non-Executive Director	5/5	100%
Joyce-Ann Wainaina*	Non-Executive Director	5/5	100%
Robert Mbugua	Non-Executive Director	5/5	100%
Joseph Wanjui Jr.	Non-Executive Director	5/5	100%
Richard Treagus	Executive Director	5/5	100%
Shailesh Devchand*	Executive Director	1/1	100%
Craig Aitchison*	Executive Director	4/5	80%
Arthur Oginga	Group Chief Executive Officer	5/5	100%
Total percentage attendance			98%

*Please see **Changes in the Board** Section.



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD AND COMMITTEE RESPONSIBILITIES CONTINUED

CHANGES IN THE BOARD

The following changes were made to the Board and Committee composition during the year.

BOARD MEMBER	DATE	NATURE OF CHANGE	IMPACT ON COMMITTEE MEMBERSHIP
Dr. Habil Olaka	3 June 2024	Appointed as an independent non-executive director and subsequently elected as Chairman of the board.	Appointed as a member of the Remuneration Nominations and Corporate Governance Committee.
Joyce-Ann Wainaina	15 March 2024	Appointed as a non-executive director.	Appointed as a member of the Risk and Compliance Committee and Committee for Customer Affairs respectively.
Craig Aitchison	15 March 2024	Appointed as a non-executive director.	Appointed as a member of the Committee for Customer Affairs and Technology Digital Innovation Committee.
Vincent Rague	24 June 2024	Retired as an independent non-executive director following lapse of his term as an independent director.	Resigned as a member of the Remuneration Nominations and Corporate Governance Committee.
Shailesh Devchand	15 March 2024	Resigned as a non-executive director	Resigned as a member of the Committee for Customer Affairs.

The board has constituted five (5) standing Committees namely: Board Audit Committee, Risk and Compliance Committee, Remuneration, Nominations and Corporate Governance Committee, Technology, Digital and Innovation Committee, and the Committee for Customer Affairs.

The Ad hoc Project Rio Committee that had been constituted for purposes of monitoring, considering for approval and making binding and non-binding recommendations to the Board in relation to strategic oversight and governance regarding the current restructuring of the balance sheet of the company, was disbanded.

The board has convened an advisory board known as the Future Forum comprising of non-board/independent members whose main purpose is to support business models within the Group in line with the digital transformation strategy. The Future Forum reports to the Board through the Technology, Digital and Innovation Committee.

1.2. Board Audit Committee

The Board Audit Committee is chaired by an independent non-executive director who is a member of good standing with the Institute of Certified Public Accountants Uganda (ICPAU). The Committee has one of its members in good standing with the Institute of Certified Public Accountants Kenya. Its membership is comprised of three (3) independent directors and one (1) non-executive director. The Board Audit Committee's membership encompasses a wide range of expertise in information technology, risk management, finance, and strategy. Additionally, the Group Chief Executive Officer, Group Chief Finance Officer, Head of Internal Audit, Group Chief Operations Officer, Group Sustainability, Risk and Compliance Executive are standing invitees to the Committee.

The Board Audit Committee is responsible for monitoring the integrity of the financial statements and any formal announcements relating to the Company's performance, considering any significant issues and judgements reflected in them before submission to the board and publication.



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD AND COMMITTEE RESPONSIBILITIES CONTINUED

1.2. Board Audit Committee continued

During the year, the following Members held office and attended meetings as follows:

Members	Meetings Attended	Average Attendance
Francis Kamulegeya- Chairman	5/5	100%
Robert Mbugua	5/5	100%
Dr. Catherine Adeya	5/5	100%
Flora Mutahi	5/5	100%
Total percentage attendance		100%

The Committee held a total of five (5) meetings with four (4) quarterly and one (1) special meeting in the year and considered the following matters:

- Reviewed the 2023 full year financial statements and 2024 half year results as well as the related public announcements.
- Reviewed quarterly reports on the financial performance of the Group and its subsidiaries.
- In line with its oversight mandate, received reports from the subsidiary Audit Committees.
- Considered and approved the Internal Audit Plan and monitored its execution by the Internal Audit function.

- Considered the assumptions to the business to test the robustness of the planning and budgeting process.
- Considered reports on the control environment focusing on embedding a strong control environment and automation of key controls within the Group.

1.3. Risk & Compliance Committee

The Risk and Compliance Committee supports the board by providing oversight to the Group's risk profile in line with the approved risk appetite and making recommendations regarding the risk appetite and risk management practices.

During the year, the following Members held office and attended meetings as follows:

Members	Meetings Attended	Average Attendance
Robert Mbugua - Chairman	4/4	100%
Francis Kamulegeya	4/4	100%
Dr. Catherine Adeya	4/4	100%
Joyce-Ann Wainaina	3/4	75%
Total percentage attendance		94%

The Committee held four (4) meetings in the year and considered the following matters:

- Oversight over scenario planning reviewing significant risk matters affecting the business strategy touching on the operating environment and management actions.
- Considered reports on material risks including those on financial, regulatory and operational risks.
- Recommended to the Board the Company's risk appetite.
- Considered the company's compliance framework and regulatory compliance risks.
- Deliberated on the General Insurance and Life actuarial reports which provide key business performance drivers and capital adequacy ratios for both the General Insurance and Life businesses.

- Reviewed the key risks to the 2025-2027 business plan
- Considered and monitored the adoption of Risk Policies across the Group.
- Reviewed and monitored reports on material litigation across the Group.
- Received and monitored reports on whistleblowing and fraud incidents across the Group.

1.4. Remuneration, Nominations and Corporate Governance Committee

The Remuneration, Nominations and Corporate Governance Committee supports the Board by monitoring the size and composition of Boards across the Group including recommending appointments, succession planning for non-executive directors, receiving reports on the effectiveness of board and committees following the



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD AND COMMITTEE RESPONSIBILITIES CONTINUED

1.4. Remuneration, Nominations and Corporate Governance Committee continued

formal evaluation and providing oversight to the Board's professional development program. The Committee also supports the Board by reviewing and assessing the Group's remuneration policies and practices that apply to employees benefits as well as non-executive Directors' fees. In 2024, the Committee held (4) quarterly meetings.

During the year, the following Members held office and attended meetings as follows:

Members	Meetings Attended	Average Attendance
Dr. Habil Olaka - Chairman	2/2	100%
James Muguiyi	4/4	100%
Flora Mutahi	2/2	100
Clement Chinaka	4/4	100%
Vincent Rague	2/2	100%
Total percentage attendance		100%

The Committee held four (4) meetings in the year and considered the following matters:

- Undertook the evaluation of the Group CEO and the senior leadership team as against the performance metrics agreed upon.
- Reviewed the board and senior leadership skills matrix, development plans and succession plans to ensure leadership and board transitions are proactively managed with appropriate mitigations in place.
- Continued to monitor the non-executive directors' pipeline with a view of speed in the identification and nomination of candidates for appointment within the East Africa group.
- Considered the board evaluation report and developed actions plans to enhance the governance framework and board efficiencies.
- Considered the Culture blueprint and Talent Philosophy in driving one culture as part of the employee culture

transformation initiative and aligned to the rebrand to Old Mutual.

- Approved the revamp of the staff short term incentive scheme which aligns performance to reward ensuring that overall business performance creates long-term stakeholder value.

1.5. Technology, Digital and Innovation Committee

The Technical, Digital and Innovation Committee assists the Board in the oversight of the Group's investment in technology, innovation, digital transformation and data governance. The Committee ensures that the Group's information technology and innovation capabilities are fit for purpose, adequately monitored, secured and meet the business demands in line with the Group's Digital Transformation Strategy, Data Governance Strategy and IT Strategy.

During the year, the following Members held office and attended meetings as follows:

Members	Meetings Attended	Average Attendance
Dr. Catherine Adeya - Chairperson	4/4	100%
Joseph Wanjui Jr.	3/4	75%
Craig Aitchison	2/2	100%
Total percentage attendance		92%

The Committee held four (4) meetings in the year and considered the following matters:

- Monitored the execution of the transformation initiatives in the 2024-2026 East Africa strategy and business plan
- Monitored the progress of implementation of the Old Mutual East Africa Group Digital Transformation Strategy for the year 2024

- Received and monitor the reports on the status of Data Governance Management across the East Africa Group
- Monitored the progress of implementation of the Old Mutual East Africa Group ICT Strategy including review of redundant technology
- Considered reports and updates on emerging risks and opportunities in data protection and cybersecurity.



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD AND COMMITTEE RESPONSIBILITIES CONTINUED

1.6. Committee for Customer Affairs

The Committee for Customer Affairs' supports the Board by receiving and monitoring of customer trends, customer complaints, products and technology innovations, review

of policy documentation and related concerns in a bid to ensure that customers are treated fairly and receive appropriate information based on their literacy levels.

During the year, the following Members held office and attended meetings as follows:

Members	Meetings Attended	Average Attendance
Flora Mutahi – Interim Chairperson*	4/4	100%
Craig Aitchison	3/3	100%
Joyce-Ann Wainaina	3/3	100%
James Muguiyi	4/4	100%
Gary Voss **	4/4	100%
Shailesh Devchand	1/1	100%
Total percentage attendance		100%

*Took over as chairman upon retirement of Shailesh Devchand

**Co-opted member

The Committee held four (4) meetings in the year and considered the following matters:

- The Group Customer Strategy and reports on the value of our products and services to the customer.
- The Group's Inaugural Sustainability Strategy and received inaugural sustainability initiatives reports.
- The implementation of applicable Market Conduct Frameworks across East Africa
- The practical results of the implementation of Market conduct requirements to ascertain whether they are aligned with the Treating Customers Fairly (TCF) goals.

identify opportunities to improve the performance of the Board and the Directors. The questionnaire also included a series of questions for each Director to assess their own performance and the performance of other individual Directors to identify development opportunities.

During the year, the Board undertook the 2023 board and committee self-assessment whose outcomes and actions are being monitored for implementation, the board shall undertake an externally facilitated evaluation for FY2025.

BOARD INDUCTION AND CONTINUOUS SKILLS DEVELOPMENT

There is a formal comprehensive and tailored orientation and induction programme in place to familiarize incoming directors with the Group's operations, the Executive committee and senior management team, the operating environment and directors' legal and fiduciary duties and responsibilities.

The Board develops a skills matrix by identifying the specific abilities needed to effectively oversee the large and complex financial services sector. This competence matrix for the Board and its committees is routinely reviewed by the Remuneration, Nominations, and Corporate Governance Committee. In developing the skills matrix framework, board has considered three (3) key dimensions required on the board, which are as follows:

BOARD EFFECTIVENESS AND TRAINING

Board Performance and Effectiveness Evaluation

The Board reviews its performance and that of the Board committees and individual directors every year. Every third year, the review is facilitated by an external consultant. On the years the consultant is not engaged, the Remuneration, Nominations and Corporate Governance Committee formulates and approves the methodology that shall be adopted for the board evaluation exercise.

The detailed questionnaire examines the balance of the skills of the directors, the operation of the Board in practice, including governance issues, and the content of the Board meetings. Feedback from the process is used to



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD EFFECTIVENESS AND TRAINING CONTINUED

BOARD INDUCTION AND CONTINUOUS SKILLS DEVELOPMENT CONTINUED

1. Core competencies	2. Sector specific	3. Emerging and strategic skills
<ul style="list-style-type: none"> Financial acumen Risk and governance Audit and assurance Strategic planning Leadership and culture 	<ul style="list-style-type: none"> Insurance/banking International or regional markets exposure 	<ul style="list-style-type: none"> Technology, digital transformation and data management AI/ML and cyber resilience Sustainability and ESG strategy Crisis and reputation management Diversity, Equity, Inclusion and Belonging

The external trends reshaping the board governance landscape within the financial services sector relate to the following areas:

- Regulatory focus on board diversity which consider, gender diversity, age diversity and diversity of thought.
- Digital transformation, including AI/ML oversight and cyber resilience at the board level.
- Talent and culture metrics as core indicators of organizational health and strategy. Existing succession and leadership development programs have shown uneven depth in critical functional and geographic areas
- Increased stakeholder scrutiny on ESG including social responsibility and climate risk reporting.
- Succession and resilience planning amidst volatile macroeconomic and geopolitical dynamics.

The Board's training requirements and the skills that will be prioritized for future board nominations are based on the skills gaps that have been identified and mapped. This has resulted in development of an annual board training program, which is rolled out through the year. including the emerging governance trends.

In 2024, Board members had immersion sessions on IFRS 17 Accounting reporting standards for both short term and life business, Tax and Tax changes across East Africa and bespoke Anti money laundering trainings. The Group Company Secretary recommends relevant board development programs which is presented to the Remuneration Nominations and Corporate Governance Committee for approval and implementation monitoring.

CONFLICTS OF INTEREST

All directors are required to disclose on appointment, annually and at the beginning of each board and board committee meeting, any circumstance which may give rise to any actual or potential conflict of interest with their roles as directors. Any business transacted with the Company must be at arm's length and fully disclosed to the Board, which must consider and approve it. A director must recuse him/herself from discussing or voting on matters of real and with the potential conflict of interest. Directors are guided by the Board Charter and the Group Conflict of Interest Policy. A financial assessment of the impact of directors' interests was conducted in the course of the year and reported to the Board for monitoring, with a Register maintained by the Company Secretary. From the review, there are no material conflicts of interest as relates to the company's operations.

DEALING IN SECURITIES

The Old Mutual Group Securities Dealing Policy defines the circumstances when members of the Board, management, staff, and advisors can deal in the Company's shares without being in contravention of any statutory requirements. During the reporting period, there were no dealings in securities of the Company contrary to the Securities Dealing Policy.

ACCESS TO INFORMATION AND INDEPENDENT ADVICE

The Directors are also entitled to obtain independent professional advice at the Company's expense. Procedures are in place, through the Group Board Chairman and the Group Company Secretary, enabling the Directors to



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

BOARD EFFECTIVENESS AND TRAINING CONTINUED

ACCESS TO INFORMATION AND INDEPENDENT ADVICE CONTINUED

have access, at reasonable times, to all relevant Company information and to senior management, to assist them in the discharge of their duties and responsibilities and to enable them to take informed decisions.

LEGAL AND COMPLIANCE AUDIT

The CMA Code provides that issuers of securities to the public are required to undertake periodic legal and compliance audits, at least once every two years by a legal professional in good standing with the Law Society of Kenya. The objective of the legal and compliance audit is to establish the level of adherence to applicable laws, regulations and standards.

In line with the CMA Code, an independent legal and compliance audit was conducted on the Company for the year ended December 2023 and the results were presented to the shareholders during the AGM held on 25 June 2024. The key items being tracked for closure are aspects related to embedding best practices on regulatory compliance and review and implementation of policies and operational processes for various departmental requirements.

GOVERNANCE AUDIT

The CMA Code provides that issuers of securities to the public are required to undertake periodic governance audits at least once every two years. The Company conducted a governance audit in 2022 and in line with the CMA Code, the 2024 governance audit has commenced, and the outcomes of the audit will be placed on the Company's website. The Board continues to monitor and uphold the governance standards.

STATUS OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR ISSUERS OF SECURITIES TO THE PUBLIC, 2015

The Board and Management continue to put in deliberate efforts towards full compliance with the Code of Corporate

Governance Practice for Issuers of Securities to the Public 2015 (the "Code"). Notably, following the assessment by CMA of the status of the implementation of the Code by the Company, CMA awarded the Company a "Leadership Rating". This means that the Company had attained the highest level of governance status.

Fuller details of the specific status of compliance with the Code can be found in the 2024 submission of the corporate governance report to CMA which is hosted on our website: <https://www.oldmutual.co.ke/about-us/investor-relations/>

The Company has taken the following steps in 2024 to enhance compliance with Code:

- Development of a roadmap for implementation of the integrated reporting requirements and a Sustainability Report has been produced
- Enhancement of the risk universe to include sustainability and non-financial risk metrics in the risk management framework.
- Presentation and approval of the Stakeholders Relations Policy to the shareholders to formalize and enhance our engagements and communication with shareholders and other relevant stakeholders on matters relating to the company.
- Development of various policies relating to corporate disclosure policies and procedures, dispute resolution for internal and external disputes and attraction and retention of board members.
- We continue to enhance the Board's skills by adopting a robust training development plan to ensure that each of the directors attains a minimum of twelve (12) hours of training.
- We continue to review diversity on the Board and particularly in respect of gender balance with proposed appointments being considered as part of the Board succession plan.

NAME	ROLE	Training Hours
Dr. Habil Olaka*	Independent Non-Executive Director	12
Francis Kamulegeya	Independent Non-Executive Director	12
Flora Mutahi	Independent Non-Executive Director	12
Dr. Catherine Adeya	Independent Non-Executive Director	12
Clement Chinaka	Executive Director	12
James Muguji	Non-Executive Director	12
Joyce-Ann Wainaina*	Non-Executive Director	12
Robert Mbugua	Non-Executive Director	12
Joseph Wanjui Jr.	Non-Executive Director	12
Richard Treagus	Executive Director	12
Craig Aitchison*	Executive Director	12
Arthur Oginga	Group Chief Executive Officer	12



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

THE BOARD AND OUR STAKEHOLDERS

BOARD'S POLICY ON STAKEHOLDER RELATIONS.

The Board is committed to understanding and responding to the interests and expectations of all our stakeholders. The Stakeholder Relations Policy in place was approved by the shareholders during the AGM held in June 2024. The policy outlines how we govern, manage, and monitor stakeholder relationships. In terms of this policy all material decisions must explicitly consider the impact on our stakeholders and the organisation.

The principles of consistency and transparency must be observed in our reporting of all our stakeholder dealings. The boards of our subsidiaries across the continent adhere to the Group's stakeholder relations policy and ensure all the applicable requirements are implemented and complied with. Subsidiary boards must ensure local regulatory requirements are included in their implementation policy.

BOARD ENGAGEMENT WITH SHAREHOLDERS

The company is dedicated to providing its shareholders with the necessary information so they can effectively exercise their rights. The Company works to deliver timely, high-quality information to shareholders that is pertinent to their investment and pays attention to their input. The Board works to ensure that all shareholders are

treated fairly and that their rights are upheld because it understands how important it is to preserve transparency and accountability to its shareholders.

In accordance with the disclosure requirements in the Capital Markets Act and any other pertinent legislation, the Company also discloses meaningful information to the Capital Markets Authority and the Nairobi Securities Exchange.

The Shareholders are strongly encouraged to attend and participate in the Annual General Meeting (AGM) where they are accorded reasonable opportunity to voice their opinions about the management and performance of the Company.

On 25 June 2024, the Company held its Annual General Meeting virtually where 542 shareholders holding a total of 190,537,411 shares in the company attended the meeting and passed all the resolutions presented to the shareholders by not less than 98% of the voting shareholders. The registered shareholders for the AGM, eligible to vote, represented 92.36% of the total issued share capital of the company of 211,718,031 shares.

SHAREHOLDING STRUCTURE

At 31 December 2024, the top ten shareholders in the Company were:

Holder Names	31 December 2024			31 December 2023		
	Shares	% Holding	Rank	Shares	% Holding	Rank
Old Mutual East Africa Holdings Group Limited	140,953,640	66.58	1	140,953,640	66.58	1
	1,754,572,079 preference shares*					
Bawan Ltd	33,424,017	15.79	2	33,424,017	15.79	2
James Ngatia Muguiyi	9,744,223	4.60	3	9,744,223	4.60	3
Chesumut Investments Limited	2,341,480	1.11	4	2,341,840	1.11	4
Andrew Stephen Gray Smith	1,789,189	0.85	5	1,789,189	0.85	5
A/C 017 Genghis Nominees	1,544,900	0.73	6	1,544,900	0.73	6
KCB Nominees Limited A/C 1065b	1,403,000	0.66	7	1,403,000	0.66	7
Owen-Burke Timothy Michael John	1,371,562	0.65	8	1,371,562	0.65	8
Sayani Investments Limited	1,194,957	0.56	9	1,194,957	0.56	9
Genghis Nominees Limited A/C 1	968,200	0.46	10	1,118,460	0.53	10

Notes:

There were no changes in ranking in the top ten shareholders as compared to prior year.

*Shares pending allotment



THE CORPORATE GOVERNANCE REPORT-2024 CONTINUED

THE BOARD AND OUR STAKEHOLDERS CONTINUED

SHAREHOLDING STRUCTURE CONTINUED

Shareholders' Analysis by Domicile as at 31 December 2024

	Shares	% Shares	Shareholders	% Shareholders
East Africa Community Partner States Institutions	186,017,794	87.10	145	11.99
East Africa Community Partner States Individuals	26,552,697	12.54	1,060	87.68
Foreign Individuals	748,965	0.35	3	0.25
Foreign Institutions	15,075	0.01	1	0.08
TOTALS	211,718,031	100.00	1,209	100.00

Summary of Totals

The distribution of shareholders as at 31 December 2024 is as follows:

Shares Range	Shares	Shares %	Shareholders	Shareholders %
1-500	44,636	0.02	128	9.26
501-5000	1,688,979	0.80	755	54.83
5001-10000	950,512	0.45	128	9.26
10001-100000	5,098,565	2.41	161	11.65
100001-1000000	10,168,371	4.80	28	2.03
>1000000	193,766,968	91.52	9	0.65
TOTALS	211,718,031	100.00	1,207	100.00

Directors' Interests as at 31 December 2024

The directors' direct and indirect interests in the ordinary share capital of the Company as at 31 December 2024 was as follows:

NAME	Shares	% Shareholding
James Ngatia Muguiyi	9,744,223	4.60
Joyce-Ann Wainaina*	33,424,017	15.79
Joseph Wanjui Jr*		

Notes:

* Bawan Ltd representatives.



SUSTAINABILITY REPORT

05

SUSTAINABILITY

SUSTAINABILITY



SUSTAINABILITY REPORT

Old Mutual Sustainability

At Old Mutual Holdings Plc, we recognise that environmental, social, and governance (ESG) factors are critical to shaping long-term business success.

In line with our purpose of championing mutually positive futures, we undertook a comprehensive, year-long process to define our approach to ESG that included stakeholder engagement, in-depth research, and capacity building across the Group. This process aimed to align our commercial ambitions with societal impact and stakeholder expectations. The outcome is a strategic initiative:

To lead with **strength**—building **stronger** communities through inclusive growth, driving a **stronger**, more sustainable business through climate action, and fortifying our future through **stronger** systems that deliver resilience, innovation, and integrity

At its core is our ambition to help build a more sustainable and inclusive future while delivering enduring value to our stakeholders.



STRONGER BY OLD MUTUAL

As early, voluntary adopters of the IFRS Sustainability and Climate-related Disclosure Standards, we are progressively aligning our integrated reporting and internal processes with IFRS S1 (**General Requirements for Disclosure of Sustainability-related Financial Information**) and IFRS S2 (**Climate-related Disclosures**). Our approach integrates these standards across four key pillars:

Governance: We have strengthened board and management oversight of sustainability-related risks and opportunities, embedding ESG into decision-making structures.



creation model. This includes aligning with IFRS S1 and S2 standards to ensure that our approach to material risks and opportunities is both robust and transparent, and that it supports resilient, sustainable growth.

Strategy: We have developed a sustainability strategy anchored in our materiality assessment, which identifies the environmental, social, and governance (ESG) issues most relevant to our business and stakeholders. This strategy provides a focused framework for embedding sustainability across our operations and decision-making processes. Building on this foundation, we are progressing to the next phase—integrating sustainability, climate and nature-related considerations into our corporate strategy, scenario planning, and long-term value



Risk Management: Climate-related risks—both physical and transition—are being assessed and integrated into our enterprise risk management framework.



Metrics and Targets: We are enhancing our internal systems to track, disclose, and respond to performance metrics aligned with our climate strategy, including greenhouse gas emissions. For this report, we cover metrics for our baseline year 2024.

This alignment strengthens our ability to provide decision-useful, transparent, and comparable sustainability disclosures to investors and stakeholders.



SUSTAINABILITY REPORT CONTINUED

OUR GOVERNANCE

Our approach to ESG and sustainability is anchored in a robust governance framework that ensures clear accountability, strategic oversight, and effective execution across all levels of the organization.

Oversight of sustainability-related risks and opportunities is embedded at the board level, with a dedicated board committee mandated to review and guide ESG strategy, targets, and disclosures. At the management level, cross-functional sustainability leadership is established through a Sustainability Steering Committee, chaired by executives

The Group Board

The Board is responsible for sustainability governance including climate and nature related risks and opportunities. Specifically, the Board is responsible for:

- Approving the ESG, Nature and Climate Risk Framework and policies recommended by senior management, having regard for relevant global, regional, and local developments, and agreed goals.
- Ensuring that Directors have an adequate understanding of sustainability and senior management is equipped with appropriate expertise for managing ESG, nature and climate risk.

and comprising representatives from risk, finance, operations, human resources, and legal.

This structure enables integrated decision-making and alignment with our enterprise risk management and strategic planning processes. Policies, reporting protocols, and escalation mechanisms are in place to ensure that material ESG issues are identified, assessed, and acted upon in a timely manner. This governance architecture reflects our commitment to long-term value creation, regulatory compliance, and transparent stakeholder engagement, in line with IFRS S1 and S2 expectations.

- Considering sustainability risks and opportunities in a holistic manner and ensuring business decisions are commensurate with the magnitude of these risks.
- Reviewing and approving the Group's overall risk appetite and approving the Risk Appetite Statement recommended by senior management.
- Ensuring that there are appropriate resources, processes, systems, and controls to support the implementation of the Group's strategy and ESG, Nature and Climate Risk Framework.
- Cultivating a risk culture from the top that embeds ESG, nature and climate risk considerations into the business activities and decision-making process.

Cross-Functional Executive Sustainability Committee:

Below the board level, we have set up a cross-functional executive committee that supports the Board Committee in executing its responsibilities, engages leadership across business units, regions, and functions to provide further oversight and strategic guidance.

It also mobilizes employees to implement strategies. The functions represented include risk management, operations (procurement, supply chain, health and safety and facilities), marketing (public affairs and communications), human resources, and OM Foundation (corporate social investment). Recognizing that these responsibilities are new to this committee, specialized certification will be scheduled for committee members in 2025.

This committee will govern and direct all subsidiaries of the Old Mutual East Africa Group in ensuring the defined sustainability strategy is implemented with a specific focus on risk management and commercial opportunity optimization.

This committee will work with the **Group Enterprise Risk Management Committee:** This management committee will provide oversight of the Group's ESG, Nature and Climate risk management policies and processes to assess, monitor and report such risks.

All management initiative around sustainability will be supported by the **Group Sustainability Executive** will facilitate the necessary change processes that contribute to the performance of the sustainability strategy.





SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY

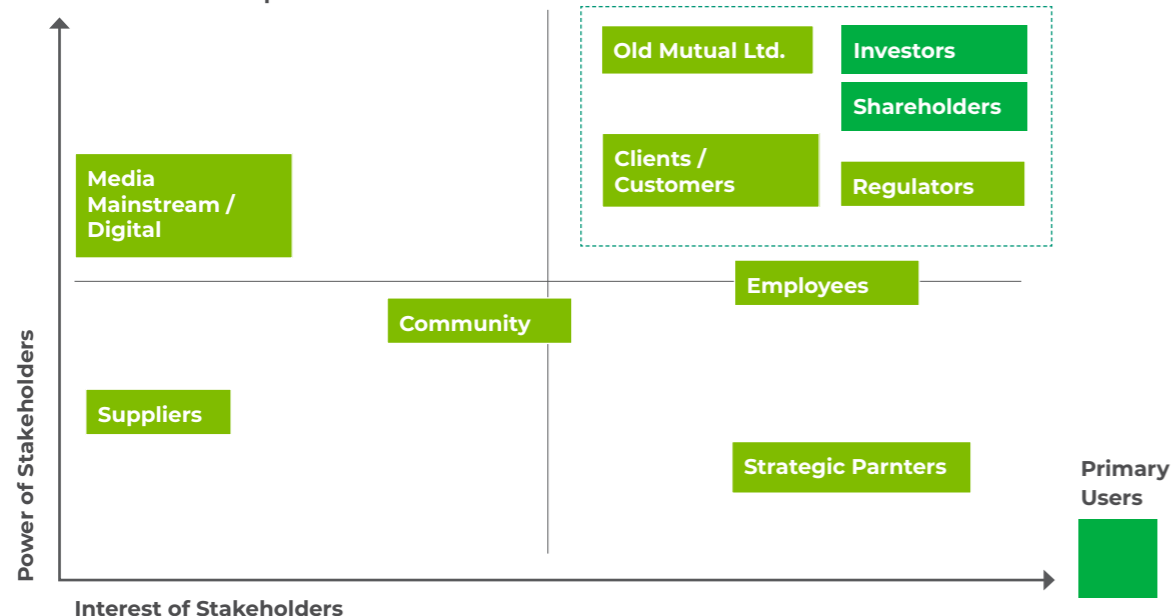
As part of our alignment with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards—IFRS S1 and IFRS S2—we undertook a comprehensive stakeholder mapping exercise to identify and prioritise the stakeholders most relevant to our sustainability-related risks, opportunities, and reporting obligations. This exercise supports our objective of ensuring that our disclosures reflect the information needs of key users of general purpose financial reporting, as required under IFRS S1.

related risks and opportunities, or whose actions could materially affect our ability to create, preserve, or erode value over time. These include capital providers, regulators, employees, customers, suppliers, and community partners. This section of the report outlines the categories of stakeholders identified, their relative level of influence and interest, and the corresponding engagement strategies we have adopted to ensure that our sustainability reporting remains decision-useful, transparent, and responsive to evolving stakeholder expectations.

Our Stakeholder Map and Engagement Strategy

A stakeholder map was developed based on influence and interest, highlighting priority engagement with investors, regulators, clients, and Old Mutual Limited.

OMH Plc Stakeholder Map



How we Engaged our Stakeholders in F24

Stakeholder	Reasoning	How we Engaged
Investors	Our investors require transparency on Environmental, Social and Governance risks, our financial performance, and our long-term value creation imperatives.	We held two investor briefings between January and December 2024 and covered a range of topics including an overview of our strategy, our sustainable value creation process and our financial performance.
Shareholders	Our shareholders expect sustainable returns, ethical governance, and responsible business practices.	We engaged with our shareholders through the Annual General Meeting (AGM) and quarterly performance updates.
Old Mutual Ltd.	Old Mutual Ltd is our parent company with oversight responsibility and a keen interest in the alignment of the ESG strategy within the group.	We actively participated in the ESG Practitioners Forum, a quarterly gathering of sustainability professionals from across the wider Old Mutual Group. The forum's main objectives are to coordinate sustainability efforts, share key updates, identify internal opportunities, and ensure alignment on material risks.



SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

Our Stakeholder Map and Engagement Strategy continued

Stakeholder	Reasoning	How we Engaged
Clients/Customers	Our clients and customers expect us to provide responsible products, engage in ethical behaviour, secure the data in line with data privacy regulations, and provide nature and climate-conscious services.	Conducted customer satisfaction surveys throughout the year, with 25,500 customers across the group responding with valuable feedback. In addition, we held client and partner engagement meetings in 7 towns across Kenya where we engaged approximately 1,000 clients.
Regulators	Our regulators include a broad range of authorities and individuals who regulate our industry across the various territories where we operate. We are committed to complying with their laws, rules, and regulations in a transparent and open manner. They require compliance with ESG-related regulations and disclosures (for example, climate risk and diversity and inclusion).	Throughout the year our regulated entities have participated in various regulatory consultations with the following regulators and participated in ESG capacity-building forums: <ul style="list-style-type: none"> the Central Bank of Kenya (CBK) the Capital Markets Authority (CMA) the National Bank of Rwanda (NBR), the Insurance Regulatory Authority of Kenya (IRA-K) the Insurance Regulatory Authority of Uganda (IRA-U) the Association of Kenya Insurers (AKI) the Kenya Bankers Association
Employees	Employees are the individuals who drive our ability to deliver value to customers and as engaged members of society, contribute meaningfully to the communities where they live and work. They expect a safe, inclusive, and purpose-driven workplace that offers opportunities for growth and development.	We held internal working group meetings to refine our sustainability vision, engaging teams across business units to ensure shared ownership. We also conducted an employee ESG awareness survey to assess understanding, gather feedback, and identify areas for deeper engagement.
Suppliers	Suppliers influence ESG impacts through sourcing, operations, and value chain resilience. They are ESG risk transmitters, impact multipliers and innovation enablers.	In advancing our ESG agenda, we updated our Supplier Code of Conduct to reflect more robust environmental, social, and governance expectations. To support implementation and foster partnership rather than compliance alone, we rolled out ESG awareness sessions with select suppliers.
Media	Media plays a pivotal role in shaping public perception of ESG performance—it can amplify a company's sustainability efforts, hold it accountable to its commitments, and influence stakeholder trust.	We took part in industry panels on climate action and governance, sharing insights on the role of financial institutions in sustainability and engaging with peers, regulators, and investors on key ESG issues.
Strategic Business Partners	We work with our strategic business partners to co-create long-term value by aligning on shared ESG goals, recognizing that joint success depends on responsible practices, mutual accountability and a shared commitment to sustainable impact across the value chain.	Maintained regular partnership review meetings to clarify expectations, reaffirm shared objectives, and keep commitments visible and actionable.
Community	Our communities are directly affected by our operations and have a vested interest in how we approach ESG. They expect us to drive inclusive growth, create meaningful job opportunities, and demonstrate leadership in sustainability that benefits both people and the environment.	We held listening sessions and engagement forums to better understand local needs, gather feedback, and align our efforts with the priorities of the communities impacted by our operations.



SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

Materiality Assessment:

Identifying our Material Topics:

The following four-step approach to materiality assessment was adopted:

Step 1

Activity	We identified information about sustainability and climate-related risks and opportunities that had the potential to be material.
How	<ol style="list-style-type: none"> Set our Hypothesis Establish our Criteria for determining materiality e.g. <ul style="list-style-type: none"> Define dimensions of impact Financial, strategic, reputation/legal/regulatory, stakeholder interests & expectations, environment & social externalities We identified material topics. <ul style="list-style-type: none"> - SASB for sustainability-related risks and opportunities - Industry guidance S2/TCFD

Strategic ESG Hypotheses Informing Our Approach

Following an initial review with our Board and parent company Old Mutual Ltd., we developed three guiding hypotheses to shape our ESG strategy and assessment framework:

Hypothesis One: Financial institutions that design and deliver inclusive financial products and services that address community needs in health, livelihoods, and climate resilience, can strengthen community resilience while expanding their customer base and deepening their reach and impact in underserved markets.

Hypothesis Two: By actively reducing the environmental impact of both direct operations (e.g., energy consumption, waste management) and indirect activities (e.g., financed emissions, procurement

practices), a financial institution can meaningfully lower its environmental footprint and demonstrate leadership in responsible business.

Hypothesis Three: Adherence to high standards of business conduct, aligned with international principles and ethical norms, reinforces long-term business sustainability and stakeholder trust.

We then developed our criteria for determining materiality using the IFRS guidance (IFRS S2 and TCFD) on the materiality of information.

The criteria were assessed across 7 dimensions and we articulated what aspects to assess and the questions we would ask to determine the materiality of the information. The criteria are highlighted below:

Dimension	What to Assess	Questions
Financial Impact	Magnitude and likelihood of affecting revenues, costs, assets, liabilities, or cash flow.	<ul style="list-style-type: none"> Will this issue impact profitability or capital adequacy? Over what time frame will this impact be felt?
Strategic Relevance	Influence on strategy, product offerings, business model or sectoral positioning.	Will this issue affect the viability of core products or services?
Reputation / Legal / Regulatory Risk	Potential to attract scrutiny, fines, or affect trust from clients and investors	Could this issue lead to brand damage, penalties, or compliance failures?
Stakeholder Concern	Degree to which investors, clients, regulators, or civil society care about the issue	Are we receiving pressure or questions about this issue from key stakeholders?
Environmental & Social Externalities	Type and scale of impacts on communities, ecosystems, or society that may feed back into the business	Are we exposed to deforestation, human rights, or community risks that could become financially material?
Level of Control	Level of direct control (High), indirect influence (Medium), or limited or no direct control (Low)	What do we need to act on now versus what must we monitor or influence?
Time Horizon	Short (0-2 years) Medium (3-5 years) Long (6+ years)	<ul style="list-style-type: none"> When will this issue start affecting cash flows or balance sheet strength? When will stakeholders start caring or acting on this issue? Are the impacts of this issue already visible, emerging, or distant but irreversible



SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

Materiality Assessment continued

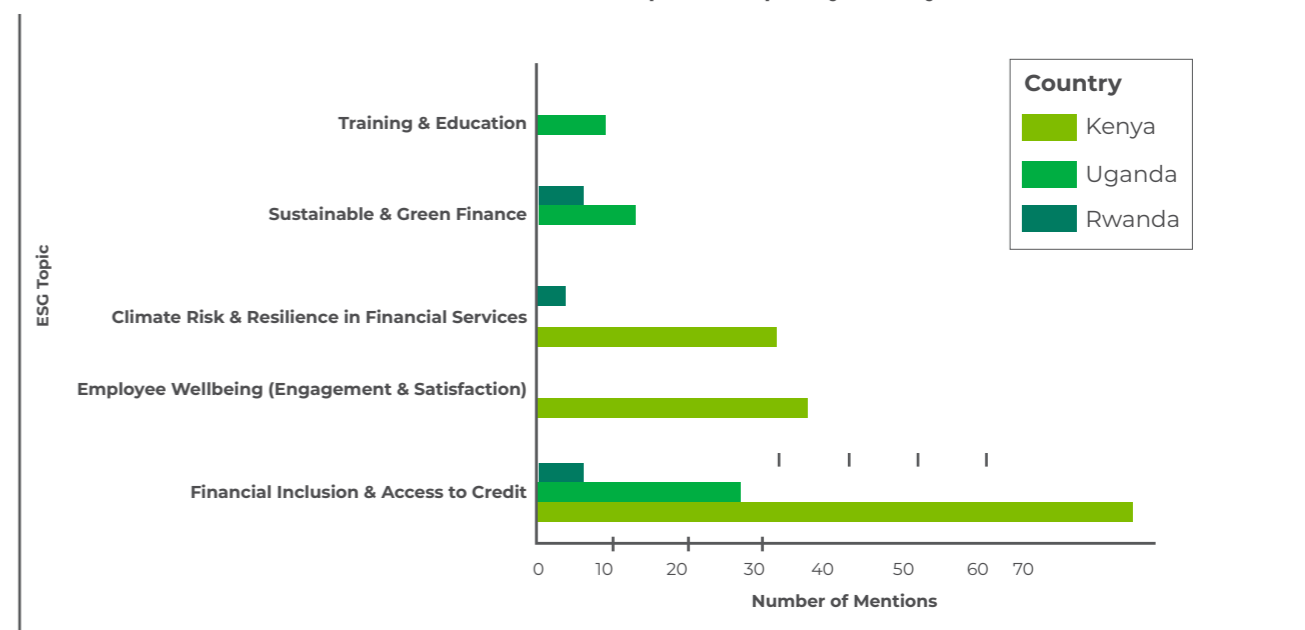
Step 2

Activity	We then assessed whether the potentially material information identified was in fact material.
How	<ol style="list-style-type: none"> We engaged Stakeholders for relevance to decision making and anticipated future impact: <ul style="list-style-type: none"> Focus Group Discussions (FGDs – operational, analytics, product) Literature review Survey Board-level insights We mapped these material themes to our financial statements and strategy.

To validate the findings from Step One, we applied participative research methodology including focus group discussions, key informant interviews and an employee survey. These outputs were supplemented by an in-depth literature and regulatory review to understand current expectations and requirements around sustainability. The survey results, outlined below, are analysed by country and linked to the identified material topics.

Country	Top 3 Material ESG Topics
	<ul style="list-style-type: none"> Financial Inclusion & Access to Credit Employee Wellbeing (Engagement & Satisfaction) Climate Risk & Resilience in Financial Services
	<ul style="list-style-type: none"> Financial Inclusion & Access to Credit Sustainable & Green Finance Climate Risk & Resilience in Financial Services
	<ul style="list-style-type: none"> Financial Inclusion & Access to Credit Sustainable & Green Finance Training and Education

Top 3 ESG Topics by Country





SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

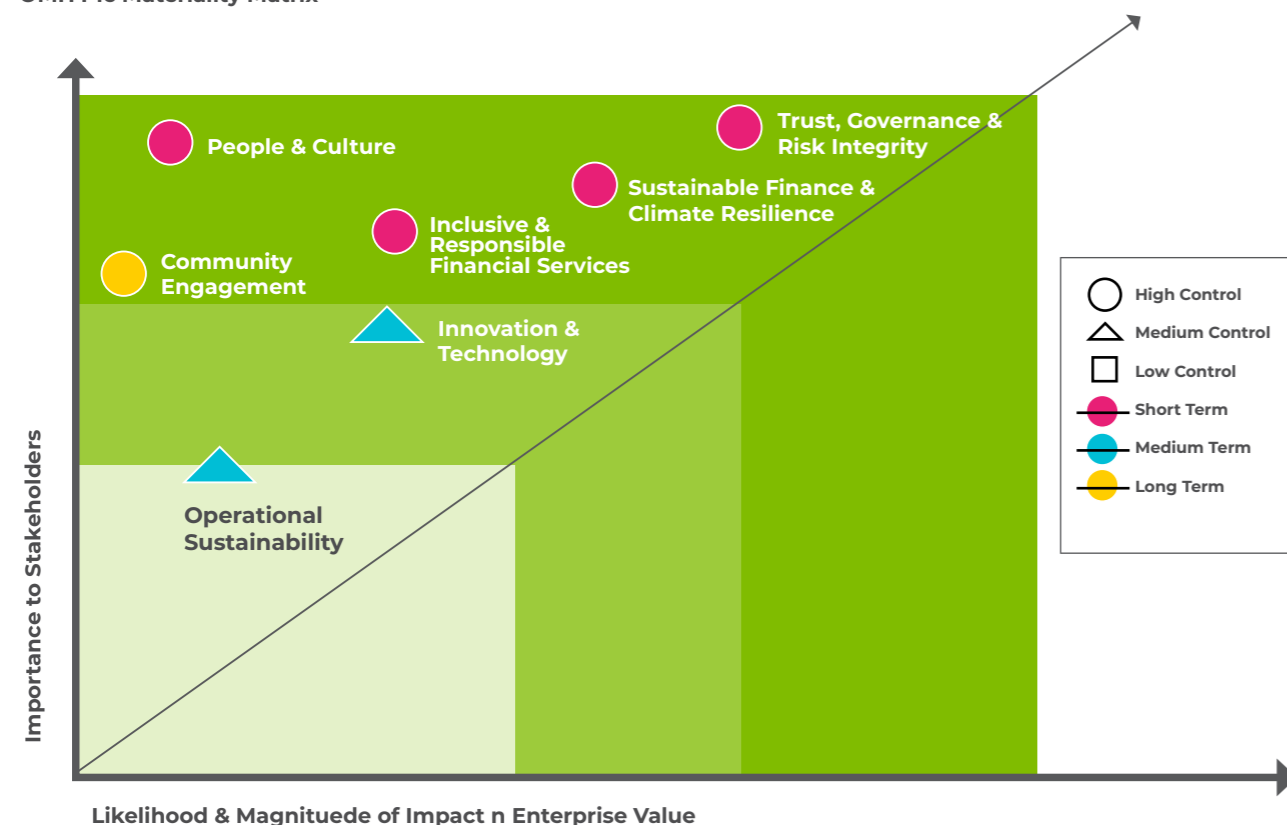
Materiality Assessment continued

We then organized the 24 topics into six material themes, triangulating quantitative and qualitative data by rating each them (on a 1-5 scale) across our defined dimensions.

Material Issue	Financial Impact	Strategic Relevance	Reputation / Legal / Reg Risk	Stakeholder Concern	Environmental & Social Externalities	Total/25	Time Horizon	Level of Control
Sustainable Finance & Climate Resilience	4	4	4	4	5	21	Short	High
Inclusive and Responsible Financial Services	2	4	2	4	5	17	Short	High
Operational Sustainability	2	1	2	3	5	13	Medium	Medium
Innovation & Technology	3	3	2	3	4	15	Medium	Medium
Community Engagement	2	2	1	4	5	14	Long	High
Trust, Governance & Risk Integrity	4	5	5	5	4	23	Short	High
People & Culture	3	3	3	5	1	15	Short	High

Using the above weighted scoring system we mapped our materiality map with each theme scored and prioritized accordingly:

OMH Plc Materiality Matrix



SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

Materiality Assessment continued

Step 3	
Activity	We organized the information within the draft sustainability-related financial disclosures.
How	We provided an update to the Executive Sustainability Committee for adoption.

Following the completion of our materiality assessment and the identification of key material themes, we conducted a high-level evaluation of each theme in line with the requirements of IFRS S1 and S2. This assessment focused on understanding the potential financial effects of each theme, including their impact on cash flows, access to capital, asset valuations, provisions, liabilities, and long-term value creation or erosion.

For each material topic, we identified associated risks that could undermine long-term value, as well as opportunities that could be leveraged for growth. We also mapped these themes to OMH Plc's financial statements and strategic objectives, ensuring a clear link between sustainability matters and financial performance, in line with IFRS S1's emphasis on material information and IFRS S2's focus on climate-related disclosures.

Material Theme	Risks	Opportunities	Financial Statement Link	Strategic Link
Sustainable Finance & Climate Resilience	<ul style="list-style-type: none"> Increased claims from nature and climate-related catastrophes such as floods, droughts and wildfires. Under-pricing of nature and climate-related risk in long-tail liabilities. Regulatory pressure to align portfolios with net-zero targets. Exposure to default risk in carbon-intensive sectors and sectors that are highly dependent on nature. 	<ul style="list-style-type: none"> Develop and underwrite nature and climate-resilient insurance products such as parametric, agriculture or inclusive insurance solutions. Offer green investment-linked policies. Build resilience models to gain competitive edge. Provide access to green capital markets and sustainability-linked reinsurance. Pursue green lending to attract concessional and catalytic capital. Manage nature and climate-related credit risks. 	<ul style="list-style-type: none"> Nature and climate-related risks will impact loan classification models. Nature and climate-related risks will impact Expected Credit Loss models (ECL), and will create the need for climate-related provisioning. 	<ul style="list-style-type: none"> Drive capital reallocation to nature and climate-positive sectors. Support green bond frameworks and determine the proportion of our financing that is aligned with environmentally sustainable economic activities as defined by the recently launched Kenya Green Finance Taxonomy (KGFT).
Inclusive and Responsible Financial Services	<ul style="list-style-type: none"> Conduct risk from mis-selling or failing to meet the needs of underserved markets Reputational risk if seen as extractive or inaccessible Regulatory sanctions for discriminatory underwriting 	<ul style="list-style-type: none"> Opportunity for market expansion and revenue growth Opportunity to drive innovation Mitigate conduct/reputation risk Leverage alternative data for inclusive underwriting Partner with governments for universal health or social protection schemes Enhance brand loyalty and long-term premium growth 	<ul style="list-style-type: none"> May influence provisioning if clients lack credit history Affects fee income and cost of service delivery 	<ul style="list-style-type: none"> Advances long-term client growth; Aligns with financial inclusion mandates and central bank expectations



SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

Materiality Assessment continued

Material Theme	Risks	Opportunities	Financial Statement Link	Strategic Link
Operational Sustainability	<ul style="list-style-type: none"> Rising operational costs due to energy use, travel, resource inefficiencies. Exposure to unsustainable procurement or vendor practices. Reputational damage or brand trust. 	<ul style="list-style-type: none"> Reduce operational expenditure and emissions via green buildings, paperless operations, hybrid work. Improve ratings from ESG-focused investors. Enhance operational resilience through investment in business continuity, disaster recovery. 	<ul style="list-style-type: none"> Impacts on operating costs Impacts capital expenditure for climate friendly retrofits. 	<ul style="list-style-type: none"> Supports net zero operations roadmap. Enhances reputation. Strengthens resilience of critical infrastructure.
Innovation & Technology	<ul style="list-style-type: none"> Cyber risks including data breaches of sensitive information. Technology obsolescence and legacy systems. Barriers to adoption among legacy and rural client segments. 	<ul style="list-style-type: none"> Leverage Insurtech solutions such as AI-based underwriting and blockchain for claims automation. Use tech to reduce fraud and improve customer experience. Reach remote or underserved clients with digital channels. Use big data and satellite analytics for precision underwriting 	<ul style="list-style-type: none"> Impacts capitalized development costs, Impacts IT amortization, cybersecurity liabilities. Impacts client acquisition costs 	<ul style="list-style-type: none"> Enables fintech partnerships, automation, customer experience, and digital inclusion strategies
Community Engagement	<ul style="list-style-type: none"> Loss of trust if the group is perceived as extractive or absent in crises. Limitations in measurable community impacts. Increased scrutiny on the oversight of community investments and the governance of the OM foundation. 	<ul style="list-style-type: none"> Build long-term trust and social license through disaster relief, financial literacy and climate risk education. Develop community-based insurance models. Align with SDGs and attract impact-oriented capital 	<ul style="list-style-type: none"> Impact on operational expenditure 	<ul style="list-style-type: none"> Strengthens stakeholder trust, supports inclusive development, and aligns with ESG reporting commitments



SUSTAINABILITY REPORT CONTINUED

OUR STRATEGY CONTINUED

Our Refined Sustainability Strategy

The OMH Plc Sustainability Strategy was approved by the Group Board in May, 2024. However, as a result of the above materiality assessment process, we refined the Strategy to respond to the outcomes.

Refined Sustainability Ambition:

STRONGER BY OLD MUTUAL

To lead with **strength** - building **stronger** communities through inclusive growth, driving a **stronger**, more sustainable business through climate action, and fortifying our future through **stronger** systems that deliver resilience, innovation, and integrity.

THEME AND PILLARS



Stronger Communities

Empowering the people and places we serve through inclusive growth, economic opportunity, and shared prosperity



Stronger Planet, Stronger Business

Driving climate action and sustainable practices that not only reduce our footprint but unlock long-term business resilience and growth.

THEME: STRONGER




Stronger Systems



Fortifying our standing as a resilient, agile, and future-ready institution by increasing our investments in people, governance, innovation, and technology — strengthening the systems that power long-term performance, trust, and impact.







SUSTAINABILITY REPORT CONTINUED

OUR PILLARS METRICS & TARGETS

Pillar One: Stronger Communities:

OMH will empower the people and places we serve through inclusive growth, economic opportunity, and shared prosperity



Strength in Action	Targets	2024 Baseline
1. Financial Literacy & Empowerment 	Reach 5 million individuals with financial literacy content by *2030 through a hybrid model of: <ul style="list-style-type: none"> Digital (mobile apps, SMS/ USSD learning journeys, social media content, and gamified financial tools) Community workshops, SACCO-led sessions, and school partnerships 	In 2024, our financial education and inclusion efforts reached a broad audience across multiple channels and markets. Through digital platforms, we engaged over 1.2 million individuals, delivering accessible and scalable financial literacy content. The Old Mutual Foundation led targeted workshops and campaigns , reaching more than 12,000 youth with tailored financial education and empowerment programs. In addition, through our customer/member education initiatives, we recorded the following outreach figures reported by the CX teams across our key markets: <ul style="list-style-type: none"> Kenya: 28,000 individuals Uganda: 8,000 individuals Rwanda: 6,000 individuals South Sudan: 4,500 individuals
	Deploy financial literacy toolkits in 500 rural locations (through informal savings groups, schools and cooperative societies) with locally adapted materials and multilingual delivery.	Work is expected to start in 2025
2. Invest in Community Driven Solutions & Local Value Chains 	Finance or co-finance 500 community enterprises or projects in priority sectors (e.g., agribusiness, retail, green jobs) by 2030	Through Faulu, we have actively scaled up support to community-led ventures through blended finance models, concessional loans, and technical assistance programs, particularly to community based local groups and chamas (informal savings and investment group) with a focus to micro and small enterprises (MSE) and agribusiness sectors. In 2024, the bank financed 231 community enterprises across rural Kenya, reaching 830 customers who primarily qualified for low-value financing. The bank actively tracks the development of these customers, and those demonstrating significant cash flow growth are transitioned into personal banking, granting them access to higher-value lending. In 2024, 153 clients were successfully transitioned. To scale this initiative and achieve its targets, the bank plans to digitize lending for this segment through platforms such as the digital and mobile
	At least 40% of all branch-level vendors for procurement and service provision to be local MSMEs and social enterprises owned by women, youth, or persons with disabilities (PWDs)	Baseline assessment of entire supply chain underway.
	Deliver at least 5,000 hours of employee volunteering to provide a positive community impact	We have successfully recorded 1,800 volunteering hours , contributed by staff across various markets and functions. These hours have supported a range of initiatives including financial literacy workshops, tree planting, school mentorship, and community health campaigns.



SUSTAINABILITY REPORT CONTINUED

OUR PILLARS METRICS & TARGETS CONTINUED

Pillar One: Stronger Communities continued

Strength in Action	Targets	2024 Baseline
3. Drive Inclusive Credit & Lending 	Launch three bundled products that combine credit + insurance + financial literacy for Agri-based SMEs, women-led enterprises, or youth cooperatives — with at least 50,000 active users by 2030	Work is expected to start in 2025
	Digitally enrol 500,000 customers in low-cost and inclusive insurance schemes through USSD, mobile apps, and agent-assisted models, achieving at least 70% coverage in high-risk or low-income regions	Work is expected to start in 2025
	Disburse 100 million in inclusive loans and low-cost insurance coverage by 2030 to first-time borrowers and low-income earners, especially in informal and rural sectors	During the financial year 2024, the bank disbursed KES 18 million to low-income earners and first-time borrowers in informal and rural areas, as part of our efforts in advancing inclusive financing. Key strategies driving this achievement included expanding outreach through mobile platforms, agent networks and remote sales staff to increase rural access. Offering tailor-made solutions with simplified onboarding processes for informal sector clients.
4. Strengthen Financial Ecosystems 	Partner with FinTech's and Agri-techs to expand reach, embed APIs, and co-develop community-focused products by 2030 through embedded partnerships and marketplace partnerships	We have begun the journey towards growing Old Mutual's digital insurance sales by embedding our products into partner ecosystems such as banks, telcos, SACCOs, fintechs, and digital platforms. Through this, we hope to make insurance more accessible, drive revenue at scale, and add value for both customers and partners. This financial year we, rolled out innovative market-place partnerships with market reach potential in excess of 30 million customers in various sectors. These include: <ol style="list-style-type: none"> Telco Saccos Automotive Digital Agents Travel Customers



SUSTAINABILITY REPORT CONTINUED OUR PILLARS METRICS & TARGETS CONTINUED

Pillar Two: Stronger Planet, Stronger Business



OMH will drive climate action and sustainable practices that not only reduce our footprint but unlock long-term business resilience and growth.

Strength in Action	Targets	2024 Baseline
1. Embed climate-smart practices across our operations and supply chain 	Reduce operational emissions by 40% (Scope 1 and 2) by 2030 through energy efficiency, green buildings, and waste reduction.	Kenya The 2024 Scope 1 and Scope 2 emissions for Old Mutual Kenya are: Scope I: 114.19 tCO ₂ e Scope II: 2457.08 tCO ₂ e Total Scope I & II: 2571.27 tCO ₂ e We are finalising our data collection for Uganda and Rwanda and will report total emissions for our reporting boundary in the coming year.
	Integrate environmental and social screening into 100% of procurement and vendor onboarding processes.	<ul style="list-style-type: none"> We are in the process of establishing our policy commitment to mandate environmental and social screening for all vendors We have defined E&S criteria and developed relevant screening tools to be deployed in 2025.
2. Use climate action as a driver for long-term competitiveness 	Finance or co-finance at least KES 10 billion in renewable energy and energy efficiency projects for SMEs, households, and commercial clients by 2030	Through Old Mutual Investment Group, we have actively engaged in sustainability-driven initiatives and investments across diverse sectors and access channels, including: <ul style="list-style-type: none"> Student Housing: On behalf of our clients, we have deployed KES 771 million into IFC Edge-certified student housing. This investment addresses the significant supply-demand gap in purpose-built student accommodation in Kenya. Infrastructure: We have successfully raised KES 1,164 billion with a portion allocated to net-zero investments, including renewable energy projects across Africa. The Net Zero Africa Investment Platform is dedicated to renewable energy and integrates development, construction management, and maintenance capabilities while providing comprehensive demand-side management solutions over time. Through our banking subsidiary, Faulu Bank we are promoting sustainable lending by financing projects that support clean energy, climate resilience, and resource efficiency, while strictly avoiding any lending or transactions that harm the environment or involve known environmental risks.
	Offer insurance products that protect clean energy assets (e.g., solar, EVs, batteries) with climate risk endorsements.	UGANDA <ul style="list-style-type: none"> We provide protection cover during construction of hydroelectric power plants and dams and solar energy installations. We insure property at hydroelectric power installations. KENYA <ul style="list-style-type: none"> We provide protection cover during construction of geothermal power plants. We insure property at renewable energy installations, including wind and geothermal power. SOUTH SUDAN <ul style="list-style-type: none"> We provide protection cover of property at hydroelectric installations. RWANDA <ul style="list-style-type: none"> We provide protection cover during construction of hydroelectric power plants



SUSTAINABILITY REPORT CONTINUED OUR PILLARS METRICS & TARGETS CONTINUED



Pillar Two: Stronger Planet, Stronger Business continued

Strength in Action	Targets	2024 Baseline
	Determine green & sustainable coverage of our entire portfolio and grow green financial and insurance solutions by 2030	We are in the process of mapping our entire portfolio against the: Kenya Green Finance Taxonomy and Rwanda Green Taxonomy
	Develop at least 5 green or sustainable finance products (e.g., green mortgages, carbon farming insurance, ESG-linked loans) by 2030	Financing Women: The Old Mutual Lady Bundled Cover is an innovative, integrated financial services product. Our comprehensive insurance package is designed to offer protection and peace of mind across all aspects of life. From Health and Motor Insurance, Travel Insurance to Critical Illness and Last Expense coverage as well as Investment opportunities through our Money Market Fund, this bundled solution offers flexibility, affordability, and peace of mind. Finance Partner of Choice: With our bundled offering, we have given SME's a one stop shop for all their insurance and protection needs encompassing general and health insurance products as well as Life products that allow for not just the protection of the business but its owner/s and employees. This solution allows for installments payment providing convenience, cost effectiveness and equity. Work towards rolling out a targeted green proposition is slated for 2025.
	Create a digital sustainability insights dashboard for clients to track their carbon footprint and green finance eligibility.	Work is expected to start in 2025
3. Develop Climate Intelligence Capabilities 	Conduct insured asset & portfolio risk mapping: <ul style="list-style-type: none"> Conduct location-based nature and climate risk profiling (e.g., flood, drought, fire zones) for all high-value insured assets and commercial property portfolios. Use geospatial data and catastrophe modelling to evaluate exposure across regions, sectors, and asset classes. 	Work is expected to start in 2025
	Develop a nature and climate risk scorecard or dashboard for corporate and SME policyholders to assess vulnerability to extreme weather or transition risks.	We have successfully developed an internal climate risk scorecard to assess the exposure of our corporate and SME policyholders to physical and transition climate risks. We integrate sectoral vulnerability indicators, geographic exposure to extreme weather events, and transition-related risk factors such as regulatory shifts and carbon intensity in mapping out climate risk exposure across all our markets – Kenya, Uganda, Rwanda and South Sudan. It is currently being used internally to enhance underwriting decisions and portfolio-level risk monitoring.



SUSTAINABILITY REPORT CONTINUED OUR PILLARS METRICS & TARGETS CONTINUED

Pillar Two: Stronger Planet, Stronger Business continued

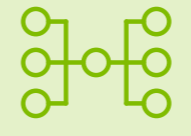

Strength in Action	Targets	2024 Baseline
	Integrate climate risk indicators into underwriting guidelines, pricing models, and product design (e.g., higher deductibles for high-risk zones, discounts for mitigation measures like flood barriers or green retrofits).	Plans are underway to refine the tool for external use, with the aim of offering it as a value-added service to clients. The public-facing version will enable businesses to better understand their climate risk profile and take proactive steps toward resilience, aligning with our commitment to support clients in navigating a just and sustainable transition.
	Engage 500 SME clients annually with tailored climate risk advisory and offer discounted premiums for adopting resilience measures (e.g., crop rotation, raised infrastructure, insurance-linked sensors).	Work is expected to start in 2025, prioritizing clients based on our portfolio risk mapping exercise.
4. Build community 	Partner with conservation organizations, NGOs, and indigenous/local communities to co-design place-based solutions that protect ecosystems while supporting livelihoods.	As part of our commitment to nature-positive action and community resilience, we partnered with WWF and the Kenya Wildlife Service (KWS) to support reforestation efforts in 2024. Through this collaboration, we planted 25,000 indigenous trees in the Aberdare ecosystem, contributing to broader conservation and catchment restoration efforts. To date, our initiatives have supported the protection and rehabilitation of over 60,000 hectares of forested land. In response to increasing climate-related disasters, we also contributed KES 1 million toward flood relief efforts in affected regions, supporting emergency response and recovery for vulnerable communities. These efforts form part of our broader environmental and social strategy aimed at building ecosystem resilience and supporting communities impacted by climate risks.
	Climate resilience education campaigns through digital and in-person channels.	Work is expected to start in 2025.



SUSTAINABILITY REPORT CONTINUED OUR PILLARS METRICS & TARGETS CONTINUED

Pillar Three: Stronger Systems

OMH will fortify our standing as a resilient, agile, and future-ready institution by increasing our investment in people, governance, innovation, and technology — strengthening the systems that power long-term performance, trust, and impact.

Strength in Action	Targets	2024 Baseline
1. Strengthen governance and risk management frameworks. 	Embed ESG and climate risk into enterprise risk management, audit, and board oversight structures by 2026 Train 100% of board members and senior leaders on sustainability and climate governance by 2027.	We have clarified Governance of our ESG & Sustainability agenda at the Board and Management level. Integration into our Enterprise Risk Management Framework is ongoing. We have delivered targeted trainings on climate change risks & opportunities to our Group Board as part of the annual Board Training calendar. Similarly, we have delivered targeted training to the Executive Committee on Climate Change.
2. Invest in our people and future capabilities 	Upskill 80% of staff on ESG, sustainable finance, and digital innovation by 2027 through blended learning programs.	We have uploaded four courses to our learning platform covering ESG, Sustainability and Climate risk.
	By 2030, achieve pay equity across all employee levels, ensure inclusive hiring practices with at least 50% diverse representation in candidate shortlists, and implement transparent, data-driven promotion pathways to support equitable career advancement for all staff	In the first phase of our Reward Strategy Implementation roadmap, the focus has been on standardizing and optimizing the Total Guaranteed Packages and benefits structure across the organization, to ensure consistency and fairness in remuneration while maintaining competitiveness in the market, this has so far been achieved through: <ul style="list-style-type: none"> Reviewing the reward offering to identify if there are pay gaps and areas of concern. Alignment of our pay lines to market for every business per country. Aligning employees' pay by moving them to be within the pay lines and addressing pay inequities. Standardizing employee benefits in a phased approach.
	By 2030, implement a comprehensive employee wellness program that reaches 100% of staff — including mental health support, flexible working options, preventive healthcare, and financial wellbeing tools — and track annual improvements in employee wellbeing through engagement and satisfaction surveys.	<ul style="list-style-type: none"> Employee Wellness Program: Drafted and launched our Employee Wellness Program. Our 2025 strategy is anchored on four pillars: Physical, Emotional, Financial, and Psychological Wellness. Mental Health Support: Partnered with Anchor Relationships to provide professional Employee Assistance Program (EAP) services. Flexible Working Options: Implemented a hybrid working model for occasional remote work; exploring temporary hybrid working arrangements to enhance flexibility. Preventive Healthcare: Regular health talks and checks conducted in partnership with medical providers to promote early detection and healthy living. Financial Wellbeing: Successfully hosted a Financial Expo in collaboration with financial institutions to equip staff with tools and knowledge for better financial management.



SUSTAINABILITY REPORT CONTINUED OUR PILLARS METRICS & TARGETS CONTINUED

Pillar Three: Stronger Systems continued

Strength in Action	Targets	2024 Baseline
		<p>Thrive: Thrive is a comprehensive wellness program developed by Old Mutual, designed to support and enhance the overall well-being of its users. Initially launched as a pilot mobile app, Thrive has evolved into a holistic ecosystem that integrates various aspects of lifestyle and wellness, positioning Old Mutual as a leader in this space.</p> <p>Thrive offers a user-friendly interface and gamification features to incentivize healthy lifestyles without compromising user privacy. Users can participate in challenges based on metrics like the OM Thrive Score, steps count, exercise time, or active time, earning points for adopting healthy habits and progressing through levels to receive rewards.</p> <ul style="list-style-type: none"> 60% of staff in Kenya have enrolled in the Thrive App – total registered users 2,905 Total steps taken by employees: 161,495,015, equivalent to walking from Cape Town to Cairo more than 20 times. 46% of employees achieved the recommended 7 to 9 hours of sleep daily 31% of users calculated their Financial Well-being Score 96% of employees recorded being in a good state of mind
<p>3. Accelerate digital transformation and data intelligence.</p>	Digitize 90% of core operations and customer journeys by 2030 to improve efficiency, transparency, and customer inclusion.	<p>We have made some strides in our digital transformation agenda across the region. Key milestones include:</p> <ul style="list-style-type: none"> The rollout of digital platforms—including mobile, WhatsApp, and web has been successfully launched across the region, enhancing customer accessibility and engagement. We have completed the full digitization of short-term and life insurance products in Kenya, with Uganda and Rwanda on track to finalize their digitization efforts by the end of 2025. We have implemented conversational commerce through a live chatbot, enabling real-time, seamless customer interactions across our platforms. Additionally, we have integrated with the Safaricom marketplace through the Coral Mini App, further expanding our digital distribution and partner ecosystem.
	Deploy AI, machine learning and data analytics to personalize financial products, detect fraud, and monitor ESG risk.	We deployed Artificial Intelligence and Machine learning models to our medical claims adjudication process. This initiative delivered savings of KES 253 million in 2024 alone.
<p>4. Advocacy for sustainable finance and inclusive growth</p>	Publishing thought leadership (e.g., white papers, op-eds) and host annual stakeholder roundtables or policy briefings.	<p>We produce the Old Mutual Financial Services Monitor Report annually - 2024 edition available here: https://www.oldmutual.co.ke/financial-services-monitor/</p> <p>The annual survey tracks the shifts in the attitudes and behaviours of working Kenyans. We use these findings to deepen our understanding of customers' changing lifestyles and to find innovative ways to respond to their evolving financial needs. Enabling our customers to become their exceptional best is our goal.</p> <p>As part of our commitment to advancing sustainability and responsible business practices, we are proud members of the United Nations Global Compact (UNGC) and the African Natural Capital Alliance (ANCA).</p>



SUSTAINABILITY REPORT CONTINUED OUR PILLARS METRICS & TARGETS CONTINUED

Pillar Three: Stronger Systems continued

Strength in Action	Targets	2024 Baseline
		<p>Our participation in the UNGC reflects our alignment with globally recognized principles on human rights, labour, environment, and anti-corruption, and reinforces our commitment to the Sustainable Development Goals (SDGs).</p> <p>Through ANCA, we contribute to shaping the narrative and action around nature-related financial risks and opportunities in Africa. This membership supports our leadership role in advocating for the integration of natural capital considerations into financial decision-making across the continent.</p>
	Partnering with academic or civil society institutions to drive evidence-based advocacy	We currently partner with the Cambridge Institute for Sustainability Leadership, through their Corporate Leaders Group which we host quarterly.

NATURE RISK MANAGEMENT

OMH are Early Adopters of the Task Force on Nature-related Financial Disclosures

As part of our commitment to a Stronger Planet for a Stronger Business, Old Mutual East Africa adopted the Taskforce on Nature-related Financial Disclosures (TNFD) framework in recognition of the growing materiality of nature-related risks to our business model, particularly in insurance underwriting, investment, and claims management. In 2023, we participated in a regional pilot led by the Taskforce on Nature-related Financial Disclosures (TNFD) and facilitated by the African Natural Capital Alliance (ANCA) and FSD Africa. This initiative brought together leading African financial institutions to pilot the TNFD framework and explore nature-related risks and opportunities across their operations.

In adopting the TNFD framework, we outline how we are identifying, assessing, managing, and disclosing nature-related risks and opportunities. Nature loss and ecosystem degradation directly and indirectly affect the insurability, valuation, and viability of the assets and sectors we support—posing significant physical, transition, and liability risks.

This year, we focused on our non-life insurance business and undertook a structured assessment of our nature-

related dependencies, impacts, risks, and opportunities. This included capacity-building sessions, data mapping, and scenario analysis supported by technical partners including Oliver Wyman.

Key Findings:

- We identified indirect dependencies on natural assets and ecosystem services—such as clean water, biodiversity, and soil fertility—through the businesses and sectors we insure and invest in.
- We mapped indirect and direct impacts from our operations and value chain, including claims-related waste, underwriting in ecologically sensitive areas, and support for high-impact sectors without safeguards.
- We quantified nature-related risks including physical risks (e.g., increased claims from climate- and biodiversity-related events), underwriting and operational risks (e.g., pricing inadequacies, stranded assets) and transition risks (e.g., regulatory shifts, reputational exposure)
- We explored opportunities to design new insurance products that promote nature-based solutions, incentivize sustainable behaviour, and align with global goals for a nature-positive economy.
- We identified financial metrics aligned with TNFD guidance to track both risk exposure and investment in nature-positive outcome.

Old Mutual Dependencies, Impact, Risk and Opportunity Assessment

Dependencies

Compared to other sectors, the insurance sector does not consume many natural resources and therefore has a limited direct dependency on nature. However, we identified ways in which Old Mutual has **indirect dependencies** on nature.

Businesses we insure may depend on:

- clean water for manufacturing
- fertile soil for agriculture
- pollination for food production

Clients we provide health cover for may depend on

- air quality for respiratory health
- high biodiversity making it difficult for the emergence of zoonotic diseases

Critical Suppliers in our value chain depend on nature e.g.

- Pharmaceutical companies in the health value chain depend on nature and biodiversity in the production of medicines



SUSTAINABILITY REPORT CONTINUED NATURE RISK MANAGEMENT CONTINUED

Old Mutual Dependencies, Impact, Risk and Opportunity Assessment continued

Impacts

Compared to other sectors, the insurance sector does not heavily impact nature. However, we identified ways in which Old Mutual has **indirect impact** on nature.

Examples of Negative Indirect Impacts

- Underwriting construction in ecologically critical areas
- Insuring high-impact sectors without environmental safeguards.
- Claims processes that lead to excessive resource use or waste.
- Supporting pharmaceutical companies with unsustainable sourcing practices.

Examples of Positive Indirect Impacts

- Insuring nature-based solutions
- Incentivizing healthier and more sustainable lifestyles.

Impacts

As Old Mutual, we will mostly experience indirect nature-related risks through our investments and liabilities: by investing in or providing coverage to companies that are not adapted to having a nature positive or neutral impact on the environment or that are increasingly at risk from reduced biodiversity and ecosystem services.

As a result we will face **Physical Risks** (*Increased insured losses from extreme weather events exacerbated by nature loss, chronic risks like increased morbidity and mortality due to pollution*); **Underwriting Risks**: (*Inadequate pricing and reserving due to a lack of understanding of nature-related risks, increased insurance gap as risks become uninsurable or unaffordable*); **Transition Risks**: (*Policy and regulatory changes related to nature protection, reputational damage from insuring unsustainable activities, market shifts towards nature-positive businesses*).

These risks are described further below.

- **Increased claims frequency and severity** due to the vulnerability of insured assets and activities to damage and loss as biodiversity loss and ecosystem degradation escalate.
- **Impacts on the affordability and availability of insurance** as losses increase.
- **Underwriting risk** stemming from inadequate pricing and reserving assumptions for nature-related physical and transition risks.
- **Business risk**, including stranded assets and loss of insurable assets, particularly for businesses heavily reliant on natural resources and ecosystem services.
- **Operational risks** that can arise from regulatory environments requiring due diligence or reputational risks associated with clients engaged in activities that negatively affect nature.
- **Risks related to specific sectors**, such as decreased farm productivity leading to increased claims in agricultural insurance due to loss of ecosystem services like pollination and soil fertility.
- **Increased rates of illness, disease, physical harm, and mental health issues**, leading to higher mortality, morbidity, hospitalization rates, and insurance claims. This can be due to factors like zoonotic diseases resulting from habitat loss, respiratory diseases from air pollution, heat-related deaths, and mental health disorders due to the lack of green spaces.
- **Long-term impacts on contracts** like annuities due to chronic environmental degradation affecting mortality risks over time.
- **Social risks** if insurers adjust premiums based on exposure to environmental factors, potentially widening the protection gap and raising equity concerns.

As Old Mutual we can also experience direct nature-related risk such as physical risk to property held for own use or investment purposes if they are located in land and along seascapes that suffer damage related to the loss of nature e.g. flood risk as a result of soil erosion due to deforestation.



SUSTAINABILITY REPORT CONTINUED NATURE RISK MANAGEMENT CONTINUED

Old Mutual Dependencies, Impact, Risk and Opportunity Assessment continued

Opportunities

As Old Mutual, nature related opportunities will emerge from the investments and liabilities side of our business model as we focus on increasing the resilience of our clients through underwriting and investing in nature-based solutions

We have identified the following nature-related opportunities:

- **Supporting the transition to a nature-positive economy** by enabling new business models, technologies, and solutions that can significantly reduce pressures on nature and transform value chains. This is seen as a significant “transition insurance” opportunity. The World Economic Forum (WEF) estimates an annual USD 10 trillion opportunity in this transition.
- **Insurance against new emerging nature-related physical risks**: Covering risks like soil health, water availability, pests, and diseases, while promoting loss prevention through Nature based Solutions.
- **Developing risk (impact)-based pricing models** to incentivize sustainable behaviors by clients.
- **Providing risk management services** such as environmental sensitivity analyses to help businesses understand their interactions and impacts on nature.
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- **Designing insurance products and services that incentivize healthier, more sustainable lifestyles**. This could include incentives for plant-based diets or active mobility.

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Opportunities

In line with the TNFD framework, we have identified the following metrics that will help us to understand our financial exposure to nature related risks and the positive financial impacts of our response and mitigation actions.

Nature Related Risk Metrics:

- Value of assets, liabilities, revenues and expenses that are assessed as vulnerable to nature related transition risks.
- Value of assets, liabilities, revenues and expenses that are assessed as vulnerable to nature related physical risks.

Nature Related Opportunity Metrics:

- Amount of capital expenditure, financing or investment deployed towards nature-related opportunities, by type of opportunity, in line with the country green taxonomy, where relevant.
- Increase and proportion of revenue from products and services producing demonstrable positive impacts on nature with a description of impacts.



SUSTAINABILITY REPORT CONTINUED NATURE RISK MANAGEMENT CONTINUED

Old Mutual Dependencies, Impact, Risk and Opportunity Assessment continued

Old Mutual East Africa is now taking targeted steps to integrate nature-related considerations into our governance structures, sustainability strategy, risk management policies, and product development. These include:

- Embedding nature risks into our ESG governance and board-level oversight
- Updating underwriting and ESG risk frameworks to include nature-related criteria
- Expanding nature and climate intelligence through geospatial risk mapping
- Enhancing disclosures in line with TNFD and IFRS S2 frameworks

- Developing transition plans that align with a nature-positive economy

We are currently in the process of establishing baselines for our nature-related targets, which will inform future KPIs and transition planning. These will be communicated transparently in upcoming standalone disclosures as we advance our alignment with TNFD.

By proactively integrating TNFD, Old Mutual is positioning itself at the forefront of sustainable insurance in Africa—contributing to climate and nature resilience, while unlocking opportunities for growth in a rapidly evolving risk landscape.

Pilot Contributors and Participants





CORPORATE INFORMATION



CORPORATE INFORMATION

Board of directors

	Dr. Habil Olaka	Kenyan	Chairman – Independent Non-Executive Director (Appointed 3 June 2024)
	Mr. Vincent Rague	Kenyan	Independent Non-Executive Director (Retired 25 June 2024)
	Mr. James Ngatia Muguviyi	Kenyan	Non-executive director
	Mr. Clement Chinaka	Zimbabwean	Executive Director
	Mr. Richard Treagus	South African	Non-Executive Director (Resigned 6 March 2025)
	Mr. Shailesh Devchand	South African	Non-Executive Director (Resigned 15 March 2024)
	Mr. Joseph Bernard Wanjui Jr.	Kenyan	Non-Executive Director
	Mr. Robert Mbugua	Kenyan	Non-Executive Director
	Dr. Catherine Adeya	Kenyan	Independent Non-Executive director
	Mr. Francis Kamulegeya	Ugandan	Independent Non-executive director
	Ms. Joyce-Ann Wainaina	Kenyan	Non-Executive Director (Appointed 15 March 2024)
	Mr. Craig Aitchison	South African	Executive Director (Appointed 15 March 2024)
	Ms. Flora Mutahi	Kenyan	Independent Non-Executive Director
	Mr Arthur Oginga	Kenyan	Executive director/Group Chief Executive Officer

Company secretary

Ms. Nannette Miingi
 Certified Secretary (Kenya)
 Old Mutual Tower
 Upper Hill Road, Upper Hill
 P O Box 43013 – 00100 GPO
 Nairobi

Registered office

Old Mutual Tower
 Upper Hill Road, Upper Hill
 P O Box 30059 – 00100 GPO
 Nairobi

Legal advisors

Coulson Harney Advocates (Bowmans)
 5th Floor, West wing, ICEA Lion Centre
 Chiromo
 Road
 P O Box 40034 – 00100 GPO

Auditor

Ernst & Young LLP
 Certified Public Accountants
 Kenya-Re Towers
 Off Ragati Road, Upper Hill,
 P.O Box 44286 – 00100
 Nairobi

Principal banker

Stanbic Bank Kenya Limited
 Stanbic Center
 Westlands Road
 P O Box 72833 – 00200
 Nairobi



DIRECTOR'S REPORT

07



DIRECTORS' REPORT

The Directors submit their report together with the audited consolidated and separate financial statements for the year ended 31 December 2024 which disclose the state of affairs of Old Mutual Holdings Plc (the 'Company') together with its subsidiaries (the 'Group').

Principal activities

The Group is engaged in the business of insurance, investment management, property, and stock broking services. These activities are carried out through the Group's subsidiaries in Kenya, Uganda, Tanzania, South Sudan, Mauritius and Rwanda. These activities are briefly described below:

- **Insurance business:** The Group has seven insurance subsidiary undertakings. Four of these subsidiaries underwrite non-life insurance risks, two underwrite life insurance risks and one underwrites both life and non-life insurance risks as defined by the Insurance Acts in their respective countries of domicile. The Group does not underwrite industrial life insurance. The Group also issues investment contracts to provide its customers with asset management solutions for their savings and retirement needs. These operations are carried out in Kenya, Uganda, Tanzania, South Sudan and Rwanda.
- **Stock broking:** The Group provides stock broking services through its subsidiary, Old Mutual Investment Group Uganda.
- **Property:** The Group holds investments in two property companies based in Uganda and South Sudan. The Company directly owns commercial property and indirectly owns commercial and residential property through its subsidiaries in Kenya, Uganda, and South Sudan.

Significant developments during the year

- **Sale of UAP Insurance Tanzania:** During the financial year ended 31 December 2023, the Group embarked on a process to dispose its shareholding in UAP Insurance Tanzania in line with the Group's strategic objectives. The sale transaction was finalised as at 31 July 2024 and the Company's control of UAP Insurance Tanzania ceased with effect from 1 August 2024 with Strategic Ventures Company Limited taking ownership. This sale resulted to a loss on disposal of Kes 363m.

Business review

The Group recorded a profit before tax from continued operations of KShs 2.6 billion for the year ended 31 December 2024 compared to a profit before tax of KShs 1.4

billion in 2023. The improvement in performance is driven by steady topline growth, higher commission earned owing to the growth in our Unit Trust business and investment income performance supported by higher interest income from short term deposits and high unrealized revaluation gains from equities and government securities. The performance was, however, dampened by lower insurance service results, impacted by higher medical and flooding claims in Kenya,

The General Insurance business recorded a profit before tax of KShs 2.0 billion in 2024 compared to a profit before tax of KShs 2.9 billion in 2023. This decline was largely attributable to a KShs 1.3 billion increase in net expenses from reinsurance contracts held and higher medical and flooding claims in Kenya.

The Life Insurance business registered an improvement with a profit before tax of KShs 682 million in 2024 compared to a profit before tax of KShs 263 million in 2023. This improvement was largely driven by higher investment income arising from fair value gains from equity investments and government securities coupled with a strong growth rate in the topline from corporate portfolio boosted by the continued pursuance of the pivot to corporate strategy.

Insurance service result

The insurance service result was down 78% from a profit of KShs 1,630 million to a profit of KShs 361 million with a decline recorded across most entities. The decline in insurance service results is further explained by:

- **Reinsurance expense:** Net expenses from reinsurance contracts increased by 145% from KShs 1.8 billion to Kes 4.4 billion owing to the impact of reinsurance recoveries, mainly driven by the General Insurance entities.
- **This was offset by the growth in insurance revenue and decline in service expenses:** The insurance revenue grew by 4% mainly driven by the Kenya business, but overall, the short-term insurance and life insurance businesses sustained a steady growth rate in comparison to 2023.

Investment income

Total investment income increased by 42% driven by significant fair value gains on bonds resulting from a downward shift in the yield curve coupled with higher interest earned on government securities and bank deposits.



DIRECTORS' REPORT CONTINUED

Insurance finance expenses

Net insurance finance expenses increased by 175% from KShs 1.5 billion in 2023 to KShs 4.1 billion in 2024, which primarily relates to the unwind of discounting on insurance and reinsurance contracts.

Commission and other income

Commission and fee income increased by 41% compared to prior year, driven by the growth in the Unit Trust business (as measured by Funds Under Management - FUM). Other income is mainly comprised of fee income arising on deposit administration and other investment contracts, and policy administration fees. This declined by 20% from KShs 445 million in 2023 to KShs 355 million.

Other operating expenses and commissions

Other operating expenses relate to expenses for non-insurance businesses and other non-attributable expenses for the insurance businesses. These are 46% lower than the previous year as management continued to implement cost efficiency initiatives.

Group results

	2024	2023
	KShs '000	KShs '000
Profit for the year from continuing operations	1,279,364	200,472
Loss after tax for the year from discontinued operations	(441,102)	(314,359)
Profit/ (Loss) after tax for the year	838,262	(113,887)
Profit/ (Loss) after tax attributable to owners of the parent	484,463	(575,617)

Directors

The directors of the Company, who held office during the year and up to the date of this report, are as set out on page 85.

Dividends

The Directors do not recommend the payment of a dividend in 2024 (2023: Nil).

Relevant audit information

The Directors in office at the date of this report confirm that:

- There is no relevant audit information of which the Company's auditor is unaware; and
- Each director has taken all the steps that they ought to have taken as a director so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Terms of appointment of the auditor

Ernst & Young LLP continues in office in accordance with

Commission expenses increased by 48% from KShs 381 million in 2023 to KShs 564 million in 2024 related to Unit Trust sales and driven by the increase in funds under management.

Finance costs

Finance costs on borrowings were down 50% over 2023 mainly driven by forex gains on US\$ denominated borrowings on account of 18% appreciation of the Kenya Shilling compared to 12% depreciation as at June 2023, at the point of conversion of the Old Mutual East Africa Holdings Loan.

Investment properties

The value of investment properties is KShs 19.4 billion (2023: KShs 21.2 billion). The movement of KShs 1.8 billion is driven by the impact of translation of the properties from valuation and functional currencies to KShs.

the Company's Articles of Association and Section 719 of the Companies Act, 2015. The directors monitor the effectiveness, objectivity, and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees. The agreed auditor's remuneration has been charged to profit or loss in the year.

Approval of the financial statements

The financial statements set out on pages 100 to 233 were approved and authorised for issue by the Board of Directors on 17 March 2025.

By order of the Board


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Nannette Miingi
Secretary



DIRECTORS' REMUNERATION REPORT

Information subject to audit

This Remuneration Report has been prepared in line with The Capital Markets Authority Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015 which provides guidelines on Director's remuneration as read together with Part XXV of The Companies Act, 2015.

a. Non-executive directors

The Company offers a selection of financial and non-financial rewards and benefits to non-executive directors. In determining the remuneration structure for non-executive directors, the Company has adopted a Remuneration model that considers the size and nature of the East Africa business and comparative benchmarks of similar entities within the financial services sector in the region. Non-executive Directors' (other than the Old Mutual representatives) are entitled to the following fees and benefits in respect of their appointment to the board:

- An annual retainer for board membership prorated and paid monthly in arrears.
- Sitting allowances for board and committee attendance to compensate the directors for their time in preparation and attendance at board and committee meetings. Premia apply in respect of payments made to Chairmen of boards and committees.
- Enrolment to the non-executive directors medical and motor private insurance schemes at rates similar to the staff insurance cover.
- Reimbursement for travel expenses associated with their official duties, where necessary, as well as other direct business-related expenses.
- Directors' Liability Cover to provide protection for undertaking their duties in such capacity.

Non-executive directors do not participate in the Company's staff incentive programs, nor do they receive performance-based remuneration. No pension contributions are payable on their fees and no director is entitled to any compensation at the end of their tenure for loss of office. During the year under review, there were no directors' loans or directors' shares scheme.

Changes to directors' remuneration

The fees of non-executive directors are reviewed annually in accordance with the relevant corporate governance standards and requirements and are subject to ratification by shareholders at the Annual General Meeting, inclusive of applicable taxes. In respect of the year ended 31 December 2024, there was an approved increase in non-executive director's annual retainer which was implemented effective 1 January 2024.

b. Executive directors

The Company has one executive director, who has oversight over the Company as well as all the Group operating entities. The Group Chief Executive Officer holds a contract of service on permanent and pensionable terms which provides for a company car, club membership, wireless home internet and can be terminated on three (3) months' notice.

In accordance with the remuneration policy, executive directors are eligible to participate in the Company's incentive reward scheme – Short Term Incentive (STI) and Long-Term Incentive (LTI) awards - upon achieving various targets agreed upon with the board. A bonus was paid for the year 2024. The LTI awards are subject to malus, and, in some circumstances, claw back provisions based on a clear application criteria.

Annual awards under the LTI scheme are subject to deferral, vesting in equal tranches in year 3, 4 and 5 after the award date. The awards are in the form of phantom Old Mutual Limited shares and qualify for dividends over the vesting period.

Statement of voting on the Directors' remuneration report at the annual general meeting

During the annual general meeting of the Company held on 25th June 2024, voting was carried out through electronic means to approve the Directors' Remuneration Report with the following results published:

Agenda	Vote	Total votes	As a % of the total votes cast
To approve the director's remuneration for the year ended 31st December 2023 as provided for in the Financial Statements	For	184,155,206	99.55%
	Against	12,500	0.01%
	Abstained	814,747	0.44%
Total		184,982,453	100.00%



DIRECTORS' REMUNERATION REPORT CONTINUED

Information subject to audit continued

For the financial year ended 31 December 2024, the consolidated directors' fees and remuneration was KShs 237m (2023: KShs 198m) and Company directors' fees were KShs 84m (2023: KShs 77m) detailed below:

	Group		Company	
	2024	2023	2024	2023
	KShs '000	KShs '000	KShs '000	KShs '000
Non-executive directors' fees	180,525	130,537	28,798	30,550
Executive directors' remuneration	57,263	149,906	27,011	28,798
Total directors' remuneration	237,788	198,554	84,274	77,446

Non-executive Directors' remuneration for the year ended 31 December 2024

	2024			2023		
	Annual retainer	Sitting allowance	Total	Annual retainer	Sitting allowance	Total
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
James Muguiyi	2,170	720	2,890	1,913	4,040	5,953
Vincent Rague*	3,148	438	3,586	5,563	939	6,502
Robert Mbugua	2,404	644	3,048	2,119	906	3,025
Dr. Catherine Adeya	2,404	729	3,133	2,119	869	2,988
Joseph Wanjui Jr.	2,170	378	2,548	1,913	634	2,547
Francis Kamulegeya	2,404	650	3,054	2,110	905	3,015
Flora Mutahi	2,170	719	2,889	978	247	1,225
Joyce Ann Wainaina**	1,692	389	2,081	-	-	-
Dr. Habil Olaka***	3,251	261	3,512	-	-	-
Mike Harper****	-	-	-	1,036	440	1,476
George Maina*****	-	-	-	1,381	686	2,067
Shailesh Devchand*****	-	-	-	-	-	-
Richard Treagus*****	-	-	-	-	-	-
Clement Chinaka*****	-	-	-	-	-	-
	21,813	4,928	26,741	19,132	9,666	28,798

* retired from office in June 2024.

** appointed to office in March 2024

*** appointed to office in June 2024

**** retired from office in June 2023

***** retired from office in August 2023

***** No fees are paid to these directors who represented Old Mutual Limited on the board of directors in the year under review as they hold contracts of service in their respective jurisdictions.

There was an increase implemented in August 2024, effective 1 January 2024 and the net effect of these changes was an 8.6% increase in 2024 when compared to 2023.

Executive Directors' remuneration for the year ended 31 December 2024

	Arthur Oginga	
	2024	2023
	KShs '000	KShs '000
Salaries and allowances	57,263	48,636
Deferred Short Term incentive payments	-	-
Qualifying dividends	-	-
Other	24	12
	57,287	48,648

Dr. Habil Olaka
Chairman - Remuneration, Nominations
and Corporate Governance Committee

H. Olaka
Date: 17th March 2025



Statement of directors' responsibilities

The directors are responsible for the preparation and presentation of the consolidated and separate financial statements of Old Mutual Holdings Plc set out on pages 100 to 233, which comprise the consolidated and company statements of financial position as at 31 December 2024, and the consolidated and company statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

The directors' responsibilities include: determining that the basis of accounting described in Note 2 is an acceptable basis for preparing and presenting the financial statements in the circumstances, preparation and presentation of financial statements in accordance with the IFRS Accounting Standards and in the manner required by the Kenyan Companies Act, 2015 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Under the Kenyan Companies Act, 2015, the directors are required to prepare financial statements for each financial period which give a true and fair view of the financial position of the Group and Company as at the end of the financial year and of the profit or loss of the Group and Company for that year. It also requires the directors to ensure the Company, and its subsidiaries keeps proper accounting records which disclose with reasonable accuracy the financial position of the Group and Company.

The directors accept responsibility for the annual consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS Accounting Standards and in the manner required by the Kenyan Companies Act, 2015. The directors are of the opinion that the consolidated and separate financial statements give a true and fair view of the financial position of the Group and Company and of the consolidated and separate profit or loss.

The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of consolidated and separate financial statements, as well as adequate systems of internal financial control.

The directors have assessed the Group and Company's ability to continue as a going concern and have no reason to believe the Group and/or Company will not be a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The financial statements, as indicated above, were approved and authorised for issue by the Board of directors on 17th March 2025.

H. Olaka

Dr. Habil Olaka
Chairman

Aginga

Arthur Oginga
Group Chief Executive Officer





FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD MUTUAL HOLDINGS PLC

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Old Mutual Holdings Plc (the "Company") and its subsidiaries (together with the Company, the "Group") set out on pages 111 to 233, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and Company as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Kenyan Companies Act, 2015.

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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and other independence

requirements applicable to performing audits of the financial statements of the Group and Company and in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with the other ethical requirements applicable to performing audits of the Group and Company and in Kenya. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The key audit matter applies only to the audit of the consolidated financial statements.

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS CONTINUED

Key Audit Matters continued

Key audit mater description	How the matter was addressed in the audit
Valuation of insurance contract liabilities (applicable to the consolidated financial statements)	
See notes 2 (2.5 (g)), 3(a) and 5 to the consolidated financial statements	
<p>Insurance contract liabilities constitute 72% (KShs 39.5 billion) of the Group's total liabilities. Valuation of these liabilities is highly judgmental and requires a number of assumptions to be made that have high estimation uncertainty.</p> <p><i>Valuation of long-term insurance contract liabilities</i> At initial recognition, the Group measures a group of insurance contract as the total of (a) fulfilment cashflows, with comprise of estimates of future cashflows, adjusted to reflect the time value for money and financial risks, and a risk adjustment for non-financial risk; and (b) a contractual service margin (CSM), which represents the estimate of unearned profit the Group will recognize as it provides service under the insurance contracts. When projecting future cashflows for these insurance contract liabilities, the Group primarily uses deterministic projections using best estimate assumptions. Key assumptions are subjective and complex and include mortality, morbidity, investment returns, policy termination rates, premium persistency, directly attributable expenses, taxes and policyholder's dividends.</p> <p><i>Valuation of short-term insurance contract liabilities</i> The Group insurance contract liabilities contain liabilities for incurred claims (LIC), which reflects current, unbiased and probability-weighted estimate of the present value of the expected future cashflows (best estimate) and an explicit risk adjustment for non-financial risk.</p> <p>IFRS 17 requires that all assets and/or liabilities related to insurance contracts issued need to be reflected in the insurance contract assets/liabilities. This means the inclusion of the outstanding claims and insurance service expense payables (related to directly attributable expenses) in the LIC.</p> <p>Valuation of the Group's LIC requires estimation of future benefit payments from the insurance contracts. Estimates are made as to the expected number claims in which the Group is exposed to the risk.</p> <p>The process involves complex and subjective judgements about future events both internal and external to the business, for which slight changes in these assumptions can result in material impacts to the estimate.</p> <p>Auditing the valuation insurance contract liabilities is complex and requires the application of significant auditor judgement due to the complexity of the cashflow models, the selection and use of assumptions and the interrelationship of these variables in measuring insurance contract liabilities. The audit also required specialized skills and knowledge in evaluating the audit evidence obtained.</p> <p>As a result of the above, we have determined that the valuation of insurance contract liabilities is a key audit matter.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> Obtaining an understanding of the Group's process of estimating the valuation of insurance contract liabilities Involving our actuarial specialists in assessing the methodology and assumptions used in valuation of the insurance contract liabilities in respect to compliance with the Group's policies and IFRS. Testing underlying support documentation for the inputs into the valuation of insurance contract liabilities, including reviewing a sample of experience studies supporting specific assumptions, evaluating the nature, timing and completeness of changes recorded, and assessing whether individual changes were errors or refinements of estimates. Testing the methodology and calculation of the insurance contract liabilities through both review of the calculation logic within the models, and through calculating an independent estimate of the fulfilment cashflows for a sample of insurance contracts and comparing the results to those determined by the Group. Performing an independent calculation of the CSM and insurance contract liabilities for a sample of group of contracts and comparing the amounts to the Group's results. Assessing the adequacy of the disclosures related to the valuation of the insurance contract liabilities.

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS CONTINUED

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Kenyan Companies Act, 2015, Corporate Information, the Directors' Remuneration Report and the Statement of Directors' Responsibilities. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and 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 the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether consolidated and separate 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS CONTINUED

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements continued

the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key

audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT, 2015

In our opinion, the information presented in the report of the directors on pages 88 - 89 is consistent with the consolidated and separate financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Denis Mugisha, Practising Certificate Number 2773.

For and on behalf of:

Ernst & Young LLP
Certified Public Accountants

Nairobi, Kenya



18th March 2025



CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Insurance revenue	5.1	33,801,558	32,630,703
Insurance services expenses	5.1	(29,064,959)	(29,215,892)
Net expenses from reinsurance contracts held	5.1	(4,375,692)	(1,784,875)
Insurance service result		360,907	1,629,936
Interest revenue from financial assets not measured at FVTPL	5.12	2,325,100	2,200,038
Net gains on FVTPL investments	5.12	4,741,773	959,038
Net change in investment contract liabilities	5.12	37,233	48,186
Rental income from investment properties	5.12	1,351,325	1,244,774
Net (loss)/gain from fair value adjustments to investment properties	5.12	(96,110)	187,880
Net foreign exchange (loss)/gain	5.12	(660,748)	796,846
Total investment income		7,698,573	5,436,762
Finance expenses from insurance contracts issued	5.12	(4,330,316)	(1,618,772)
Finance income from reinsurance contracts held	5.12	197,136	113,071
Net insurance finance expenses		(4,133,180)	(1,505,701)
Net insurance and investment result		3,926,300	5,560,997
Commission and fee income	6 (b)(iii)	1,687,236	1,196,961
Other income	8 a)	354,622	444,945
Total income		5,968,158	7,202,903
Operating and other expenses	9 (a)	(1,498,284)	(2,943,749)
Net impairment loss on financial assets	4 (b)(ii)	(88,133)	(66,226)
Commissions expense	6 (b) (iii)	(563,569)	(380,927)
Total expenses & commissions		(2,149,986)	(3,390,902)
Operating profit before finance costs		3,818,172	3,812,001
Finance costs – Borrowings	25	(1,177,152)	(2,372,035)
Finance costs - Lease interest	33 (a)	(53,846)	(39,060)
Profit before tax from continuing operations		2,587,174	1,400,906
Income tax expense	11(a)	(1,307,810)	(1,200,434)
Profit for the year from continuing operations		1,279,364	200,472
Discontinued operations			
Loss after tax for the year from discontinued operations	35	(77,637)	(314,359)
Loss on disposal of subsidiary	35	(363,465)	-
Loss from discontinued operations		(441,102)	(314,359)
Profit/ (Loss) for the year		838,262	(113,887)
Profit/ (Loss) attributable to:			
Owners of the parent		484,463	(575,617)
Non-controlling interest	34	353,799	461,730
Profit/ (Loss) for the year		838,262	(113,887)
Basic and diluted EPS	13	2.29	(2.72)

The notes on pages 111 to 233 are an integral part of these financial statements.



CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Profit / (Loss) for the year		838,262	(113,887)
Other comprehensive income			
Items that will be recycled to profit or loss			
Exchange differences on translating foreign operations		(670,888)	638,890
Total items that will be recycled to profit or loss		(670,888)	638,890
Items that will not be recycled to profit or loss			
Remeasurement of retirement benefit obligations	24	4,108	4,396
Deferred tax on remeasurement of retirement benefit obligations	11(a)	(1,232)	-
Gains on revaluation of PPE	15 (a)	40,088	62,063
Deferred tax on revaluation of PPE	11 (a)	(2,689)	(44,343)
Total items that will not be recycled to profit or loss		40,275	22,116
Total other comprehensive income for the year, net of tax		(630,613)	661,006
Total comprehensive income for the year		207,649	547,119
Total comprehensive income attributable to:			
Owners of the parent		46,227	(180,485)
Non-controlling interests		161,422	727,604
Total		207,649	547,119

The notes on pages 111 to 233 are an integral part of these financial statements.



COMPANY STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Investment income	7	1,208,781	1,725,502
Net fair value (loss)/gain	7	(710,092)	926,393
Net investment income		498,689	2,651,895
Other income	8 (b)	683,778	962,641
Net impairment charge on financial assets	4 (b)(ii)	(604)	(916)
Operating and other expenses	9 (b)	(972,630)	(3,357,591)
Operating profit before finance costs		209,233	256,029
Finance costs – borrowings	25 (b)	(1,097,882)	(2,225,719)
Finance costs – leases	33(b)	-	(2,757)
Loss before tax		(888,649)	(1,972,447)
Income tax (charge)/ credit	11(b)	-	-
Loss for the year		(888,649)	(1,972,447)

The notes on pages 111 to 233 are an integral part of these financial statements.



COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Loss for the year		(888,649)	(1,972,447)
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		(888,649)	(1,972,447)

The notes on pages 111 to 233 are an integral part of these financial statements.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Assets			
Goodwill and other intangible assets	14 (a)	196,508	112,927
Property and equipment	15 (a)	2,470,491	2,744,954
Deferred tax asset	12 (a)	109,989	399,607
Right of use assets	16 (a)	217,849	369,095
Investment properties	17 (a)	19,415,764	21,236,684
Current income tax recoverable	11 (a)	391,525	441,428
Equity investment	19	1,791,167	2,164,530
Mortgage loans receivable	20	194,878	219,829
Reinsurance contract assets	5.4	6,781,844	8,388,723
Other receivables	21	1,717,974	1,651,882
Amounts due from related parties	32 (iv)	1,120,323	1,519,664
Investments and government securities	22	29,054,051	28,188,616
Deposits with financial institutions	23	9,920,719	9,325,803
Cash and bank balances	23	1,419,054	2,655,724
		74,802,136	79,419,466
Asset held for sale	35	-	1,400,595
Total assets		74,802,136	80,820,061
Liabilities			
Deferred income tax liability	12 (a)	368,872	483,136
Lease liabilities	33(a)	361,109	468,511
Reinsurance contract liabilities	5.4	64,634	34,537
Investment contract liabilities	5.13	933,044	891,818
Insurance contract liabilities	5.4	39,461,404	42,357,815
Due to related parties	32 (iii)	2,900,868	3,465,802
Borrowed funds	25	7,097,496	6,832,165
Other payables	26 (a)	3,325,158	5,195,667
Dividends payable	27	476,513	440,042
Current income tax payable	11 (a)	92,379	218,460
		55,081,477	60,387,953
Liabilities directly associated with the assets held for sale	35	-	1,278,047
Total liabilities		55,081,477	61,666,000
Net assets		19,720,659	19,154,061
Shareholder's equity			
Share capital	28	1,058,590	1,058,590
Share premium	28	4,664,801	4,664,801
Capital awaiting allotment	28	8,772,860	8,772,860
Retained earnings	29	37,831	(1,267,056)
Translation reserve	30 (iii)	605,898	1,110,751
Statutory reserve	30 (iv)	(550,514)	199,958
Contingency reserve	30 (i)	1,289,306	1,356,382
Revaluation Surplus	30 (ii)	348,849	311,450
Shareholders' funds		16,227,621	16,207,736
Non-controlling Interest	34	3,493,038	2,946,325
Total equity		19,720,659	19,154,061

The notes on pages 111 to 233 are an integral part of these financial statements.
The financial statements on pages 100 to 233 were approved and authorized for issue by the board of directors on 17th March 2025

H. Olaka

Dr. Habil Olaka
Chairman

Arthur Oginga

Arthur Oginga
Group Chief Executive Officer



COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Assets			
Intangible assets	14 (b)	7,474	16,538
Property and equipment	15 (b)	37,770	53,651
Right of use assets	16 (b)	-	11,549
Investment properties	17 (b)	5,829,580	5,878,924
Investment in subsidiaries	18	4,660,773	4,660,773
Equity investment	19 (b)	271,482	271,482
Current income tax recoverable	11 (b)	148,222	311,944
Amounts due from related parties	32 (iv)	6,122,344	6,868,528
Other receivables	21 (b)	191,546	164,778
Deposits with financial institutions	23 (b)	58,886	1,261
Cash and bank balances	23 (b)	73,947	248,128
Total assets		17,402,024	18,487,556
Liabilities			
Borrowed funds	25 (b)	6,384,298	5,561,307
Lease liabilities	34 (b)	-	14,825
Amounts due to related parties	32 (iii)	2,315,322	3,024,553
Other payables	26 (b)	906,091	1,201,686
Dividends payable	27 (b)	352,377	352,600
Total liabilities		9,958,088	10,154,971
Net assets		7,443,936	8,332,585
Shareholders' equity			
Share capital	28	1,058,590	1,058,590
Share premium	28	4,664,801	4,664,801
Capital awaiting allotment	28	8,772,860	8,772,860
Retained earnings	29	(7,052,315)	(6,163,666)
Total equity		7,443,936	8,332,585

The financial statements on pages 100 to 233 were approved and authorized for issue by the board of directors on 17th March 2025.

H. Olaka

Dr. Habil Olaka
Chairman

Arthur Oginga

Arthur Oginga
Group Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	Share capital & premium	Capital pending allotment	Retained earnings	Translation reserves	Statutory reserve	Contingency reserve	Revaluation surplus	Total	Non-controlling interest	Total
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
Balance as at 1 January 2024	5,723,391	8,772,860	(1,267,056)	1,110,751	199,958	1,356,382	311,450	16,207,736	2,946,325	19,154,061
Profit for the year	-	-	484,463	-	-	-	-	484,463	353,799	838,262
Other comprehensive income										
Re-measurement of retirement benefit obligations net of tax	30 (iv)	-	2,876	-	-	-	-	2,876	-	2,876
Gain on revaluation of Property & equipment net of tax	30 (iv)	-	-	-	-	-	37,399	37,399	-	37,399
Currency translation differences	30 (iv)	-	-	(478,511)	-	-	-	(478,511)	(192,377)	(670,888)
Total other comprehensive income for the year			2,876	(478,511)	-	-	37,399	(438,236)	(192,377)	(630,613)
Total comprehensive income for the year			487,339	(478,511)	-	-	37,399	46,227	161,422	207,649
Transfer to/from statutory & contingency reserves		-	817,548	-	(750,472)	(67,076)	-	-	-	-
Transactions with owners										
Impact of derecognition of a subsidiary	35	-	-	(26,342)	-	-	-	(26,342)	463,490	437,148
2023 dividends paid		-	-	-	-	-	-	-	(78,199)	(78,199)
Balance at 31 December 2024	5,723,391	8,772,860	37,831	605,898	(550,514)	1,289,306	348,849	16,227,621	3,493,038	19,720,659
Notes	28	28	29	30	30	30	30	30	34	

The notes on pages 111 to 233 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	Share capital & premium	Capital pending allotment	Fair value reserves	Retained earnings	Translation reserves	Statutory reserve	Contingency reserve	Revaluation surplus	Total	Non-controlling interest	Total equity
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
Balance as at 1 January 2023	5,723,391	-	513	228,326	734,502	199,958	431,708	296,963	7,615,361	2,375,915	9,991,276
Profit for the year	-	-	-	(575,617)	-	-	-	-	(575,617)	461,730	(113,887)
Other comprehensive income											
Re-measurement of retirement benefit obligations	24	-	-	4,396	-	-	-	-	4,396	-	4,396
Transfer of realized gains on sale of shares	30 (iv)	-	(513)	513	-	-	-	-	-	-	-
Gain on revaluation of Property & equipment net of tax	30 (iv)	-	-	-	-	-	-	14,487	14,487	3,233	17,720
Currency translation differences	30 (iv)	-	-	-	376,249	-	-	-	376,249	262,641	638,890
Total other comprehensive income for the year			(513)	4,909	376,249	-	-	14,487	395,132	265,874	661,006
Total comprehensive income for the year			(513)	(570,708)	376,249	-	-	14,487	727,604	727,604	547,119
Transfer to/from statutory & contingency reserves		-	-	(924,674)	-	-	924,674	-	(180,485)	-	-
Transactions with owners											
Capital contribution pending allotment		-	-	-	-	-	-	-	8,772,860	-	8,772,860
2022 dividends paid		-	-	-	-	-	-	-	-	(157,194)	(157,194)
Balance at 31 December 2023	5,723,391	8,772,860	-	(1,267,056)	1,110,751	199,958	1,356,382	311,450	-	2,946,325	19,154,061
Notes	28	28	30	29	31	31	31	31	31	35	

The notes on pages 111 to 233 are an integral part of these financial statements.



COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital & Share premium	Retained Earnings	Total
	KShs '000	KShs '000	KShs '000
Balance at 1 January 2024	14,496,251	(6,163,666)	8,332,585
Loss for the year	-	(888,649)	(888,649)
Shares awaiting allotment			
Balance at 31 December 2024	14,496,251	(7,052,315)	7,443,936
Notes	28	29	

For the year ended 31 December 2023

	Share capital & Share premium	Retained Earnings	Total
	KShs '000	KShs '000	KShs '000
Balance at 1 January 2023	5,723,391	(4,191,219)	1,532,172
Loss for the year	-	(1,972,447)	(1,972,447)
Shares awaiting allotment	8,772,860	-	8,772,860
Balance at 31 December 2023	14,496,251	(6,163,666)	8,332,585
Notes	28	29	

The notes on pages 111 to 233 are an integral part of these financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Cash flows from operating activities			
Cash generated from operations	31 (a)	(6,694,578)	(186,788)
Lease interest payments	33	(53,846)	(39,060)
Tax paid	11(a)	(1,158,318)	(1,242,503)
Net cash used in operating activities		(7,906,742)	(1,468,351)
Cash flows from investing activities			
Purchase of intangible assets	14 (a)	(156,553)	(29,661)
Purchase of property and equipment	15 (a)	(177,763)	(407,205)
Proceeds from disposal of fixed assets		6,918	503
Proceeds from disposal of subsidiary	35	74,152	-
Proceeds from disposal of investment properties	17 (a)	59,473	-
Additions to investment properties	17(a)	-	(48,961)
Proceeds from sale of equity investments	19 (a)	769,975	123,622
Staff loans advanced	20	(36,998)	(38,508)
Staff loans repaid	20	43,394	64,056
Purchases of corporate bonds	22 (a)	(6,011)	-
Disposals of corporate bonds	22 (a)	969	397
Disposals of government securities at amortised cost	22 (b)	1,901,088	2,353,164
Purchases of government securities at amortised cost	22 (b)	(1,296,511)	(3,760,693)
Disposals of government securities at fair value through profit and loss	22 (c)	2,257,922	3,193,841
Purchases of government securities at fair value through profit and loss	22 (c)	(2,637,882)	(2,107,946)
Interest received		5,900,652	3,159,076
Rent received		1,472,248	1,244,774
Dividends received		125,932	123,682
Net cash generated from investing activities		8,301,005	3,870,141
Cash flows from financing activities			
Additional borrowing	25(a)	5,680,286	-
Settlements	25(a)	(6,390,827)	(1,672,723)
Payment of lease principal	33	(77,445)	(38,020)
Dividends paid	27	(73,117)	(97,089)
Net cash used in financing activities		(861,103)	(1,807,832)
(Decrease) / increase in cash and cash equivalents		(466,840)	593,958
Movement in cash and cash equivalents			
At 1 January		11,981,527	11,284,682
(Decrease)/ (increase) during the year		(466,840)	593,958
Effect of movements in exchange rates on cash and cash equivalents		(174,914)	102,887
At 31 December	23 (a)	11,339,773	11,981,527

The notes on pages 111 to 233 are an integral part of these financial statements.



COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		KShs '000	KShs '000
Cash flow from operating activities			
Cash generated from operations	31 (b)	(962,619)	(1,040,289)
Tax paid	11 (b)	-	(51,275)
Net cash used in operating activities		(962,619)	(1,091,564)
Cash flow from investing activities			
Purchase of intangible assets	14 (b)	(8,776)	(2,000)
Purchase of property and equipment	15 (b)	(10,503)	(22,949)
Proceeds on sale of property and equipment		231	23
Rent received	7	445,028	409,930
Interest received	7	9,428	139,258
Dividends received	7	685,768	1,155,460
Net cash generated from investing activities		1,121,176	1,679,722
Cash flow from financing activities			
Proceeds from borrowings	25	5,680,286	(930,801)
Repayments on borrowings	25	(5,955,177)	(6,873)
Payment of lease liabilities	34	-	-
Dividends paid	27	(223)	(110)
Net cash used in financing activities		(275,114)	(937,784)
Decrease in cash and cash equivalents		(116,556)	(349,626)
Movement in cash and cash equivalents			
At 1 January		249,389	599,015
Decrease during the year		(116,556)	(349,626)
At 31 December	23 (b)	132,833	249,389

The notes on pages 111 to 233 are an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

1) General information

The Old Mutual Holdings Plc (the "Company") is incorporated in Kenya under the Kenyan Companies Act, 2015 as a limited liability company, and is domiciled in Kenya. The address of its registered office is Old Mutual Tower, Upper Hill Road, P.O. Box 43013 - 00100 Nairobi. The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

The Company has seven subsidiaries that operate as insurance companies in Kenya, Uganda, Tanzania, Rwanda, and South Sudan with two property companies in Uganda and South Sudan. Four of the Company's insurance subsidiaries are short-term including health insurance companies, two are long term ("life") insurance companies and one is a composite insurance company selling both general and life insurance.

Long term business comprises life assurance business, deposit administration business and investment contracts. Life assurance business relates to the underwriting of risks relating to death of an insured person and includes contracts subject to the payment of premiums for a term dependent on the termination or continuance of the life of an insured person.

Short term insurance business relates to all other categories of insurance business, analysed into several sub-classes of business based on the nature of the assumed risks.

The Group also holds investments in Old Mutual Investment Group Uganda Limited that provides stock broking and fund management services. UAP Properties (Uganda) Limited and UAP Properties (South Sudan) Limited are property holding companies for Nakawa Business Park and Equatoria Towers which are in Kampala and South Sudan respectively.

2) Summary of material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. All reference to financial statements includes the consolidated and separate financial statements.

2.1 Basis of preparation

The financial statements are prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Kenyan Companies Act, 2015.

The Group presents its statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (no more than 12 months) and more than 12 months after the reporting date (more than 12 months) is presented in the respective notes.

The financial statements are presented in Kenya Shillings and rounded to the nearest thousand (KShs '000), unless otherwise stated.

i) Statement of compliance

For the Kenyan Companies Act, 2015 reporting purposes, in these financial statements, the balance sheet is represented by/is equivalent to the statement of financial position and the profit and loss account is presented in the statement of profit or loss.

ii) Basis of measurement

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies.

For those assets and liabilities measured at fair value, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Company and Group uses market observable data as far as possible. If the fair value of an asset or a liability is not directly observable, it is estimated using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items or discounted cash flow analysis). Inputs used are consistent with the characteristics of the asset / liability that market participants would consider.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, such as information from property valuers or market information obtained through our asset management team, Old Mutual Investment Group, then management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's audit committee.

Fair values are categorised into three levels of fair value hierarchy based on the degree to which the inputs to the



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.1 Basis of preparation continued

ii) Basis of measurement continued

measurements are observable and the significance of the inputs to the fair value measurement in its entirety as below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

iii) Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about judgements, assumptions and estimation uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in Note 3.

iv) Going concern

The consolidated and separate financial statements have been prepared on a going concern basis. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business. In

arriving at this decision, the directors, have considered the following information:

- As at 31 December 2024, the Group reported a profit after tax from continuing operations of KShs 1,279m (2023: KShs. 200m) and the Company incurred a net loss after tax of KShs 889m (2023: loss after tax of KShs 2b). The reduction in the Company loss for the year is mainly attributed to the reduction in finance costs. The Group improvement in the results is driven by improvement in operating performance. The Company is expected to make a profit in 2025.
- The Group and Company continue to be in a positive net asset position. The Group's and Company's total assets exceeded total liabilities by KShs 19.7b and KShs 7.4b (2023: KShs 19.2b and KShs. 8.3b respectively). The Net Asset Value includes KShs 8.77bn, which is classified as capital awaiting allotment. This relates to debt that was to be converted into preference shares in 2023. The classification of the amount to preference shares will be done once regulatory approval has been received.

Based on the above, the directors, are of the opinion that the Group and Company will be a going concern in the subsequent financial period. The consolidated and separate financial statements have therefore been prepared based on accounting policies applicable to a going concern.

2.2 Changes to standards and new interpretations

i) New standards, amendments, and interpretations in issue but not yet effective for the year ended 31 December 2024

A number of new standards, amendments and interpretations have been issued but are not yet effective for the year ended 31 December 2024 and have not been applied in preparing these financial statements. The Group does not plan to early adopt these standards.

Except for IFRS 18, these standards and amendments to standards are not expected to have a material impact on the Group and the Company. A summary of these standards is included below:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.2 Changes to standards and new interpretations continued

i) New standards, amendments, and interpretations in issue but not yet effective for the year ended 31 December 2024 continued

Standard	Effective date	Requirements
Amendments to IAS 21 Lack of Exchangeability (Amendments to IAS 21)	Annual periods beginning on or after 1 January 2024 (Published January 2020 and November 2022)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
Amendments to IFRS 9 and IFRS 7 on Classification and measurement of financial instruments	Annual periods beginning on or after 1 January 2026 (Published May 2024)	These amendments clarifies that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. Also, it clarifies how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
IFRS 18 Presentation and Disclosure in Financial Statements	Annual periods beginning on or after 1 January 2027 (Published April 2024)	The amendment requires presentation and disclosure of financial statement with a focus on updates to the profit and loss. It introduces new categories and subtotals in the statement of profit or loss into five categories namely operating, investing, financing, income tax and discontinued operations and requires presentation of subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or losses. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after 1 January 2027 (Published May 2024)	It allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.2 Changes to standards and new interpretations continued

ii) New standards, amendments, and interpretation effective and adopted during the year

The following new and revised IFRSs were effective in the current year and the Group has adopted them with the initial application being 1 January 2024.

Standard	Effective date	Requirements
Amendments to IAS 1 - Non-current liabilities with covenants	Annual periods beginning on or after 1 January 2024 (Published January 2020 and November 2022)	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
Amendment to IFRS 16 – Leases on sale and leaseback	Annual periods beginning on or after 1 January 2024 (Published September 2022)	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7)	Annual periods beginning on or after 1 January 2024 (Published May 2023)	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

Amendments to IAS 1 - Non-current liabilities with covenants

Under the amendments to IAS 1 Presentation of Financial Statements the classification of certain liabilities as current or non-current may change (e.g. convertible debt) and companies may need to provide new disclosures for liabilities subject to covenants.

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement for at least 12 months after the reporting date. The International Accounting Standards Board (IASB) has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date. Similar to existing requirements in IAS 1, the classification of liabilities is unaffected by management's intentions or expectations about whether the company will exercise its right to defer settlement or will choose to settle early.

Covenants with which the group must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The adoption of these changes did not have any impact of the Group's financial statements.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirement does not prevent the seller-lessee from recognizing the profit or loss any gain or loss relating to the partial or full termination of the lease.

Previous proposals had been made that a seller initially measures the right-of-use assets and liabilities arising from leaseback using the present value of expected lease payments at commencement date, the final amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback.

The adoption of these changes did not have any impact of the Group's financial statements.

Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.2 Changes to standards and new interpretations continued

ii) New standards, amendments, and interpretation effective and adopted during the year continued

This amendment describes the characteristics of supplier finance arrangements that give rise to information needs of users of financial statements. The amendment also introduces requirements for an entity to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. To reflect the disclosure requirements arising from Supplier Finance Arrangements in the IFRS Accounting Taxonomy, the IASB made amendments to IAS 7 reflect the disclosure objectives and requirements.

The adoption of these changes did not have any impact of the Group's financial statements.

2.3 Functional currency and translation of foreign currencies

i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Kenyan Shillings (KShs)', which is the Group's presentation currency, rounded up to the nearest thousands (KShs '000).

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income' or 'other expenses'.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified at fair

value through other comprehensive income, are included in other comprehensive income.

iii) Group balances

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- Income and expenses for each income statement amount are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in equity.

2.4 Consolidation

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when the group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.4 Consolidation continued

i) Subsidiaries continued

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of profit and loss.

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Investment in subsidiaries is carried in the separate statement of financial position of the Company at cost less provision for impairment losses.

ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value

of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

iii) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.5 Insurance and reinsurance contracts

a) Classification of contracts

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without discretionary participation features issued by the Group fall under this category.

Some investment contracts issued by the Group contain discretionary participation features (DPF), whereby the investor has the right and is expected to receive, as a supplement to the amount not subject to the Group's discretion, potentially significant additional benefits based on the return of specified pools of investment assets. The Group accounts for these contracts under IFRS 17.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

a) Classification of contracts continued

The Group issues insurance contracts with direct participation features that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying items comprise specified portfolios of investment assets that determine amounts payable to policyholders.

An insurance contract with direct participation features is defined by the Group as one which, at inception, meets the following criteria:

- the contractual terms specify that the policyholders participate in a share of a clearly identified pool of underlying items;
- the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and

the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

All other insurance contracts originated by the Group are insurance contract without direct participation features.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

As per IFRS 17, the insurance portfolios reflected in the table below have been identified:

#	Portfolio	Measurement Model	Contract Boundary	Product Type	Description
1	Non-Profit Annuities	GM	Long	Without profits annuities	This portfolio is made up of guaranteed without profits annuities that pay a fixed periodical amount to the annuitants. Typical guarantee period is 5-20 years.
2	Asset builder	GM	Long	Guaranteed Savings Product and Risk products	This portfolio is made up of endowment savings and endowment education products. The main benefit is a guaranteed sum assured at maturity and risk riders before maturity. In addition, there are conventional risk products in the portfolio. The policy duration ranges from 5 to 65 years.
3	Greenlight & RMM Risk	GM	Long	Risk Products	This portfolio is made up of term assurance products with riders. Policy duration ranges from 10 to 61 years. Whole of life products.
4	Deposit Administration	VFA	Long	Smoothed Bonus products	guarantee of capital and past bonuses declared. Policy duration ranges from 5 to 40 years depending on the scheme retirement age. The product is open to new business. Product meets all the VFA requirements due to existence of an underlying fund and most of the returns from the fund are credited directly to customer accounts or held in the Bonus Smoothing Account (BSA)
5	Money Plus & Investpac (Universal Life)	VFA	Long	Unit Linked Products	Unit Linked Products with risk riders. Policy duration ranges from 5 to 25 years. Product meets all the VFA requirements due to existence of an underlying fund and most of the returns from the fund are credited directly to customer accounts



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

b) Classification of contracts continued

#	Portfolio	Measurement Model	Contract Boundary	Product Type	Description
6	Individual Life savings	VFA	Long	Smoothed bonus unit linked and unit link products	<p>Smoothed bonus Unit Linked Products with risk riders. Policy duration ranges from 5 to 25 years.</p> <p>Unit Linked Products with risk riders. Policy duration ranges from 5 to 25 years.</p> <p>Product meets all the VFA requirements due to existence of an underlying fund and most of the returns from the fund are credited directly to customer accounts</p>
7	Old Generation	VFA	Long	<p>Guaranteed Savings Products</p> <p>Risk products</p> <p>Without profits Annuities</p>	<p>This portfolio is made up of endowment savings with a guarantee of sum assured and past bonuses declared. Policy duration ranges from 16 to 35 years.</p> <p>This portfolio is made up of term assurance with risk riders.</p> <p>Whole of life products.</p> <p>Immediate annuities with no guaranteed period</p> <p>Product meets all the VFA requirements due to existence of an underlying fund and most of the returns from the fund are credited directly to customer accounts.</p>
8	Group Assurance & Credit Assurance	PAA	Short	<p>Group Life</p> <p>Group Credit</p> <p>Last Expense</p>	<p>Group Life product with Sum Assured being a multiple of the annual salary.</p> <p>Group Credit Life product with the Sum Assured being the outstanding loan balance for reducing loans issues by credit providers.</p> <p>Last Expense product with a fixed Sum Assured payable on death of the member.</p>

c) Separation of components of insurance contracts

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated.
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct non-insurance services.

The Group applies IFRS 17 to all remaining components of the contract.

d) Level of aggregation of insurance contracts

Insurance contracts within a product line that are subject to similar risks and are managed together are aggregated into a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are:

- contracts that are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

d) Level of aggregation of insurance contracts continued

e) Recognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Insurance contracts acquired in a business combination, or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer. Investment contracts with DPF are initially recognised at the date the Group becomes a party to the contract. The Group becomes party to a contract when the Group accepts the first payment, which is the date from which the Group has an obligation to provide investment-return or investment-related service.

The Group recognises a group of proportionate reinsurance contracts held from the later of:

- the beginning of the coverage period of the group of reinsurance contracts held; or
- the date of initial recognition of any underlying contract;

If the Group recognises an onerous group of underlying contracts before the beginning of the coverage period of the group of reinsurance contracts held, then the group of proportionate reinsurance contracts held is recognised at the same time as the onerous group of underlying contracts.

The Group recognises a group of non-proportionate reinsurance contracts held (such as group-wide catastrophe stop-loss reinsurance) from the beginning of the coverage period of the group of reinsurance contracts; this is typically the first period in which premiums are paid or reinsurance recoveries are received.

Reinsurance contracts are to be recognised in full for all underlying insurance contracts expected to be issued that fall within the boundary of the reinsurance contracts held.

An insurance contract is derecognised when it is:

- extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified, and certain additional criteria are met.

All reinsurance portfolios are measured under PAA as the

cover period is 12 months as reinsurance arrangements are annually renewable.

e) Modification

When an insurance contract is modified by the Group because of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the fulfilment cash flows (FCF), unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
 - is not in scope of IFRS 17;
 - results in different separable components;
 - results in a different contract boundary; or
 - belongs to a different group of contracts;
- the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
- the original contract was accounted for under the premium allocation approach (PAA), but the modification means that the contract no longer meets the eligibility criteria for that approach.

f) Derecognition

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

- Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the Group.
- Adjusts the contractual service margin (CSM) (unless the decrease in the FCF is allocated to the loss component of the liability for remaining coverage (LFRC) of the Group) in the following manner, depending on the reason for the derecognition:
 - If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.
 - If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party.
 - If the original contract is modified resulting



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

f) Derecognition continued

in its derecognition, in the amount of the FCF adjustment in i). adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.

iii) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove related rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

- i) if the contract is extinguished, any net difference between the derecognised part of the LFRC of the original contract and any other cash flows arising from extinguishment;
- ii) if the contract is transferred to the third party, any net difference between the derecognised part of the LFRC of the original contract and the premium charged by the third party; and
- iii) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LFRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

g) Measurement

Fulfilment cash flows

The fulfilment cash flows (FCF) are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits, and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- i) are based on a probability weighted mean of the full range of possible outcomes;
- ii) are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and
- iii) reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims (LIC).

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

- claims handling, maintenance and administration costs;
- recurring commissions payable on instalment premiums receivable within the contract boundary;
- costs that the Group will incur in providing investment services;
- costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

g) Measurement continued

occurs; and

- income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

h) Contract boundary

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums, or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

- i) the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- ii) both of the following criteria are satisfied:
 - the Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 - the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity upon the initially issued policies maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

Cash flows are within the boundaries of investment

contracts with DPF if they result from a substantive obligation of the Group to deliver cash at a present or future date.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The Group's quota share life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a one-year notice period by either party. Thus, the Group treats such reinsurance contracts as a series of annual contracts that cover underlying business issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within one-year's boundary are included in each of the reinsurance contracts' measurement.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

i) Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non financial risk represents the amount of risk being transferred by the Group to the reinsurer.

j) Initial measurement – Groups of contracts not measured under the PAA

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

j) Initial measurement – Groups of contracts not measured under the PAA continued

recognise as it provides coverage in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

- i) the initial recognition of the FCF;
- ii) the derecognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows; and
- iii) cash flows arising from the contracts in the group at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives reinsurance coverage in the future.

For insurance contracts acquired, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

- i) the initial recognition of the FCF; and
- ii) cash flows arising from the contracts in the group at that date, including consideration received for the contracts as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date.

For onerous contracts acquired as part of a business combinations, the Group recognises the difference between the consideration paid (after excluding amounts relating to other assets/liabilities acquired) and the FCF as goodwill or as a gain on a bargain purchase. For onerous contracts acquired as part of a transfer of insurance contracts this difference is recognised as a loss in profit or loss.

The Group establishes a loss component of the liability for remaining coverage for this excess.

For Reinsurance contracts acquired where the underlying contracts are onerous at the date of acquisition or transfer a loss recovery component (LRC) is set up at the date of acquisition or transfer.

The LRC will be recognised as goodwill or as a gain on a bargain purchase where the business was acquired as part of a business combination. For transfers of insurance contracts this difference is recognised as an income in profit or loss.

k) Subsequent measurement - Groups of contracts not measured under the PAA

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

- i) the LFRC, comprising:
 - the FCF related to future service allocated to the group at that date; and
 - the CSM of the group at that date; and
- ii) the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

- i) the remaining coverage, comprising:
 - (i) the FCF related to future service allocated to the group at that date; and
 - (ii) the CSM of the group at that date; and
- ii) the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For a group of contracts to which the premium allocation approach does not apply, the Group continues to treat the premiums receivable from the intermediary as future cash flows within the boundary of an insurance contract and, applying IFRS 17, includes them in the measurement of the group of insurance contracts until recovered in cash.

Changes in fulfilment cash flows

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates. The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

- i) changes that relate to current or past service are recognised in profit or loss; and
- ii) changes that relate to future service are recognised by



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

k) Subsequent measurement - Groups of contracts not measured under the PAA continued

adjusting the CSM or the loss component within the LFRC as per the policy below.

For insurance contracts measured under the GMM, the following adjustments relate to future service and thus adjust the CSM:

- i) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
- ii) changes in estimates of the present value of future cash flows in the LFRC, except those relating to the effect of the time value of money and the effect of financial risk and changes thereof;
- iii) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period;
- iv) differences between any policyholder loan expected to become repayable (plus any insurance finance income or expenses related to that expected repayment before it becomes repayable in the period) and the actual policyholder loan that becomes repayable in the period; and
- v) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments i) to v) are measured using the locked-in discount rates as described in the section Interest accretion on the CSM below.

For insurance contracts under the general measurement model (GMM), the following adjustments do not relate to future service and thus do not adjust the CSM:

- i) changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
- ii) changes in the FCF relating to the LIC; and
- iii) experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

For insurance contracts under the variable fee approach (VFA), the following adjustments relate to future service and thus adjust the CSM:

- i) changes in the Group's share of the fair value of the underlying items, except to the extent that the Group has applied the risk mitigation option to exclude from the CSM changes in the effect of financial risk on the amount of its share of the underlying items or

- fulfilment cash flows; and
- ii) changes in the FCF that do not vary based on the returns of underlying items:
 - a) changes in the effect of the time value of money and financial risks including the effect of financial guarantees
 - b) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes
 - c) changes in estimates of the present value of future cash flows in the LFRC, except those described in the following paragraph
 - d) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period
 - e) differences between any policyholder loan expected to become repayable in the period and the actual policyholder loan that becomes repayable in the period; and
 - f) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments in ii) b) to f) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:

- i) changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;
- ii) changes in the FCF that do not vary based on the returns of underlying items:
 - changes in the FCF relating to the LIC; and
 - experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

- i) The effect of any new contracts added to the group
- ii) For contracts measured under the GMM, interest accreted on the carrying amount of the CSM
- iii) Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

k) Subsequent measurement - Groups of contracts not measured under the PAA continued

is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LFRC. When the CSM is zero, changes in the FCF adjust the loss component within the LFRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM

- iv) The effect of any currency exchange differences
- v) The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For a group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a group of underlying insurance contracts issued, except that when underlying contracts are onerous and thus changes in the underlying FCF related to future service are recognised in insurance service expenses by adjusting the loss component, respective changes in the FCF of reinsurance contracts held are also recognised in the insurance service result.

Interest accretion on the CSM

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows (locked-in discount rates). If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises the locked-in discount curves by calculating weighted-average discount curves over the period that contracts in the group are issued. The weighted-average discount curves are determined by multiplying the new CSM added to the group and their corresponding discount curves over the total CSM.

Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the Changes in fulfilment cash flows section.

Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over

the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

- i) the quantity of benefits provided by contracts in the group;
- ii) the expected coverage duration of contracts in the group; and
- iii) the likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the group.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

The Group changes the treatment of accounting estimates made in previous interim financial statements when applying IFRS 17 in subsequent interim financial statements and in the annual reporting period.

Onerous contracts - Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous, and the Group recognises the excess in insurance service expenses and records it as a loss component of the LFRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LFRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

- i) expected incurred claims and expenses for the period;
- ii) changes in the risk adjustment for non-financial risk for the risk expired; and
- iii) finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in i) and ii) above reduce the respective components of insurance revenue and are not reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

k) Subsequent measurement - Groups of contracts not measured under the PAA continued

loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

l) Initial and subsequent measurement - Groups of contracts measured under the PAA

The Group uses the PAA for measuring contracts with a coverage period of one year or less, or where it reasonably expects that such a simplification would produce a measurement of the liability for remaining coverage that would not differ materially from the one that would be produced by applying the General Measurement Model.

On initial recognition of insurance contracts issued, the Group measures the LFRC at the amount of premiums received, less any acquisition cash flows allocated to the group of contracts adjusted for any amounts arising from the derecognition of any prepaid acquisition cash flows asset.

For groups of insurance contracts measured under the PAA that do not contain contracts with a coverage period greater than one year, the Group expenses acquisition cash flows as the costs are incurred.

On initial recognition of reinsurance contracts held, the Group measures the remaining coverage at the amount of ceding premiums paid. The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- i) the LFRC; and
- ii) the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- i) the remaining coverage; and
- ii) the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LFRC is:

- i) increased for premiums received in the period;
- ii) decreased for insurance acquisition cash flows paid in the period (if applicable);
- iii) decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period
- iv) increased for accretion of interest (if applicable); and
- v) increased for the amortisation of insurance acquisition

cash flows in the period recognised as insurance service expenses (if applicable).

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- i) increased for ceding premiums paid in the period; and
- ii) decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LFRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money where, at initial recognition, the entity expects the time between any premium becoming due and providing the related insurance contact services is 1 year or less.

If a group of contracts becomes onerous, the Group increases the carrying amount of the LFRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses.

Subsequently, the Group amortises the amount of the loss component within the LFRC by decreasing insurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then the Group remeasures the FCF by applying the GMM and reflects changes in the FCF by adjusting the loss component as required until the loss component is reduced to zero.

For a group of contracts to which the premium allocation approach applies the Group does not increase the liability for remaining coverage, it does so only when it recovers the premiums in cash from the intermediary.

m) Measurement and presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts are included in the carrying amount of the related portfolios of contracts.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

m) Measurement and presentation continued

The Group disaggregates amounts recognised in the statement of profit or loss into an insurance service result, comprising insurance revenue and insurance service expenses and insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue – Contracts not measured under the PAA

The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration and comprises the following items.

- A release of the CSM, measured based on coverage units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (v)), which are recognised as insurance revenue and insurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts,

as insurance revenue and an equal amount as insurance service expenses.

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates expected premiums equally to each period of related insurance contract services, unless the expected pattern of the release of risk during the coverage period differs significantly from an even basis. In the latter case, expected premium receipts are allocated to the period based on the expected timing of incurred claims and other incurred insurance service expenses.

Loss components

For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.

- Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on death or detection of critical illness.
- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.5 Insurance and reinsurance contracts continued

m) Measurement and presentation continued

cash flows. For contracts measured under the PAA, the Group amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.

- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component

of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals)

The group has chosen not to disaggregate insurance finance income and expenses between profit or loss and OCI. All insurance finance income and expenses for the period is presented in profit or loss.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

2.6 Other revenues and incomes

The revenue recognition policy relating to insurance contracts is set out under note 2.5 above. The below revenue and other income policy relates to non-insurance contracts.

a) Commissions

Commissions receivables are recognised as income in the period in which they are earned.

b) Interest income

Interest income is recognised on a time proportion basis that takes into account the effective yield on the asset.

c) Dividend income

Dividends are recognised as income in the period in which the right to receive payment is established.

d) Rental income

Rental income is recognised as income in the period in which it is earned. All investment income is stated net of investment expenses.

e) Fee income

Fee income consists primarily of administration fees arising from services rendered in relation to the issue and



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.6 Other revenues and incomes continued

management of deposit administration and investment contracts. Fees are recognised in the accounting period in which the services are rendered and are presented in the profit or loss within 'other income'.

f) Service income

Service income relates to recharges issued by the Holding Company to subsidiaries of the Group for the distribution of shared service costs.

2.7 Property and equipment

Land and buildings comprise mainly outlets and offices occupied by the Group. Land and buildings are initially measured at cost. These are subsequently measured at their fair value less accumulated depreciation for buildings and leasehold land and accumulated impairment losses. The fair value is based on annual valuations by external independent appraisers. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

All other property and equipment are initially recorded at cost and subsequently stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to write down their cost to their residual values over their estimated useful lives, as follows:

- Buildings – 45 to 55 years
- Motor vehicles – 4 years
- Computers & computer equipment – 3 years
- Office equipment – 5 years
- Furniture & fittings – 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial reporting date. An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An item of property, plant and equipment and any

significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

2.8 Investment properties

Buildings, or part of a building, (freehold or held under a lease) and land (freehold or held under a lease) held for long term rental yields and/or capital appreciation and are not occupied by the Group are classified as investment property under non-current assets.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise, including the corresponding tax effect. Fair values are evaluated annually by an accredited external, independent valuer, applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of retirement or disposal.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use. On a consolidated basis, the business evaluates the proportion of the properties that are owner occupied and reclassifies them to Property and Equipment as disclosed in note 15.

2.9 Intangible assets

The Group's intangible assets relate to computer software and goodwill.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill impairment reviews are undertaken annually at each reporting date or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

For the purposes of impairment testing, goodwill acquired in a business combination is allocated to an appropriate cash generating unit (CGU) that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three years. Development costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets if:-

- 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 use or sell it are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Other development expenditure that do not meet these criteria are recognised as an expense as incurred. Development costs that have been expensed are not recognised as an asset in a subsequent period. Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding three years). Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent on those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.10 Impairment of non-financial assets continued

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs, to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three to five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

2.11 Financial instruments

Classification

The group classifies its financial instruments in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss; and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value through profit or loss, gains and losses are recorded in profit or loss. Financial assets the Group holds are equity instruments, deposit with financial institutions, Government securities, cash and cash equivalent, other receivable, due from related parties and Corporate bonds.

Recognition and derecognition

Regular way purchases and sales of financial assets and liabilities are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets arising as a result of revenue from contracts with customers in terms of IFRS 15 that do not have any significant financing component, are measured initially at the transaction price.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The group subsequently measures all equity investments at fair value. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable.

Financial liabilities

Financial liabilities are classified as measured at amortised cost using the effective interest method, except for investment contracts recognised at fair value in accordance with accounting policy in Note 2 (g). Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Financial liabilities the Group holds are other payables, due to related parties, lease liabilities, borrowed funds.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.11 Financial instruments continued

the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.12 Impairment of financial assets

The ECL impairment loss allowance is an unbiased, probability-weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

ECL reflects an entity's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, an entity should also consider observable market information about the credit risk of the particular financial instrument or similar financial instruments. In the absence of sufficient depth of data, management apply expert judgment within a governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

All reasonable and supportable information that is available should be used when incorporating forward-looking information into the ECL allowance. Forward looking assessments can be performed on an individual or collective basis.

The group assesses on a forward-looking basis, the expected credit losses (ECL) associated with its financial assets carried at amortised cost in accordance with IFRS 9. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Forward-looking factors should be aligned with risk factors used in risk assessments, stress testing, budgeting as well as strategy and pricing decisions. Relevant factors include factors intrinsic to the entity and its business or derived from external conditions. Estimates regarding credit risk parameters and the impact of forward-looking information

used in the calculation of the ECL loss amount should be reviewed at each reporting date and updated if necessary. The ECL loss amount depends on the specific stage where the financial instrument has been allocated to within the ECL model:

- Stage 1: At initial recognition a financial instrument is allocated into stage 1, except for purchased or originated credit impaired financial instruments.
- Stage 2: A financial instrument is allocated to stage 2 if there has been a significant increase in credit risk since initial recognition of the financial instrument.
- Stage 3: A financial instrument is allocated to stage 3 if the financial instrument is in default or is considered to be credit impaired.

The Group considers an instrument to be in default when contractual payments are 365 days past due in line with the nature of the Group's business activities and nature of financial assets. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

Under IFRS 9, impairment loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Financial assets where credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group's financial assets are considered to have low credit risk when they meet the following conditions:

- The financial instrument has a low risk of default;
- The counter party is considered to have a strong



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.12 Impairment of financial assets continued

capacity to meet its obligations in the near term; and

- The Group expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

The Group's financial assets that are considered as low risk include government securities, deposits with financial institutions, cash and bank balances, corporate bonds and other receivables classified under stage 1 as per Note 4 (b) iv).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers quantitative and qualitative information, based on the Group's historical experience, credit assessment and including forward-looking information.

The Group's assessment of a significant increase in credit risk from initial recognition consists of a primary and secondary risk driver as follows:

- The primary risk driver aligns to the quantitative credit risk assessments performed, such as the credit score, credit rating, probability of default or arrears aging of a financial instrument.
- The secondary risk assessment considers a broad range of qualitative risk factors based on a forward-looking view such as economic and sector outlooks. The secondary risk assessment can be performed on a portfolio basis as opposed to a quantitative assessment at a financial instrument level.

Regardless of the analysis above, a significant increase in credit risk is presumed if a counterparty is more than 30 days past due in making a contractual payment. The presumption in IFRS 9 that financial assets are in default when more than 90 days past due, has been rebutted. The Group and Company considers default on financial assets to occur when the counterparty fails to make contractual payments within 365 days of when they fall due.

When making a quantitative assessment, the Group uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. Details on the impact of adoption of IFRS 9

impairment of financial instruments is outlined in note 4 (b).

Financial assets together with the associated allowance are written off when there is no realistic prospect of future recovery, and all collateral has been realised or has been transferred to the Group or Company. Where financial assets are subject to enforcement activity have been written off, the Group or Company continues to engage in enforcement activity to attempt to recover the receivable due. If a write-off is later recovered, the recovery is credited to in the statement of profit or loss.

2.13 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Group has a legally enforceable right to set off the amounts and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.14 Employee benefits

ij) Retirement benefit obligations

Defined contribution

The Company and Group also operates a defined contribution retirement benefits plan for some of its employees, the assets of which are held in a separate trustee administered scheme managed by an insurance company. A defined contribution plan is a plan under which the Group pays fixed contributions into a separate fund and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods. The Group's contributions are charged to the statement of profit or loss in the year to which they relate.

The Group and the employees also contribute to various national Social Security funds. Contributions are determined by local statute and the Group's contributions are charged to the statement of profit or loss in the year to which they relate.

Defined benefit plan

The Group operates a defined benefit scheme for some of its employees. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation and



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.14 Employee benefits continued

ij) Retirement benefit obligations continued

amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in income.

ii) Other entitlements

Employee entitlements to long service awards are recognised when they accrue to employees. A provision is made for the estimated liability for such entitlements as a result of services rendered by employees up to the financial reporting date.

The estimated monetary liability for employees' accrued annual leave entitlement at the financial reporting date is recognised as an expense accrual.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Cash and cash equivalents are measured at amortised cost and impairment assessment is performed in accordance with accounting policy stipulated under note 2 (m).

2.15 Current and deferred income tax

i) Income tax expense

The income tax expense for the period comprises current and deferred income tax. Tax is recognised in the profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this

case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

ii) Current income tax

The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to or recovered from the tax authorities.

iii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the financial reporting date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 Share capital

Ordinary shares are classified as share capital in equity. Any premium received over and above the par value of the shares is classified as share premium in equity. Incremental costs directly attributable to the issue of new



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.16 Share capital continued

ordinary shares are shown in equity as deductions from the proceeds.

2.17 Dividends

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and it is no longer at the discretion of the Group. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are deducted from equity when they are declared and paid. Dividends for the year that are approved after the reporting date are not recognised as a liability at the reporting date. Proposed dividends are shown as a separate component of equity until declared.

2.18 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration ie the customer has the rights to obtain substantially all the economic benefits from using the asset and direct the use of the asset.

Group acting as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis from the commencement date of the lease. The useful life of the Group's right of use assets is an average of 6 years. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

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

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets and lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets amounting to Kshs 500,000 or less and short-term leases, including leases of IT equipment. The Group recognises the lease payments associated with these leases as an expense.

Group acting as a lessor

When the Group acts as a lessor, it determines at inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2) Summary of material accounting policies continued

2.18 Leases continued

finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Determining the right-of-use assets and lease liabilities

The right-of-use assets, the restoration costs and lease liabilities recognized in the financial statements is determined using a financial model. The assumptions applied in the model including lease term extension options, Incremental Borrowing Rate and restoration provision costs are determined by management by analysing various external sources and making certain adjustments to reflect the terms of the lease and type of asset leased.

Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Deferred short term incentive awards

A portion of the annual short-term incentive award, for middle management and above, is mandatorily deferred for a maximum period of 3 years. This deferral is converted to forfeitable phantom shares for participants in the Group. Awards granted from 2021 vest in three equal tranches on the first, second and third anniversaries of the award, and have no further financial performance conditions. The awards are subject to malus and clawback conditions.

2.19 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The group has determined the Old Mutual Holdings PLC Board of Directors to be its CODM.

All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in head office. Income and expenses directly associated with each segment are included in determining business segment performance.

2.20 Comparatives

Where necessary, comparative figures have been represented to conform to changes in presentation in the current year.

3) Critical accounting estimates and judgments in applying accounting policies

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

a) Estimates and judgements related to insurance and reinsurance contracts balances

i) Insurance contracts

Some term assurance and critical illness contracts issued by the Group have annual terms that are guaranteed to be renewable each year. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

Some universal life contracts contain a guaranteed annuity option, which allows the policyholder to convert, on maturity of the stated term, the maturity benefit into an immediately starting life-contingent annuity at a predetermined rate. The Group has assessed the contract boundary for the entire contract, including the option, and concluded that the cash flows related to the guaranteed annuity option fall within the boundary of the contract. This is because the Group does not have the practical ability to reprice the contract on maturity of the stated term.

ii) Reinsurance contracts

Each of the Group's quota share reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3) Critical accounting estimates and judgments in applying accounting policies continued

ii) Reinsurance contracts continued

the cession of new business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling three-month notice period.

Each of the Group's excess of loss and stop loss reinsurance contracts has an annual term and covers claims from underlying contracts incurred within the year (i.e. loss occurring). Cash flows within the contract boundary are those arising from underlying claims incurred during the year.

iii) Fulfilment cash flows

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

iv) Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

Investment guarantees embedded in insurance contracts and investment contracts with discretionary

participation features are measured using stochastic modelling techniques because the guarantee does not move symmetrically with different investment return scenarios. The Group's measurement of the investment guarantee reserves incorporates a full range of scenarios representing possible future investment return (or interest rate) environments.

v) Recognition of Insurance Acquisition Cashflows

Provided that the coverage period of each contract at initial recognition is 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 contracts coverage period. For insurance acquisition expenses, the Group recognizes an asset for the incremental costs of obtaining an insurance contract and to amortize this asset evenly over the period of the contract. This is aligned to the current practice and reduces the possibility of onerous contracts.

vi) 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 assess the onerous portfolios based on historical profitability. Estimates used in determining onerosity of contracts include claims expected to arise and expenses that will be incurred during the unexpired portion of each policy. Together with the deferred acquisition cost for the policies and an estimate on the risk adjustment reflecting non-financial risk for the unexpired duration, we obtain an estimate of the present value of cashflows for the unexpired risks. Onerosity is tested comparing the present value and the unexpired premiums on the policy.

vii) Determination of Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods. The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, based on the observed development of earlier years and expected loss ratios.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3) Critical accounting estimates and judgments in applying accounting policies continued

vii) Determination of Liability for incurred claims continued

Historical claims development is mainly analysed by accident years and business lines. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved. Estimates of salvages recoveries and subrogation reimbursements area considered as an allowance in the measurement of ultimate claims costs.

viii) Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

ix) Life and savings

Assumptions about mortality/longevity, morbidity and policyholder behaviour that are used in estimating future cash flows are developed by product type at local entity level, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality/longevity and morbidity assumptions are generally developed using a blend of national mortality data, industry trends and the local entity's recent experience. Experience is monitored through regular studies, the results of which are reflected both in the pricing of new products and in the measurement of existing contracts.

Policyholder behaviour is a key assumption in the measurement of life savings and participating insurance contracts. Each type of policyholder behaviour is estimated by product type, based on trends in recent experience.

x) Property and casualty

The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques. These techniques assume that the Group's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each geographic area and line of business, except for large claims, which are assessed separately from other claims.

The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

xi) Discount rates

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group generally determines the risk-free rates using the observed government bond yield curves. The yield curve is interpolated between the last available market data point and an ultimate forward rate, which reflects long-term real interest rate and inflation expectations. Although the ultimate forward rate is subject to revision, it is expected to be stable and would change only on significant changes to long-term expectations. To reflect the liquidity characteristics of the insurance contracts, the risk-free yield curves are adjusted by an illiquidity premium as appropriate.

Cash flows that vary based on the returns on any financial underlying items are adjusted for the effect of that variability using risk-neutral measurement techniques and discounted using the risk-free rates as adjusted for illiquidity. When the present value of future cash flows is estimated by stochastic modelling, the cash flows are discounted at scenario-specific rates calibrated, on average, to be the risk-free rates as adjusted for illiquidity.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3) Critical accounting estimates and judgments in applying accounting policies continued

xi) Discount rates continued

2024			
Product	1 year	3 years	5 years
Life risk	15.89%	17.89%	15.48%
Saving	15.89%	17.89%	15.48%
Property & casualty	11.54%	14.36%	14.79%

2023			
Product	1 year	3 years	5 years
Life risk	13.11%	16.11%	15.02%
Saving	13.11%	16.11%	15.02%
Property & casualty	12.60%	14.77%	14.04%

xii) Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a correlation matrix technique.

The risk adjustment for non-financial risk is determined using a confidence level technique. To determine the risk adjustments for non-financial risk for reinsurance contracts, the Group applies these techniques both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

Applying a confidence level technique, the Group estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows.

a) Goodwill impairment

Critical estimates have been made by Directors in determining whether the goodwill is impaired. The residual amount in the goodwill account relates to the Uganda CGU. In 2024, no goodwill impairment was applied as the

assessment done did not yield the need for an impairment (2023: Nil). The assessment was based on discounted cash flows as disclosed in note 14.

b) Fair value of financial assets

Fair values of certain financial assets recognised in the financial statements are determined using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data.

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example models) are used to determine fair values, they are validated and periodically independently reviewed by qualified senior personnel. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates.

c) Treatment of leases under IFRS 16

Lease extension and termination

Extension and termination options are included in a number of the leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3) Critical accounting estimates and judgments in applying accounting policies continued

c) Treatment of leases under IFRS 16 continued

is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Determining the right-of-use assets and lease liabilities

The right-of-use assets, the restoration costs and lease liabilities recognized in the financial statements is determined using a financial model. The assumptions applied in the model including lease term extension options, Incremental Borrowing Rate and restoration provision costs are determined by management by analysing various external sources and making certain adjustments to reflect the terms of the lease and type of asset leased as outlined on note 2.19.

Where practicable, the Company and Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and Group and not by the lessors. The Company and Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company and Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Restoration costs

Restoration costs have been based on estimates provided by our properties team to restore premises where the terms of the lease stipulate that restorative works should be done.

Determination of the incremental borrowing rate

The Group determines the rate of interest that it would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment.

d) Income taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Further, deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits, together with future tax-planning strategies.

4) Risk governance and management system

Risk management objectives

Risk management is a central part of the Group's strategic management process hence we continuously seek to enhance the risk management capabilities of the Group. It is anticipated that our risk management practices will increase the probability of success and reduce both the potential of failure and the uncertainty associated with achieving the group's overall objectives.

The objectives of the Group's risk management activities are to achieve sustained competitive advantage via a rigorous, group wide risk management system that is fully aligned to the Group values, strategic business initiatives and processes. At a strategic level, our risk management objectives are to:

- Identify the Group's significant risks in relation to the corporate strategies pursued;
- Formulate the Group's risk appetite and ensure that business profile and plans are consistent with it;
- Optimise risk/return decisions by taking them as closely as possible to the business, while establishing strong and independent review and challenge structures;
- Ensure that business growth plans are properly supported by effective risk infrastructure;
- Manage risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions; and
- Help executives improve the control and co-ordination of risk taking across the business.

Our risk management strategy defines the extent of the risks we are prepared to incur for our clients and shareholders. The development of our risk strategy is embedded in the annual planning cycle and hence in our business strategy. That is, Integrating Strategy, Risk and Performance management takes place at strategy setting, first with a full Executive management consensus on



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

Risk management objectives continued

clearly defined business objectives.

Once Executive management have defined the objectives, they then identify the key risks that may present an opportunity to pursue those business objectives or impede their ability to achieve them.

Organisational structure

Our Risk Management supervises risk management Group-wide with the support of decentralized structures in all units of the Group. It is headed by the Group Sustainability, Risk and Compliance Executive (GSRCE), who is supported by interdisciplinary teams of highly qualified staff. The Group's activities expose it to a variety of risks, including insurance risk and financial risk.

The Group'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. Management Framework ensure that staff in our risk management structure and the Group as a whole are kept informed of our risk strategy, organisation and processes, enabling the risks incurred to be actively controlled.

Risk management framework

In order to achieve its mission and objectives, the Group has developed an Enterprise Risk Management (ERM) framework to provide a guide within which key risks affecting the group are identified, measured and managed. This risk management framework also provides management with proven risk management guidelines that support their decision-making responsibilities and processes, together with managing the risks that impact on the objectives of the Group.

At the heart of the risk management framework is a governance process with clear responsibilities for taking, managing, monitoring and reporting risks. The Group articulates the roles and responsibilities for risk management throughout the organization, from the Board of Directors and the Group Chief Executive Officer (GCEO) to its businesses and functional areas, thus embedding risk management in the business.

The Old Mutual Risk Management Framework is the Group's main risk governance document; it specifies the Group's Target Risk Management Operating Model including Risk management authorities and responsibilities, procedures and reporting requirements. The risk management framework also classifies the risks the Group faces into broad risk categories. The Group regularly enhances the Enterprise Risk Management Framework to reflect new insights and changes in the Group's environment.

One of the key elements of the Group's risk management framework is to foster risk transparency by establishing risk reporting standards throughout the Group. The Group regularly reports on its risk profile, current risk issues, adherence to its risk policies and improvement actions both at a local and on a Group level. The Group has procedures in place for the timely referral of risk issues to senior management and the Board of Directors.

The implementation of the framework is driven by a risk management culture and awareness that permeates throughout the Group and is supported by a set of policies and procedures; Tools; and A robust reporting mechanisms. The Group continues to consciously take risks for which it expects an adequate return. This approach requires sound judgment and an acceptance that certain risks can and will materialize in the future.

Significant risks

According to our classification, significant risks are risks that could have a long-term adverse effect on the Group's assets, financial situation or profitability. We have applied this definition consistently to the individual business units and legal entities, taking account of their individual risk tolerance. The section below summarises the significant risks faced by the group and how they are managed.

a) Insurance risk

The Group assumes liability risk, sometimes referred to as insurance risk, by issuing both life and general insurance contracts under which the Group agrees to compensate the policyholder or beneficiary if a specified uncertain future event affecting the policyholder occurs. This risk includes mortality and morbidity risk for life insurance contracts, as well as non-life risk from events such as fire or accident arising under general insurance contracts. As such, the Group is exposed to the uncertainty surrounding the timing and severity of such claims.

The principal risk is that the frequency and severity of claims is greater than expected and that the Group does



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

a) Insurance risk continued

not charge premiums appropriate for the risk accepted. Insurance events are, by their nature, random, and the actual number and size of events during any one year may vary from those estimated using established statistical techniques.

Another key risk is that the actual return on the portfolio of assets held by the Group is not sufficient to cover the return assumption used in calculating claims and other reserves.

The Group's risk philosophy is therefore to hold capital where the risks lie and the Group only takes on risks that we can understand, price appropriately and have the skills to monitor and manage.

For life insurance contracts and reinsurance contracts, the main risks that the Company is exposed to are:

- Mortality risk – risk of loss arising due to the incidence of policyholder death being different than expected.
- Morbidity risk – risk of loss arising due to policyholder health experience being different than expected.
- Longevity risk – risk of loss arising due to the annuitant living longer than expected.
- Expense risk – risk of loss arising from expense experience being different than expected.
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected.

For non-life insurance contracts, the most significant risks arise from exposure to catastrophe events from natural and non-natural disasters that could result in increased claims experience and underwriting losses.

Risk management objectives and policies for mitigating insurance risk

The group manages insurance risk through the following mechanisms:

- An agreed risk preference for all risk types, including those relating to insurance.
- The diversification of business over several classes of insurance and large numbers of uncorrelated individual risks, by which the group seeks to reduce variability in

loss experience.

- The maintenance and use of information management systems, which provide current data on the risks to which the business is exposed and the quantification of such risks.
- Actuarial models, which use the above information to calculate premiums and monitor decrements and claims patterns. Past experience and statistical methods are used.
- Guidelines for concluding insurance contracts and assuming insurance risks. These include underwriting principles and product pricing procedures.
- Reinsurance, which is used to limit the group's exposure to large single claims and catastrophes. When selecting a reinsurer, consideration is given to those companies that provide high security using rating information from both public and private sources.

- a) The mix of assets, which is driven by the nature and term of the insurance liabilities. The management of assets and liabilities is closely monitored to ensure that there are sufficient interest-bearing assets to match the guaranteed portion of liabilities. Hedging instruments are used at times to limit exposure to equity market and interest rate movements.

i) Claims development

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. As required by IFRS 17, in setting claims provisions, the Group gives consideration to the probability and magnitude of future experience being more adverse than assumed which is reflected in the risk adjustment. In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain. The Group has not disclosed previously unpublished information about claims development that occurred earlier than five years before the end of the annual reporting period in which it first applies IFRS 17. The table below relates to claims development for Property and Casualty and Health portfolios.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

a) Insurance risk continued

i) Claims development continued

Accident year	2019	2020	2021	2022	2023	2024	Total
Gross claims development	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2024							
At end of accident year	41,332,182	11,170,247	14,827,932	16,023,912	18,765,700	18,496,821	
One year later	47,471,954	10,741,700	14,565,166	18,642,586	18,119,996		
Two years later	48,157,636	10,122,655	14,576,991	18,595,059			
Three Years Later	48,699,676	10,126,616	14,765,006				
Four Years Later	48,867,409	10,106,399					
Five Years Later	50,404,450						
Gross estimates of the undiscounted amount of the claims	50,404,450	10,106,399	14,765,006	18,595,059	18,119,996	18,496,821	130,487,731
At end of accident year	(25,124,633)	(6,696,720)	(9,206,165)	(11,823,979)	(13,135,522)	(12,636,557)	
One year later	(39,958,017)	(8,897,793)	(11,975,246)	(15,743,933)	(16,217,418)		
Two years later	(43,248,153)	(9,628,620)	(13,250,930)	(17,378,652)			
Three Years Later	(45,321,244)	(9,828,509)	(14,069,211)				
Four Years Later	(46,446,809)	(9,881,775)					
Five Years Later	(49,578,326)						
Cumulative payments to date incurred claims	(49,578,326)	(9,881,775)	(14,069,211)	(17,378,652)	(16,217,418)	(12,636,557)	(119,761,939)
Gross undiscounted liabilities for Incurred claims	826,124	217,571	687,562	1,217,402	1,574,029	5,767,354	10,290,042
Effect of discounting							(1,359,399)
Risk adjustment for non-financial risk							634,914
Other Liabilities for Incurred Items*							238,814
Total gross liabilities for incurred claims							9,804,371

* Not all liabilities can be triangulated hence categorized as other liabilities. They relate to claims handling costs



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

a) Insurance risk continued

i) Claims development continued

Accident year	2019	2020	2021	2022	2023	2024	Total
Net claims development	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2024							
At end of accident year	60,159,379	9,294,835	11,561,961	14,882,261	15,058,873	15,545,083	
One year later	109,308,352	8,855,358	11,762,163	14,879,624	14,812,179		
Two years later	109,660,048	8,887,174	11,894,218	15,007,892			
Three Years Later	109,880,141	8,928,728	11,960,570				
Four Years Later	110,044,468	8,922,104					
Five Years Later	110,958,165						
Gross estimates of the undiscounted amount of the claims	110,958,165	8,922,104	11,960,570	15,007,892	14,812,179	15,545,083	177,205,993
At end of accident year	(49,300,062)	(6,311,817)	(8,597,775)	(11,109,290)	(11,418,616)	(10,938,255)	
One year later	(104,200,714)	(8,260,597)	(11,016,154)	(13,992,468)	(13,769,884)		
Two years later	(106,088,466)	(8,504,753)	(11,338,666)	(14,403,533)			
Three Years Later	(107,417,438)	(8,679,668)	(11,532,944)				
Four Years Later	(108,282,049)	(8,726,829)					
Five Years Later	(110,335,332)						
Cumulative payments to date incurred claims	(110,335,332)	(8,726,829)	(11,532,944)	(14,403,533)	(13,769,884)	(10,938,255)	(169,706,777)
Gross undiscounted liabilities for Incurred claims	622,833	195,275	427,626	604,359	1,042,295	4,606,828	7,499,216
Effect of discounting							(889,967)
Risk adjustment for non-financial risk							356,098
Other Liabilities for Incurred Items*							(1,495,586)
Total gross liabilities for incurred claims							5,469,761

* Not all liabilities can be triangulated hence categorized as other liabilities. They relate to claims handling costs



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

a) Insurance risk continued

ii) Sensitivity testing

Changes in key assumptions used to value insurance contracts would result in increases or decreases to the insurance contract provisions recorded, with impact on profit/(loss) and/or shareholders' equity. The following tables demonstrate the effect of a change in a key assumption to policyholder liabilities related to insurance contracts while other assumptions remain unchanged.

Contracts measured under the GMM and VFA without reinsurance

	FCF as at year end	CSM as at year end	Total	Impact on FCF	Impact on CSM	Increase / (decrease) in insurance contract liabilities	Impact on profit before income tax	Impact on equity
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2024								
Life risk								
Insurance contract liabilities	3,675,402	1,109,603	4,785,005					
Mortality rate – 5% increase:				(34,561)	34,320	(241)	(241)	(241)
Lapse rates – 10% increase:				5,840	(66)	5,775	5,775	5,775
Expenses – 10% increase:				(94,991)	68,865	(26,126)	(26,126)	(26,126)
Savings								
Insurance contract liabilities as at year end	414,249	968,352	1,382,601					
Mortality rate – 5% increase:				(8,886)	4,566	(4,320)	(4,320)	(4,320)
Lapse rates – 10% increase:				(44,933)	42,011	(2,922)	(2,922)	(2,922)
Expenses – 10% increase:				(227,467)	111,565	(115,902)	(115,902)	(115,902)
2023								
Insurance contract liabilities	4,170,534	1,102,948	5,273,482					
Mortality rate – 5% increase:				35,310	(31,980)	3,331	3,331	3,331
Lapse rates – 10% increase:				(32,505)	30,891	(1,614)	(1,614)	(1,614)
Expenses – 10% increase:				(37,178)	14,409	(22,769)	(22,769)	(22,769)
Savings								
Insurance contract liabilities as at year end	13,333,202	1,040,797	14,373,999					
Mortality rate – 5% increase:				1,826	-	1,826	(1,826)	(1,826)
Lapse rates – 10% increase:				(41,067)	44,535	3,468	4,174	4,174
Expenses – 10% increase:				(169,892)	114,542	(55,350)	(55,736)	(55,736)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

a) Insurance risk continued

ii) Sensitivity testing continued

Contracts measured under PAA

	Change in assumptions	Impact on profit before tax Gross of reinsurance	Impact on profit before tax Net of reinsurance	Impact on equity Gross of reinsurance	Impact on equity Net of reinsurance
		KShs'000	KShs'000	KShs'000	KShs'000
2024					
Weighted average term to settlement	10%	182,477	128,503	137,326	95,943
Future payments	5%	155,792	154,590	62,055	80,781
Weighted average term to settlement	-10%	(197,647)	(134,768)	(148,567)	(98,619)
Future payments	-5%	(155,792)	(154,590)	(62,055)	(80,781)
2023					
Weighted average term to settlement	10%	193,810	127,769	193,810	127,769
Future payments	5%	(562,259)	(293,173)	(562,259)	(293,173)
Weighted average term to settlement	-10%	(221,946)	(139,908)	(221,946)	(139,908)
Future payments	-5%	562,259	293,173	562,259	293,173

b) Financial risk

The Group is exposed to financial risk through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and insurance liabilities. In particular the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important types of risk are credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate risk, equity price risk and other price risks.

These risks arise from open positions in interest rate, currency and equity prices, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are liquidity rate risk and equity price risk.

The Group manages these risks through policies set out by the Risk and Compliance Committee of the Board (BRC). These policies have been developed to achieve long-term investment returns in excess of the Group's obligations under insurance and investment contracts. The principal technique is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders. For each distinct category of liabilities, a separate portfolio of assets is maintained.

i) Market risk

Foreign exchange risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's financial assets are primarily denominated in the same currencies as its insurance and investment contract liabilities. This mitigates the foreign currency exchange rate risk for the overseas operations. Thus, the main foreign exchange risk arises from recognised assets and liabilities denominated in currencies other than those in which insurance and investment contract liabilities are expected to be settled.

The Company and Group has receivables, payables, cash and bank balances and borrowings denominated in foreign currencies. The Company's and Group's exposure to foreign exchange risk arises primarily with respect to the US dollar and South Africa Rand.

At 31 December 2024, if the Shilling had weakened/strengthened by 1% against the US dollar with all other variables held constant, the Group's post-tax loss for the year and equity would have been KShs 3 million (31 December 2023: KShs 19 million) lower/higher, as a result of US dollar denominated balances.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

i) Market risk continued

At 31 December 2024, if the Shilling had weakened/strengthened by 1% against the South Africa Rand with all other variables held constant, the Group's post-tax loss for the year and equity would have been KShs 24 million (31 December 2023: KShs 33 million) lower/higher, as a result of Rand denominated balances.

At 31 December 2024, if the Shilling had weakened/strengthened by 1% against the US dollar with all other variables held constant, the Company's post-tax loss for the year and equity would have been KShs 31 million (31 December 2023: KShs 35 million) lower/higher, as a result of US dollar denominated balances.

At 31 December 2024, if the Shilling had weakened/strengthened by 1% against the South Africa Rand with all other variables held constant, the Company's post-tax loss for the year and equity would have been KShs 21 million (31 December 2026: KShs 26 million) lower/higher, as a result of Rand dollar denominated balances.

Price risk

Price risk arises on financial instruments because of changes in the price of a financial instrument.

The Group is exposed to price risk because of investments in quoted and unquoted shares classified at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio in accordance with policies set out by the Board. All quoted shares held by the Group are traded on the various Stock exchanges across the region.

At 31 December 2024, if the Nairobi Securities Exchange and Uganda Securities Exchange Indices had increased/decreased by 1% with all other variables held constant and all the Group's equity instruments moved according to the historical correlation to the indices, equity would have been KShs 10million higher/ lower (31 December 2023: KShs 4 million). There was no concentration of price risk.

Interest rate risk

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

institutions. The Company's variable interest rate financial instruments mainly comprise of borrowings, which are based on a market reference rate such as libor or the treasury bills rate plus some basis points. No limits are placed on the ratio of variable rate financial instruments to fixed rate financial instruments.

At 31 December 2024, if interest rates on bonds had been 1% higher/lower with all other variables held constant, the Group post-tax loss for the year and equity would have been KShs 1.02million higher/lower (31 December 2023: KShs 1 million). If interest rates on borrowings pegged on the LIBOR plus margin had been 1% higher/lower with all other variables held constant, post-tax loss for the year and equity would have been KShs 4.3million higher/lower (2023: KShs 4.7 million).

ii) Credit risk

The Group has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Group is exposed to credit risk are:

- Reinsurance assets;
- Corporate bonds;
- Government securities ;
- Deposits with financial institutions;
- Cash and bank balances;
- Mortgage loans recoverable; and
- Other receivables.

The Group has no significant concentrations of credit risk. The Group structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk by category and territory are approved quarterly by the Board of Directors.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

The exposure to individual counterparties is also managed



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

ii) Credit risk continued

by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Group. Management information reported to the Group includes details of provisions for impairment on loans and receivables and subsequent write-offs. Risk and Compliance committee of the Group Board makes regular reviews to assess the degree of compliance with the Group procedures on credit. Exposures to individual policyholders and groups of policyholders are collected within the ongoing monitoring by the management credit committee.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings if available or historical information about counterparty default rates. None of the Group's credit risk counter parties are rated except the Governments in which subsidiary companies are registered. The Company classifies corporates that have issued Corporate Bonds.

Maximum exposure to credit risk before collateral held

Group

Note	Credit rating/ classification	2024 KShs'000	2023 KShs'000
		KShs'000	KShs'000
Reinsurance assets	5.4	6,781,844	8,388,723
Other receivables	21 (a)	1,237,657	1,300,896
Due from related parties	32 (iv)	1,120,693	1,515,104
Government securities	22 (c)	28,952,910	28,088,099
Corporate bonds	22 (a)	101,141	100,517
Mortgage loans receivable	20	194,878	219,829
Deposits with financial institutions	23 (a)	9,920,719	9,325,803
Cash at bank	23 (a)	1,419,054	2,655,724
Total		49,728,896	51,594,695

Maximum exposure to credit risk before collateral held

Company

Note	Credit rating/ classification	2024 KShs'000	2023 KShs'000
		KShs'000	KShs'000
Cash and bank	23 (b)	73,947	248,128
Deposits with financial institutions	23 (b)	58,886	1,261
Amounts due from subsidiaries	32 (iv)	6,122,344	6,868,528
Other receivables	4 (b)(ii)	84,850	91,371
		6,340,227	7,209,288

The Company classifies counterparties without an external credit rating as below:

- Group 1 - new customers/related parties.
- Group 2 - existing customers/related parties with no defaults in the past.
- Group 3 - existing customers/related parties with some defaults in the past. All defaults were fully recovered.

No collateral is held for any of the above assets other than for staff mortgage loans and car loans. Properties in relation to staff mortgage loans and motor vehicles in relation to staff car loans are charged to the Group as collateral. The fair value of this collateral was KShs 360 million (2023: KShs 222 million) for which no ECL is raised due to over-collateralisation. All receivables that are neither past due or impaired are within their approved credit limits, and no receivables have had their terms renegotiated. All receivables are classified in group 2.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

ii) Credit risk continued

The changes in the gross carrying amount of financial instruments that contributed to the changes in the loss allowance include:

- Changes because of financial instruments originated or acquired during the reporting period.
- The modification of contractual cash flows on financial assets that do not result in a derecognition of those

financial assets in accordance with IFRS 9

- Changes because of financial instruments that were de-recognised (including those that were written-off) during the reporting period
- Changes arising from whether the loss allowance is measured at an amount equal to 12-month or life-time.

Group

2024	IFRS 9 allowance for ECL at 31 December 2024				Movement between 1 January 2024 and 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Government securities at amortised cost	6,583	-	-	6,583	(3,107)	-	-	(3,107)
Deposits with financial institutions	27,012	-	50,000	77,012	9,510	-	-	9,510
Cash and bank balances	2,026	-	-	2,026	(38,898)	-	-	(38,898)
Corporate bonds	497	-	565,993	566,490	(445)	-	(3,973)	(4,418)
Other receivables at amortized cost *	12,632	-	81,798	94,430	(34,326)	-	(16,894)	(51,220)
Total	48,750	-	697,791	746,541	(67,266)	-	(20,867)	(88,133)
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2023								
Government securities at amortised cost	9,691	-	-	9,691	601	-	-	601
Deposits with financial institutions	53,136	-	50,000	103,136	(5,070)	-	-	(5,070)
Cash and bank balances	5,290	-	-	5,290	35,005	-	-	35,005
Corporate bonds	942	-	569,966	570,908	266	-	(2,300)	(2,034)
Other receivables at amortized cost	46,957	-	98,692	145,649	21,835	-	(116,563)	(94,728)
Total	116,016	-	718,658	834,674	52,637	-	(118,863)	(66,226)

* This includes expected credit loss relating to other receivables KShs15.2m (2023: Kshs 65.1m), mortgage loans KShs 79.6m (2023: KShs 76m) and amounts due from related parties KShs (0.4m) 2023: KShs 4.6m



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

ii) Credit risk continued

Company

2024	IFRS 9 allowance for ECL at 31 December 2024				Movement between 1 January 2024 and 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Cash and bank balances	4	-	-	4	5	-	-	5
Other receivables at amortized cost	13,712	-	-	13,712	(609)	-	-	(609)
Total	13,716	-	-	13,716	(604)	-	-	(604)
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2023								
Cash and bank balances	9	-	-	9	10	-	-	10
Other receivables at amortized cost	12,568	-	-	12,568	(926)	-	-	(926)
Total	12,577	-	-	12,577	(916)	-	-	(916)

Government and corporate bonds at amortised cost

The Group has measured the loss allowance for government securities and corporate bonds carried at amortised cost, at an amount equal to the lifetime expected losses if the credit risk on that financial instrument has increased

significantly since initial recognition and if the credit risk has not increased significantly at an amount equal to the 12 month expected losses. Summary of the expected credit loss impairments are as below:

Group

Government securities at amortised cost

	2024				2023			
	Lifetime ECL				Lifetime ECL			
	12-month ECL	Not credit impaired	Credit impaired	Total	12-month ECL	Not credit impaired	Credit impaired	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Gross value	11,494,586	-	-	11,494,586	12,791,506	-	-	12,791,506
Loss allowance	(6,583)	-	-	(6,583)	(9,691)	-	-	(9,691)
Amortised cost	11,488,003	-	-	11,488,003	12,781,815	-	-	12,781,815
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2024								
Corporate bonds								
Gross value	101,638	-	565,993	667,631	101,459	-	569,966	671,425
Loss allowance	(497)	-	(565,993)	(566,490)	(942)	-	(569,966)	(570,908)
Amortised cost	101,141	-	-	101,141	100,517	-	-	100,517

Company

The Company does not have investments in government securities.

Deposits with financial institutions:

The Group and Company has measured the loss allowance for fixed deposits with financial institutions, at each reporting date, at an amount equal to the lifetime expected losses if the credit risk on that financial instrument has

increased significantly since initial recognition and if the credit risk has not increased significantly at an amount equal to the 12 month expected losses. Summary of the expected credit loss impairments are as below:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

ii) Credit risk continued

Group

	2024				2023			
	Lifetime ECL				Lifetime ECL			
	12-month ECL	Not credit impaired	Credit impaired	Total	12-month ECL	Not credit impaired	Credit impaired	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Gross value	9,947,731	-	50,000	9,997,731	9,378,939	-	50,000	9,428,939
Loss allowance	(27,012)	-	(50,000)	(77,012)	(53,136)	-	(50,000)	(103,136)
Amortised cost	9,920,719	-	-	9,920,719	9,325,803	-	-	9,325,803
Company								
Gross value	58,886	-	-	58,886	1,261	-	-	1,261
Loss allowance	-	-	-	-	-	-	-	-
Amortised cost	58,886	-	-	58,886	1,261	-	-	1,261

Cash and bank balances at amortised cost:

The Group and Company has measured the loss allowance for cash and bank balances, at each reporting date, at an amount equal to the lifetime expected losses if the credit risk on that financial instrument has increased

significantly since initial recognition and if the credit risk has not increased significantly at an amount equal to the 12 month expected losses. Summary of the expected credit loss impairments are as below:

Group

	2024				2023			
	Lifetime ECL				Lifetime ECL			
	12-month ECL	Not credit impaired	Credit impaired	Total	12-month ECL	Not credit impaired	Credit impaired	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Gross value	1,421,080	-	-	1,421,080	2,661,014	-	-	2,661,014
Loss allowance	(2,026)	-	-	(2,026)	(5,290)	-	-	(5,290)
Amortised cost	1,419,054	-	-	1,419,054	2,655,724	-	-	2,655,724
Company								
Gross value	73,951	-	-	73,951	248,137	-	-	248,137
Loss allowance	(4)	-	-	(4)	(9)	-	-	(9)
Amortised cost	73,947	-	-	73,947	248,128	-	-	248,128

Other receivables and amounts due from related parties at amortised cost:

The Group and Company has measured the loss allowance for other receivables and amounts due from related parties, at each reporting date, at an amount equal to the lifetime expected losses if the credit risk on that

financial instrument has increased significantly since initial recognition and if the credit risk has not increased significantly at an amount equal to the 12 month expected losses. Summary of the expected credit loss impairments are as below:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

ii) Credit risk continued

Group continued

	2024				2023			
	Lifetime ECL				Lifetime ECL			
	12-month ECL	Not credit impaired	Credit impaired	Total	12-month ECL	Not credit impaired	Credit impaired	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Gross value	2,565,860	-	81,798	2,647,658	3,082,786	-	98,692	3,181,478
Loss allowance	(12,632)	-	(81,798)	(94,430)	(46,957)	-	(98,692)	(145,649)
Amortised cost	2,553,228	-	-	2,553,228	3,035,829	-	-	3,035,829
Company								
Gross value	6,220,366	-	-	6,220,366	6,972,462	-	-	6,972,462
Loss allowance	(13,172)	-	-	(13,172)	(12,563)	-	-	(12,563)
Amortised cost	6,207,194	-	-	6,207,194	6,959,899	-	-	6,959,899

iii) Liquidity risk

Liquidity risk is the risk that the Group and Company is unable to meet its payment obligations associated with its financial liabilities as they fall due and to replace funds when they are withdrawn.

shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. The Board Risk and Compliance Committee sets limits on the minimum level of cash balances.

The Group and Company is exposed to daily calls on available cash resources for claims settlement and other administration expenses. The Group does not maintain cash resources to meet all of these needs as experience

The table below presents the cash flows payable by the Group and Company under financial liabilities by remaining contractual maturities (other than insurance contract liabilities which are based on expected maturities) at the financial reporting date.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

iii) Liquidity risk continued

Group

2024	Contractual cash flows							
	Carrying Amount	Total	0-3 months	3-12 months	1-2 years	2-3 years	3- 5 years	Over 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Liabilities								
Insurance contract liabilities	39,461,404	473,580,369	-	7,035,107	2,143,860	1,971,570	3,965,389	458,464,443
Investment contracts liabilities	933,044	1,567,427	-	331,621	400,064	229,236	92,021	514,485
Borrowed funds	7,097,496	9,123,745	755,163	1,107,767	1,156,715	5,982,199	121,901	0
Lease liabilities	361,109	1,364,050	61,830	185,491	228,974	230,399	448,813	208,543
Reinsurance liabilities	64,634	66,181	-	66,181	-	-	-	-
Other payables	3,325,158	583,157	128,131	455,026	-	-	-	-
Amounts due to related parties	2,900,868	2,900,868	-	2,900,868	-	-	-	-
Total financial liabilities as at 31 December 2024	54,143,713	489,185,161	945,124	12,082,061	3,929,613	8,413,404	4,628,124	459,187,471

2024	Contractual cash flows				
	Carrying Amount	Total	Upto 1 year	1-5 years	Over 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Assets					
Cash and bank balances	1,419,054	1,419,054	1,419,054	-	-
Government Securities at amortised cost	11,589,144	11,589,144	1,353,055	4,161,530	6,074,559
Deposits with financial institutions	9,920,719	9,920,719	9,920,719	-	-
Mortgage loans receivable	194,878	194,879	900	106,694	87,285
Reinsurance contract assets	6,781,844	6,781,844	6,781,844	-	-
Other receivables	1,717,604	1,237,657	1,237,657	-	-
Amounts due from related parties	1,120,693	1,120,693	1,120,693	-	-
Total financial assets as at 31 December 2024	32,743,936	32,263,990	21,833,922	4,268,224	6,161,844



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

iii) Liquidity risk continued

Group continued

2023	Contractual cash flows							
	Carrying Amount	Total	0-3 months	3-12 months	1-2 years	2-3 years	3- 5 years	Over 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Liabilities								
Insurance contract liabilities	42,357,815	761,941,186	-	10,452,152	1,792,439	1,283,006	4,484,376	743,929,213
Investment contracts liabilities	891,818	1,093,127	-	53,620	310,690	321,937	210,283	196,597
Borrowed funds	6,832,165	7,522,229	57,239	303,555	184,106	297,829	6,577,302	102,198
Lease liabilities	468,511	1,467,532	105,932	211,869	309,728	269,059	432,238	138,706
Reinsurance liabilities	34,537	121,777	-	71,020	11,364	3,161	604	35,628
Other payables	5,217,674	1,885,345	782,650	1,102,695	-	-	-	-
Amounts due to related parties	3,465,802	3,465,802	-	3,465,802	-	-	-	-
Total financial liabilities as at 31 December 2023	59,268,322	777,496,998	945,821	15,660,713	2,608,327	2,174,992	11,704,803	744,402,342

2023	Contractual cash flows				
	Carrying Amount	Total	Upto 1 year	1-5 years	Over 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Assets					
Cash and bank balances	2,655,724	2,655,724	2,655,724	-	-
Government Securities at amortised cost	12,882,332	12,882,332	1,063,778	3,563,923	8,254,631
Deposits with financial institutions	9,325,803	9,325,803	9,325,803	-	-
Mortgage loans receivable	219,829	219,829	900	129,754	89,175
Reinsurance contract assets	8,388,723	8,388,723	8,388,723	-	-
Other receivables	1,656,442	1,300,896	1,300,896	-	-
Amounts due from related parties	1,515,104	1,515,104	1,515,104	-	-
Total financial assets as at 31 December 2023	36,643,957	36,288,411	24,250,928	3,693,677	8,343,806



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

iii) Liquidity risk continued

Group continued

Maturity profile for insurance contract liabilities, investment contract liabilities and reinsurance liabilities

2024	Total	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract liabilities - Property & casualty	8,992,513	6,250,227	1,125,248	556,924	301,773	245,437	512,904
Insurance contract liabilities - Health	653,019	579,521	38,272	18,023	6,970	3,411	6,822
Reinsurance liabilities - Property & casualty	53,808	53,808	-	-	-	-	-
Insurance contract liabilities - Life & savings	463,934,837	205,359	980,340	1,396,623	1,688,294	1,719,504	457,944,717
Investment contract liabilities	1,567,427	-	331,621	400,064	229,236	92,021	514,485
Reinsurance liabilities- Life & savings	12,373	12,373	-	-	-	-	-
Total	475,213,977	7,101,288	2,475,481	2,371,634	2,226,273	2,060,373	458,978,928

2023	Total	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract liabilities - Property & casualty	10,626,753	7,626,125	1,091,567	563,800	343,244	241,255	760,762
Insurance contract liabilities - Health	725,443	1,187,984	199,879	(752,248)	(325,730)	58,446	357,112
Reinsurance liabilities -Health	121,777	71,020	11,364	3,161	467	137	35,628
Insurance contract liabilities - Life & savings	750,588,990	1,638,043	500,993	1,471,454	2,473,272	1,693,889	742,811,339
Investment contract liabilities	1,092,967	53,620	310,530	321,937	168,693	41,590	196,597
Reinsurance liabilities- Life & savings	-	-	-	-	-	-	-
Total	763,155,930	10,576,792	2,114,333	1,608,104	2,659,946	2,035,317	744,161,438

Investment contracts can be surrendered before maturity for a cash surrender value specified in the contractual terms and conditions. Prudent liquidity risk management includes maintaining sufficient cash balances to cover anticipated surrenders before the contractual maturity

dates. In addition, the Group invests only a limited proportion of its assets in investments that are not actively traded. The Group's listed securities are considered readily realisable, as they are actively traded on the Nairobi Securities Exchange and Uganda Stock Exchange.

Company

2024	Carrying Amount	Total	0-3 months	3-12 months	1-2 years	2-3 years	3- 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Liabilities							
Amounts due to related parties	2,315,322	2,315,322	-	-	2,315,322	-	-
Other payables	42,917	42,917	64	27,319	15,134	-	-
Lease liabilities	-	-	-	-	-	-	-
Borrowed funds	6,384,298	8,287,198	695,609	929,105	918,500	5,743,984	-
Total financial liabilities as at 31 December 2024	8,742,537	10,645,437	695,673	956,424	3,248,956	5,743,984	-



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

b) Financial risk continued

iii) Liquidity risk continued

2024	Contractual cash flows				
	Carrying Amount	Total	Upto 1 year	1-5 years	Over 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Assets					
Cash and bank balances	73,947	73,947	73,947	-	-
Deposits with financial institutions	58,886	58,886	58,886	-	-
Mortgage loans receivable	39,989	39,989	185	21,894	17,911
Other receivables	44,861	44,861	44,861	-	-
Amounts due from related parties	6,122,344	6,122,344	6,122,344	-	-
Total financial assets as at 31 December 2024	6,340,027	6,340,027	6,300,223	21,894	17,911

2023	Carrying Amount	Total	0-3 months	3-12 months	1-2 years	2-3 years	3- 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Liabilities							
Amounts due to related parties	3,024,553	3,024,553	-	3,024,553	-	-	-
Other payables	34,987	34,987	53	22,481	12,454	-	-
Lease liabilities	14,825	14,825	340	1,038	2,916	10,532	-
Borrowed funds	5,561,307	5,561,307	5,561,307	-	-	-	-
Total financial liabilities as at 31 December 2023	8,635,137	8,635,672	5,561,700	3,048,072	15,370	10,532	-

2023	Contractual cash flows				
	Carrying Amount	Total	Upto 1 year	1-5 years	Over 5 years
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Assets					
Cash and bank balances	248,128	248,128	248,128	-	-
Deposits with financial institutions	1,261	1,261	1,261	-	-
Mortgage loans receivable	70,129	70,129	324	38,395	31,410
Other receivables	94,649	94,649	94,649	-	-
Amounts due from related parties	6,868,528	6,868,528	6,868,528	-	-
Total financial assets as at 31 December 2023	7,282,695	7,282,695	7,21,890	38,395	1,410



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

c) Capital management

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the statement of financial position, are:

- To comply with the capital requirements as set out in the regulations of the jurisdictions in which the Group entities operate in;
- To comply with regulatory solvency requirements as set out in legislation in the jurisdictions in which the Group entities operate in;
- To safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stake holders; and
- To provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk.

The Group's paid-up capital comprises share capital as disclosed on note 36. The Group manages the minimum paid up capital and regulatory Capital (solvency) held in each subsidiary as capital. Capital adequacy and solvency margin are monitored regularly by the Board of Directors. The required information is filed with the respective authorities.

During the year, the Group held the minimum paid up share capital required. The Group entities also met the solvency margins required in the jurisdictions in which they operate. Appropriate measures, including capital injection and business turn-around initiatives, have been instituted to resolve the solvency gap in this entity.

The table below summarises the capital requirements of the Group's entities in the various jurisdictions in which the Group operates, and the amount of capital held.

	Kenya			South Sudan	Uganda	Rwanda	Tanzania
	General insurance	Life Assurance Kenya	Life Assurance Company	Composite insurance	General insurance	General insurance	General insurance
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2024							
Regulatory paid-up capital requirements	600,000	400,000	400,000	581,805	210,837	280,701	-
Amount of paid-up capital	1,000,000	4,107,143	4,059,827	581,805	309,227	858,721	-
Required Capital	3,056,594	1,605,485	422,195	581,805	1,359,748	691,267	-
Available Capital	6,256,129	2,725,272	2,180,642	1,296,368	3,017,876	910,115	-
Surplus over required margin	3,199,535	1,119,787	696,899	714,563	1,658,128	218,848	-
2023							
Regulatory paid-up capital requirements	600,000	400,000	400,000	705,780	248,946	373,368	169,912
Amount of paid-up capital	1,000,000	4,107,143	4,059,827	705,780	365,121	1,142,208	1,800,780
Required Capital	2,973,834	1,945,963	722,599	705,780	1,311,350	338,461	137,690
Available Capital	5,339,309	3,116,778	1,481,348	1,791,225	3,145,479	578,065	139,181
Surplus over required margin	2,365,475	1,170,815	758,749	1,085,445	1,834,129	239,604	1,491



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

d) Fair values estimation

IFRS 7 and IFRS 13 require disclosure of fair value measurements by the following levels of hierarchy for financial instruments that are measured in the statement of financial position at fair value:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following tables present the assets that are measured at fair value at the end of the year.

	Level 1	Level 2	Level 3	Total
	KShs'000	KShs'000	KShs'000	KShs'000
2024				
Assets				
Equity investments	1,267,959	-	523,208	1,791,167
Government securities	17,464,907	-	-	17,464,907
Investment properties	-	-	19,415,764	19,415,764
Buildings	-	-	1,969,152	1,969,152
Total	18,732,866	-	21,908,124	40,640,990
2023				
Equity investments	1,491,823	-	545,110	2,036,933
Government securities	15,306,284	-	-	15,306,284
Investment Properties	-	-	21,236,684	21,236,684
Buildings	-	-	2,162,926	2,162,926
Total	16,798,107	-	23,944,720	40,742,827
Company				
2024				
Equity investments	-	-	271,482	271,482
Investment Properties	-	-	5,829,580	5,829,580
Total	-	-	6,101,062	6,101,062
2023				
Equity investments	-	-	143,885	143,885
Investment Properties	-	-	5,878,924	5,878,924
Total	-	-	6,022,809	6,022,809



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4) Risk governance and management system continued

d) Fair values estimation continued

The fair value of financial instruments traded in active market is based on quoted market prices at the end of each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1 and comprise of primarily equity

and debt investments quoted on the Nairobi Securities Exchange and the Uganda Stock Exchange.

The table below sets out information about the valuation techniques applied at the end of the reporting period in measuring the financial assets. A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations is set out in the table below:

Category of asset	Valuation technique applied	Significant observable inputs
Government securities	Market approach	Underlying market price of the traded instruments
Equities	Market approach	Market price of the instrument

A 5% change in market price, which represents approximate interest rate movements for 91 days treasury bill, would result to a 5% change in the fair value of the government securities. 5% (2023: 5%) increase (decrease) in the market price would result in a decrease (increase) in fair value by +/- Kshs 873 million (2023: +/- 765 million). The company uses market approach valuation method and uses the current market price of the government securities to fair value the government securities.

Assets classified as level 3 relate to Group's investment properties, buildings and unquoted equities. Fair value estimate is based on a discounted cash flow approach.

The carrying value of level 3 financial assets and financial liabilities is deemed to be a reasonable approximation of their fair value.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts

5.1 Insurance revenue and insurance service result

2024	Life risk KShs'000	Saving KShs'000	Property & casualty KShs'000	Health KShs'000	Total KShs'000
Insurance revenue:					
For contracts not measured under the PAA:					
The amounts relating to the changes in the LRC:					
- Expected incurred claims and other directly attributable expenses	414,099	300,983	-	-	715,082
- Change in the risk adjustment for non-financial risk for the risk expired	19,906	120,623	-	-	140,529
- CSM recognised for the services provided	274,572	92,537	-	-	367,109
- Experience adjustments – arising from premiums received in the period other than those that relate to future service	-	-	-	-	-
- Other amounts, including other pre-recognition cash flows assets derecognised at the date of initial recognition	9,903	2,550	-	-	12,453
Insurance acquisition cash flows recovery	50,179	107,614	-	-	157,793
Insurance revenue from contracts not measured under the PAA	768,659	624,307	-	-	1,392,966
Insurance revenue from contracts measured under the PAA	3,251,196	-	11,553,445	17,603,951	32,408,592
Total insurance revenue	4,019,855	624,307	11,553,445	17,603,951	33,801,558
Insurance service expenses:					
Incurred claims and other directly attributable expenses	(1,768,674)	(131,791)	(5,577,916)	(15,907,283)	(23,385,664)
Changes that relate to past service – changes in the FCF relating to the LIC	(592,220)	-	(47,105)	(58,081)	(697,406)
Losses on onerous contracts and reversal of those losses	(236,365)	(455,244)	216,982	63,847	(410,780)
Insurance acquisition cash flows amortization	(720,714)	(107,614)	(1,816,702)	(1,926,079)	(4,571,109)
Total insurance service expenses	(3,317,973)	(694,649)	(7,224,741)	(17,827,596)	(29,064,959)
Net income/ (expenses) from reinsurance contracts held:					
Reinsurance expenses – contracts measured under the PAA					
Other incurred directly attributable expenses	(113,267)	-	(5,536,381)	(1,632,405)	(7,282,053)
Effect of changes in the risk of reinsurers' non-performance	(432,785)	-	-	-	(432,785)
Incurred claims recovery	-	-	1,175,590	1,407,975	2,583,565
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	571,742	235,016	806,758
Income on initial recognition of onerous underlying contracts	-	-	(51,177)	-	(51,177)
Total net expenses from reinsurance contracts held	(546,052)	-	(3,840,226)	10,586	(4,375,692)
Total insurance service result	155,830	(70,342)	488,478	(213,059)	360,907



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.1 Insurance revenue and insurance service result continued

2023	Life risk	Saving	Property & casualty	Health	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance revenue:					
For contracts not measured under the PAA:					
The amounts relating to the changes in the LRC:					
- Expected incurred claims and other directly attributable expenses	389,882	432,950	-	-	822,832
- Change in the risk adjustment for non-financial risk for the risk expired	14,750	15,461	-	-	30,211
- CSM recognised for the services provided	244,514	85,000	-	-	329,514
- Experience adjustments – arising from premiums received in the period other than those that relate to future service	-	18,549	-	-	18,549
- Other amounts, including other pre-recognition cash flows assets derecognised at the date of initial recognition	11,050	(991)	-	-	10,059
Insurance acquisition cash flows recovery	18,239	37,058	-	-	55,297
Insurance revenue from contracts not measured under the PAA	678,435	588,027	-	-	1,266,462
Insurance revenue from contracts measured under the PAA	2,821,509	-	11,222,530	17,320,202	31,364,241
Total insurance revenue	3,499,944	588,027	11,222,530	17,320,202	32,630,703
Insurance service expenses:					
Incurred claims and other directly attributable expenses	(1,305,273)	(339,416)	(3,914,684)	(15,627,139)	(21,186,512)
Changes that relate to past service – changes in the FCF relating to the LIC	(612,387)	-	(3,082,206)	271,400	(3,423,193)
Losses on onerous contracts and reversal of those losses	(215,757)	(723,648)	45,876	297,599	(595,930)
Insurance acquisition cash flows amortization	(301,665)	(37,058)	(1,801,521)	(1,870,013)	(4,010,257)
Total insurance service expenses	(2,435,082)	(1,100,122)	(8,752,535)	(16,928,153)	(29,215,892)
Net income/ (expenses) from reinsurance contracts held:					
Reinsurance expenses – contracts measured under the PAA					
Other incurred directly attributable expenses	(65,725)	-	(2,447,040)	(67,113)	(2,579,878)
Effect of changes in the risk of reinsurers' non-performance	(480,112)	-	-	-	(480,112)
Incurred claims recovery	-	-	(1,403,588)	(1,132,337)	(2,535,925)
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	2,467,016	1,341,702	3,808,718
Income on initial recognition of onerous underlying contracts	-	-	43,954	(41,632)	2,322
Total net expenses from reinsurance contracts held	(545,837)	-	(1,339,658)	100,620	(1,784,875)
Total insurance service result	519,025	(512,095)	1,130,337	492,669	1,629,936



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.2 Amounts determined on transition to IFRS 17

2024	2024			2023		
	Life risk	Saving	Total	Life risk	Saving	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contracts issued						
CSM as at 31 December:						
New contracts and contracts measured under the full retrospective approach at transition	-	-	-	-	-	-
Contracts measured under the modified retrospective approach at transition	-	-	-	-	-	-
Contracts measured under the fair value approach at transition	504,222	215,065	719,287	704,371	215,065	919,436
Total insurance CSM	504,222	215,065	719,287	704,371	215,065	919,436

5.3 Expected recognition of the contractual service margin

Insurance contracts issued	2024			2023		
	Life risk	Saving	Total CSM for insurance contracts issued	Life risk	Saving	Total CSM for insurance contracts issued
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Number of years until expected to be recognized						
1	221,474	73,827	295,301	210,296	71,869	282,165
2	178,173	69,106	247,279	166,233	67,223	233,456
3	144,762	65,192	209,954	135,827	64,938	200,765
4	117,164	61,760	178,924	111,737	62,746	174,483
5	91,906	57,844	149,750	91,724	60,388	152,112
6–10	225,512	234,527	460,039	240,062	257,482	497,544
>10	130,614	406,096	536,710	147,070	456,151	603,221
Total	1,109,605	968,352	2,077,957	1,102,949	1,040,797	2,143,746



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.4 Composition of balance sheet

Notes	2024			2023			
	Assets	Liabilities	Net	Assets	Liabilities	Net	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	
Insurance contract issued							
Property & casualty	5.5.1	-	8,631,615	8,631,615	-	12,119,189	12,119,189
Health	5.6.1	-	8,386,346	8,386,346	-	8,487,962	8,487,962
Life	5.7.1	-	6,938,219	6,938,219	-	7,021,914	7,021,914
Savings	5.8.1	-	15,505,224	15,505,224	-	14,728,750	14,728,750
Total insurance contract issued		-	39,461,404	39,461,404	-	42,357,815	42,357,815
Current and non-current split							
Current		-	7,035,107	7,035,107	-	11,462,167	11,462,167
Non-current		-	32,426,297	32,426,297	-	30,895,648	30,895,648
Total		-	39,461,404	39,461,404	-	42,357,815	42,357,815
Reinsurance contract held							
Property & casualty	5.9	4,688,074	(50,763)	4,637,311	6,589,423	(34,537)	6,554,886
Health	5.10	1,329,555	-	1,329,555	1,217,959	-	1,217,959
Life	5.11	764,215	(13,871)	750,344	581,341	-	581,341
Total reinsurance contract held		6,781,844	(64,634)	6,717,210	8,388,723	(34,537)	8,354,186
Current and non-current split							
Current		1,209,055	(64,634)	1,144,421	2,270,017	(34,537)	2,235,480
Non-current		5,572,789	-	5,572,789	6,118,706	-	6,118,706
Total		6,781,844	(64,634)	6,717,210	8,388,723	(34,537)	8,354,186



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.5 Insurance contracts issued – Property & Casualty

5.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

Gross:

2024	LRC		LIC for contracts not under the PAA	LIC for contracts under the PAA		Total
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract liabilities, beginning of year	3,403,174	251,694	-	8,054,928	409,393	12,119,189
Insurance revenue	(11,553,445)	-	-	-	-	(11,553,445)
Insurance service expenses:						
Incurring claims and other directly attributable expenses	-	-	-	5,601,031	(23,115)	5,577,916
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	63,568	(16,463)	47,105
Losses on onerous contracts and reversal of those losses	-	(216,982)	-	-	-	(216,982)
Insurance acquisition cash flows amortisation	1,816,702	-	-	-	-	1,816,702
Total insurance service expenses	1,816,702	(216,982)	-	5,664,599	(39,578)	7,224,741
Insurance service result	(9,736,743)	(216,982)	-	5,664,599	(39,578)	(4,328,704)
Finance expenses from insurance contracts issued recognised in profit or loss	-	-	-	439,729	26,799	466,528
Finance expenses from insurance contracts held	-	-	-	439,729	26,799	466,528
Total amounts recognised in comprehensive income	(9,736,743)	(216,982)	-	6,104,328	(12,779)	(3,862,176)
Cash flows						
Premiums received	10,767,297	-	-	-	-	10,767,297
Claims and other directly attributable expenses paid	-	-	-	(7,448,856)	-	(7,448,856)
Insurance acquisition cash flows	(1,837,687)	-	-	-	-	(1,837,687)
Total cash flows	8,929,610	-	-	(7,448,856)	-	1,480,754
Other movements						
Translation difference	(303,385)	(23,087)	-	(756,181)	(23,499)	(1,106,152)
Insurance contract liabilities, end of year	2,292,656	11,625	-	5,954,219	373,115	8,631,615



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.5 Insurance contracts issued – Property & Casualty continued

5.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims continued

Gross:

2023	LRC		LIC for contracts not under the PAA	LIC for contracts under the PAA		Total
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract liabilities, beginning of year	3,392,113	283,717	-	6,441,526	404,927	10,522,283
Insurance revenue	(11,222,530)	-	-	-	-	(11,222,530)
Insurance service expenses:						
Incurring claims and other directly attributable expenses	-	-	-	4,001,919	(87,235)	3,914,684
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	3,082,206	-	3,082,206
Losses on onerous contracts and reversal of those losses	-	(45,876)	-	-	-	(45,876)
Insurance acquisition cash flows amortisation	1,801,521	-	-	-	-	1,801,521
Total insurance service expenses	1,801,521	(45,876)	-	7,084,125	(87,235)	8,752,535
Insurance service result	(9,421,009)	(45,876)	-	7,084,125	(87,235)	(2,469,995)
Finance expenses from insurance contracts issued recognised in profit or loss	-	-	-	633,920	67,638	701,558
Finance expenses from insurance contracts held	-	-	-	633,920	67,638	701,558
Total amounts recognised in comprehensive income	(9,421,009)	(45,876)	-	7,718,045	(19,597)	(1,768,437)
Cash flows						
Premiums received	11,143,917	-	-	-	-	11,143,917
Claims and other directly attributable expenses paid	-	-	-	(7,085,416)	-	(7,085,416)
Insurance acquisition cash flows	(1,847,710)	-	-	-	-	(1,847,710)
Total cash flows	9,296,207	-	-	(7,085,416)	-	2,210,791
Other movements						
Translation difference	135,863	13,853	-	980,773	24,063	1,154,552
Insurance contract liabilities, end of year	3,403,174	251,694	-	8,054,928	409,393	12,119,189



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.6 Insurance contracts issued-Health

5.6.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

Gross:

2024	LRC		LIC for contracts not under the PAA	LIC for contracts under the PAA		Total
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract liabilities, beginning of year	4,684,795	438,839	-	3,088,914	275,414	8,487,962
Insurance revenue	(17,603,951)	-	-	-	-	(17,603,951)
Insurance service expenses:						
Incurring claims and other directly attributable expenses	-	-	-	15,901,477	5,806	15,907,283
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	51,581	6,500	58,081
Losses on onerous contracts and reversal of those losses	-	(63,847)	-	-	-	(63,847)
Insurance acquisition cash flows amortisation	1,926,079	-	-	-	-	1,926,079
Total insurance service expenses	1,926,079	(63,847)	-	15,953,058	12,306	17,827,596
Insurance service result	(15,677,872)	(63,847)	-	15,953,058	12,306	223,645
Finance expenses from insurance contracts issued recognised in profit or loss	-	-	-	88,325	4,108	92,433
Total amounts recognised in comprehensive income	(15,677,872)	(63,847)	-	16,041,383	16,414	316,078
Cash flows						
Premiums received	17,610,662	-	-	-	-	17,610,662
Claims and other directly attributable expenses paid	-	-	-	(15,397,028)	-	(15,397,028)
Insurance acquisition cash flows	(1,917,654)	-	-	-	-	(1,917,654)
Total cash flows	15,693,008	-	-	(15,397,028)	-	295,980
Other movements						
Translation difference	(121,544)	(44,070)	-	(518,031)	(30,029)	(713,674)
Insurance contract liabilities, end of year	4,578,387	330,922	-	3,215,238	261,799	8,386,346



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.6 Insurance contracts issued-Health continued

5.6.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims continued

Gross:

	LRC		LIC for contracts not under the PAA	LIC for contracts under the PAA		Total
	Excluding loss component	Loss component		Present value of future cash flows	Risk adjustment for non-financial risk	
2023	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract liabilities, beginning of year	4,234,096	635,437	-	2,641,284	238,822	7,749,639
Insurance revenue	(17,320,202)	-	-	-	-	(17,320,202)
Insurance service expenses:						
Incurred claims and other directly attributable expenses	-	-	-	15,627,153	(14)	15,627,139
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	(271,400)	-	(271,400)
Losses on onerous contracts and reversal of those losses	-	(297,599)	-	-	-	(297,599)
Insurance acquisition cash flows amortisation	1,870,013	-	-	-	-	1,870,013
Total insurance service expenses	1,870,013	(297,599)	-	15,355,753	(14)	16,928,153
Insurance service result	(15,450,189)	(297,599)	-	15,355,753	(14)	(392,049)
Finance expenses from insurance contracts issued recognised in profit or loss	-	-	-	109,281	1,363	110,644
Total amounts recognised in comprehensive income	(15,450,189)	(297,599)	-	15,465,034	1,349	(281,405)
Cash flows						
Premiums received	18,039,349	-	-	-	-	18,039,349
Claims and other directly attributable expenses paid	-	-	-	(15,868,755)	-	(15,868,755)
Insurance acquisition cash flows	(1,881,280)	-	-	-	-	(1,881,280)
Total cash flows	16,158,069	-	-	(15,868,755)	-	289,314
Other movements						
Translation difference	(257,181)	101,001	-	851,351	35,243	730,414
Insurance contract liabilities, end of year	4,684,795	438,839	-	3,088,914	275,414	8,487,962



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.7 Insurance contracts issued - Life risk

5.7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

Gross:

	Liability for remaining coverage		Liability for incurred claims	Risk adjustment for non-financial risk	Total
	Excluding loss component	Loss component			
2024	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/ assets at beginning of year	7,412,482	325,387	(723,306)	7,351	7,021,914
Insurance revenue	(4,019,855)	-	-	-	(4,019,855)
Insurance service expenses:					
Incurred claims and other directly attributable expenses	-	(80,692)	1,849,366	-	1,768,674
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	585,723	6,497	592,220
Losses on onerous contracts and reversal of those losses	-	236,365	-	-	236,365
Insurance acquisition cash flows amortisation	720,714	-	-	-	720,714
Total insurance service expenses	720,714	155,673	2,435,089	6,497	3,317,973
Insurance service result	(3,299,141)	155,673	2,435,089	6,497	(701,882)
Finance expenses from insurance contracts issued recognised in profit or loss	803,812	65,652	-	-	869,464
Total amounts recognised in comprehensive income	(2,495,329)	221,325	2,435,089	6,497	167,582
Investment component	1,071,734	-	(1,071,734)	-	-
Cash flows					
Premiums received	3,931,206	-	-	-	3,931,206
Claims and other directly attributable expenses paid	-	-	(3,134,391)	-	(3,134,391)
Insurance acquisition cash flows	(1,021,271)	-	-	-	(1,021,271)
Total cash flows	2,909,935	-	(3,134,391)	-	(224,456)
Other movements					
Translation difference	(12,109)	-	(17,134)	2,422	(26,821)
Insurance contract (liabilities)/ assets at end of year	8,886,713	546,712	(2,511,476)	16,270	6,938,219

¹ Insurance service result and cashflows in the reconciliation of the liability for remaining coverage and the liability for incurred claims are not equal to the cashflows and insurance service result in the reconciliation of the measurement – components of insurance contract balances as portfolios under PAA whose contract boundary is short do not have reconciliation of the measurement-components of insurance contract balances.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.7 Insurance contracts issued - Life risk

5.7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

Gross:

2023	Liability for remaining coverage		Liability for incurred claims	Risk adjustment for non-financial risk	Total
	Excluding loss component	Loss component			
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	6,046,661	132,165	961,948	19,709	7,160,483
Insurance revenue	(3,499,943)	-	-	-	(3,499,943)
Insurance service expenses:					
Incurred claims and other directly attributable expenses	-	(45,773)	1,351,046	-	1,305,273
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	623,425	(11,038)	612,387
Losses on onerous contracts and reversal of those losses	-	215,757	-	-	215,757
Insurance acquisition cash flows amortisation	301,665	-	-	-	301,665
Total insurance service expenses	301,665	169,984	1,974,471	(11,038)	2,435,082
Insurance service result	(3,198,278)	169,984	1,974,471	(11,038)	(1,064,861)
Finance expenses from insurance contracts issued recognised in profit or loss	375,600	22,290	-	-	397,890
Total amounts recognised in comprehensive income	(2,822,678)	192,274	1,974,471	(11,038)	(666,971)
Investment component	863,620	-	(863,620)	-	-
Cash flows					
Premiums received	3,906,837	-	-	-	3,906,837
Claims and other directly attributable expenses paid	-	-	(2,809,313)	-	(2,809,313)
Insurance acquisition cash flows	(590,493)	-	-	-	(590,493)
Total cash flows	3,316,344	-	(2,809,313)	-	507,031
Other movements					
Translation difference	8,535	948	13,208	(1,320)	21,371
Insurance contract (liabilities)/assets at end of year	7,412,482	325,387	(723,306)	7,351	7,021,914



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.7 Insurance contracts issued - Life risk

5.7.2 Reconciliation of the measurement components of insurance contract balances

2024	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	(4,256,843)	(65,271)	(1,102,949)	(5,425,063)
Changes that relate to current				
CSM recognised for the services provided	-	-	274,572	274,572
Change in the risk adjustment for non-financial risk for the risk expired	-	22,763	-	22,763
Experience adjustments – relating to insurance service expenses	75,848	-	-	75,848
Total changes that relate to current service	75,848	22,763	274,572	373,183
Changes that relate to future service:				
Changes in estimates that adjust the CSM	127,548	(8,764)	(118,785)	(1)
Changes in estimates that result in onerous contract losses or reversals of those losses	108,776	3,058	-	111,834
Contracts initially recognised in the period	(310,059)	(11,818)	(26,322)	(348,199)
Total changes that relate to future service	(73,735)	(17,524)	(145,107)	(236,366)
Changes that relate to past service:				
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-
Experience adjustments – arising from premiums received in the period that relate to past service	-	-	-	-
Total changes that relate to past service	-	-	-	-
Insurance service result	2,113	5,239	129,465	136,817
Finance expenses from insurance contracts issued recognised in profit or loss	(718,264)	(15,079)	(136,121)	(869,464)
Finance expenses from insurance contracts held	(718,264)	(15,079)	(136,121)	(869,464)
Total amounts recognised in comprehensive income	(716,151)	(9,840)	(6,656)	(732,647)
Cash flows:				
Premiums received	(593,361)	-	-	(593,361)
Claims and other directly attributable expenses paid	1,365,891	-	-	1,365,891
Insurance acquisition cash flows	334,604	-	-	334,604
Total cash flows	1,107,134	-	-	1,107,134
Insurance contract (liabilities)/assets at end of year	(3,865,860)	(75,111)	(1,109,605)	(5,050,576)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.7 Insurance contracts issued - Life risk continued

5.7.2 Reconciliation of the measurement components of insurance contract balances continued

2023	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	(4,575,943)	(70,625)	(1,223,773)	(5,870,341)
Changes that relate to current service:				
CSM recognised for the services provided	-	-	244,513	244,513
Change in the risk adjustment for non-financial risk for the risk expired	-	14,750	-	14,750
Experience adjustments – relating to insurance service expenses	43,575	-	-	43,575
Total changes that relate to current service	43,575	14,750	244,513	302,838
Changes that relate to future service:				
Changes in estimates that adjust the CSM	(43,193)	(4,233)	47,426	-
Changes in estimates that result in onerous contract losses or reversals of those losses	(114,091)	599	-	(113,492)
Contracts initially recognised in the period	(80,330)	(5,945)	(24,014)	(110,289)
Experience adjustments – arising from premiums received in the period that relate to future service	-	-	-	-
Total changes that relate to future service	(237,614)	(9,579)	23,412	(223,781)
Changes that relate to past service:				
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-
Experience adjustments – arising from premiums received in the period that relate to past service	-	-	-	-
Total changes that relate to past service	-	-	-	-
Insurance service result	(194,039)	5,171	267,925	79,057
Finance expenses from insurance contracts issued recognised in profit or loss	(250,971)	183	(147,101)	(397,889)
Finance expenses from insurance contracts held	(250,971)	183	(147,101)	(397,889)
Total amounts recognised in comprehensive income	(445,010)	5,354	120,824	(318,832)
Cash flows:				
Premiums received	(730,592)	-	-	(730,592)
Claims and other directly attributable expenses paid	1,273,356	-	-	1,273,356
Insurance acquisition cash flows	221,346	-	-	221,346
Total cash flows	764,110	-	-	764,110
Insurance contract (liabilities)/assets at end of year	(4,256,843)	(65,271)	(1,102,949)	(5,425,063)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.7 Insurance contracts issued - Life risk continued

5.7.3 Impact of contracts recognised in the year

	2024			2023		
	Non-onerous contracts originated	Onerous contracts originated	Total	Non-onerous contracts originated	Onerous contracts originated	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Estimates of the present value of future cash outflows:						
- Insurance acquisition cash flows	(5,142)	(320,977)	(326,119)	(6,279)	(81,845)	(88,124)
- Claims and other directly attributable expenses	(22,200)	(137,303)	(159,503)	(32,222)	(138,690)	(170,912)
Estimates of the present value of future cash outflows	(27,342)	(458,280)	(485,622)	(38,501)	(220,535)	(259,036)
Estimates of the present value of future cash inflows:						
Risk adjustment for non-financial risk	(1,418)	(10,400)	(11,818)	(1,088)	(4,856)	(5,944)
Insurance acquisition cash flows asset and other pre-recognition cash flows derecognised	55,081	120,482	175,563	63,603	115,102	178,705
CSM	(26,322)	-	(26,322)	(24,014)	-	(24,014)
Increase in insurance contract liabilities from contracts recognised in the period	(1)	(348,198)	(348,199)	-	(110,289)	(110,289)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.7 Insurance contracts issued - Life risk continued

5.7.4 Amounts determined on transition to IFRS 17

	2024				2023			
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance revenue	-	-	-	-	-	-	-	-
CSM as at beginning of year	-	(1,102,947)	(1,102,947)	(1,102,947)	-	(1,223,773)	(1,223,773)	(1,223,773)
Changes that relate to current service:								
CSM recognised for the services provided	-	274,572	274,572	274,572	-	244,513	244,513	244,513
Changes that relate to future service:								
Changes in estimates that adjust the CSM	-	(118,785)	(118,785)	(118,785)	-	23,412	23,412	23,412
Contracts initially recognised in the period	-	(26,322)	(26,322)	(26,322)	-	-	-	-
Experience adjustments – arising from premiums received in the period that relate to future service	-	-	-	-	-	-	-	-
Total changes that relate to future service	-	(145,107)	(145,107)	(145,107)	-	23,412	23,412	23,412
Finance expenses from insurance contracts issued	-	(136,121)	(136,121)	(136,121)	-	(147,101)	(147,101)	(147,101)
Total amounts recognised in comprehensive income	-	(6,656)	(6,656)	(6,656)	-	120,824	120,824	120,824
CSM as at year-end	-	(1,109,603)	(1,109,603)	(1,109,603)	-	(1,102,949)	(1,102,949)	(1,102,949)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.8 Insurance contracts issued - Savings continued

5.8.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

Gross

2024	Liability for remaining coverage		Liability for incurred claims	Risk adjustment for non-financial risk	Total
	Excluding loss component	Loss component			
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	15,787,671	1,399,622	(2,458,543)	-	14,728,750
Insurance revenue	(624,307)	-	-	-	(624,307)
Insurance service expenses:					
Incurred claims and other directly attributable expenses	-	(205,856)	337,647	-	131,791
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	455,244	-	-	455,244
Insurance acquisition cash flows amortisation	107,614	-	-	-	107,614
Total insurance service expenses	107,614	249,388	337,647	-	694,649
Insurance service result	(516,693)	249,388	337,647	-	70,342
Finance expenses from insurance contracts issued recognised in profit or loss	2,901,891	-	-	-	2,901,891
Finance expenses from insurance contracts held	2,901,891	-	-	-	2,901,891
Total amounts recognised in comprehensive income	2,385,198	249,388	337,647	-	2,972,233
Insurance acquisition cash flows asset	(438,947)	-	438,947	-	-
Cash flows					
Premiums received	2,322,717	-	-	-	2,322,717
Claims and other directly attributable expenses paid	-	-	(4,160,086)	-	(4,160,086)
Insurance acquisition cash flows	(358,390)	-	-	-	(358,390)
Total cash flows	1,964,327	-	(4,160,086)	-	(2,195,759)
Insurance contract (liabilities)/assets at end of year	19,698,249	1,649,010	(5,842,035)	-	15,505,224



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.8 Insurance contracts issued - Savings continued

5.8.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims continued

Gross	Liability for remaining coverage		Liability for incurred claims	Risk adjustment for non-financial risk	Total
	Excluding loss component	Loss component			
2023	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	13,814,959	876,599	145,069	-	14,836,627
Insurance revenue	(588,027)	-	-	-	(588,027)
Insurance service expenses:					
Incurred claims and other directly attributable expenses	-	(200,625)	540,041	-	339,416
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	723,648	-	-	723,648
Insurance acquisition cash flows amortisation	37,057	-	-	-	37,057
Total insurance service expenses	37,057	523,023	540,041	-	1,100,121
Insurance service result	(550,970)	523,023	540,041	-	512,094
Finance expenses from insurance contracts issued recognised in profit or loss	713,275	-	-	-	713,275
Finance expenses from insurance contracts held	713,275	-	-	-	713,275
Total amounts recognised in comprehensive income	162,305	523,023	540,041	-	1,225,369
Investment component	(447,737)	-	447,737	-	-
Cash flows					
Premiums received	2,525,177	-	-	-	2,525,177
Claims and other directly attributable expenses paid	-	-	(3,591,390)	-	(3,591,390)
Insurance acquisition cash flows	(267,033)	-	-	-	(267,033)
Total cash flows	2,258,144	-	(3,591,390)	-	(1,333,246)
Insurance contract (liabilities)/assets at end of year	15,787,671	1,399,622	(2,458,543)	-	14,728,750



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.8 Insurance contracts issued - Savings continued

5.8.2 Reconciliation of the measurement – components of insurance contract balances

2024	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	(13,505,275)	(182,678)	(1,040,797)	(14,728,750)
Changes that relate to current service:				
CSM recognised for the services provided	-	-	92,537	92,537
Change in the risk adjustment for non-financial risk for the risk expired	-	21,135	-	21,135
Experience adjustments – relating to insurance service expenses	266,057	5,174	-	271,231
Total changes that relate to current service	266,057	26,309	92,537	384,903
Changes that relate to future service:				
Changes in estimates that adjust the CSM	(412,389)	(13,352)	425,741	-
Changes in estimates that result in onerous contract losses or reversals of those losses	(221,423)	378	-	(221,045)
Contracts initially recognised in the period	(74,554)	(33,583)	(126,062)	(234,199)
Total changes that relate to future service	(708,366)	(46,557)	299,679	(455,244)
Changes that relate to past service:				
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-
Experience adjustments – arising from premiums received in the period that relate to past service	-	-	-	-
Total changes that relate to past service	-	-	-	-
Insurance service result	(442,309)	(20,248)	392,216	(70,341)
Finance expenses from insurance contracts issued recognised in profit or loss	(2,579,357)	(2,763)	(319,771)	(2,901,891)
Finance expenses from insurance contracts held	(2,579,357)	(2,763)	(319,771)	(2,901,891)
Total amounts recognised in comprehensive income	(3,021,666)	(23,011)	72,445	(2,972,232)
Unpaid premiums related to past service	-	-	-	-
Cash flows:				
Premiums received	(2,322,717)	-	-	(2,322,717)
Claims and other directly attributable expenses paid	4,160,085	-	-	4,160,085
Insurance acquisition cash flows	358,390	-	-	358,390
Total cash flows	2,195,758	-	-	2,195,758
Insurance contract (liabilities)/assets at end of year	(14,331,183)	(205,689)	(968,352)	(15,505,224)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.8 Insurance contracts issued - Savings continued continued

5.8.2 Reconciliation of the measurement – components of insurance contract balances continued

2023	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
	KShs'000	KShs'000	KShs'000	KShs'000
Insurance contract (liabilities)/assets at beginning of year	(13,675,376)	(176,720)	(984,532)	(14,836,628)
Changes that relate to current service:				
CSM recognised for the services provided	-	-	85,000	85,000
Change in the risk adjustment for non-financial risk for the risk expired	-	15,461	-	15,461
Experience adjustments – relating to insurance service expenses	108,944	2,148	-	111,092
Total changes that relate to current service	108,944	17,609	85,000	211,553
Changes that relate to future service:				
Changes in estimates that adjust the CSM	(82,280)	14,340	67,940	-
Changes in estimates that result in onerous contract losses or reversals of those losses	(685,033)	(8,175)	-	(693,208)
Contracts initially recognised in the period	245,176	(28,846)	(246,772)	(30,442)
Total changes that relate to future service	(522,137)	(22,681)	(178,832)	(723,650)
Changes that relate to past service:				
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-
Experience adjustments – arising from premiums received in the period that relate to past service	-	-	-	-
Total changes that relate to past service	-	-	-	-
Insurance service result	(413,193)	(5,072)	(93,832)	(512,097)
Finance expenses from insurance contracts issued recognised in profit or loss	(749,952)	(886)	37,567	(713,271)
Finance expenses from insurance contracts held	(749,952)	(886)	37,567	(713,271)
Total amounts recognised in comprehensive income	(1,163,145)	(5,958)	(56,265)	(1,225,368)
Unpaid premiums related to past service	-	-	-	-
Cash flows:				
Premiums received	(2,525,177)	-	-	(2,525,177)
Claims and other directly attributable expenses paid	3,591,390	-	-	3,591,390
Insurance acquisition cash flows	267,033	-	-	267,033
Total cash flows	1,333,246	-	-	1,333,246
Insurance contract (liabilities)/assets at end of year	(13,505,275)	(182,678)	(1,040,797)	(14,728,750)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.8 Insurance contracts issued - Savings continued continued

5.8.3 Impact of contracts recognised in the year

	2024			2023		
	Non-onerous contracts originated	Onerous contracts originated	Total	Non-onerous contracts originated	Onerous contracts originated	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Estimates of the present value of future cash outflows:						
- Insurance acquisition cash flows	(24,425)	(250,814)	(275,239)	(58,417)	(17,115)	(75,532)
- Claims and other directly attributable expenses	(1,563,489)	(255,604)	(1,819,093)	(1,871,599)	(208,403)	(2,080,002)
Estimates of the present value of future cash outflows	(1,587,914)	(506,418)	(2,094,332)	(1,930,016)	(225,518)	(2,155,534)
Estimates of the present value of future cash inflows:						
Risk adjustment for non-financial risk	(24,569)	(9,014)	(33,583)	(24,713)	(4,132)	(28,845)
Insurance acquisition cash flows asset and other pre-recognition cash flows derecognised	1,738,545	281,233	2,019,778	2,201,501	199,208	2,400,709
CSM	(126,062)	-	(126,062)	(246,772)	-	(246,772)
Increase in insurance contract liabilities from contracts recognised in the period	-	(234,199)	(234,199)	-	(30,442)	(30,442)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.8 Insurance contracts issued - Savings continued

5.8.4 Amounts determined on transition to IFRS 17

	2024				2023			
	New con-tracts and contracts measured under the full retrospective approach at transition	Contracts measured under the modified retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	New con-tracts and contracts measured under the full retrospective approach at transition	Contracts measured under the modified retrospective approach at transition	Contracts measured under the fair value approach at transition	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Insurance revenue	-	-	-	-	-	-	-	-
CSM as at beginning of year	-	(1,040,796)	(1,040,796)	(1,040,796)	-	-	(984,531)	(984,531)
Changes that relate to current service:								
CSM recognised for the services provided	-	92,537	92,537	92,537	-	-	85,000	85,000
Changes that relate to future service:								
Changes in estimates that adjust the CSM	-	401,122	401,122	401,122	-	-	(54,652)	(54,652)
Contracts initially recognised in the period	-	(81,949)	(81,949)	(81,949)	-	-	23,871	23,871
Experience adjustments – arising from premiums received in the period that relate to future service	-	(19,495)	(19,495)	(19,495)	-	-	(148,052)	(148,052)
Total changes that relate to future service	-	299,678	299,678	299,678	-	-	(178,833)	(178,833)
Finance expenses from insurance contracts issued	-	(319,771)	(319,771)	(319,771)	-	-	37,567	37,567
Total amounts recognised in comprehensive income	-	72,444	72,444	72,444	-	-	(56,266)	(56,266)
CSM as at year-end	-	(968,352)	(968,352)	(968,352)	-	-	(1,040,797)	(1,040,797)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.9 Reinsurance contracts held- Property & casualty

5.9.1 Reconciliation of assets for remaining coverage and amounts recoverable on incurred claims

Ceded:

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss-recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
2024	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Reinsurance contract assets, beginning of year	970,669	106,474	5,222,488	255,255	6,554,886
Net income/ (expenses) from reinsurance contracts held:					
Reinsurance expenses	(4,342,717)	-	-	-	(4,342,717)
Incurred claims and other attributable expenses recoveries	-	-	92,467	(51,745)	40,722
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	547,662	5,420	553,082
Reversals of a loss-recovery component other than change in the FCF of reinsurance contracts held	-	(91,313)	-	-	(91,313)
Net income / (expenses) from reinsurance contracts held	(4,342,717)	(91,313)	640,129	(46,325)	(3,840,226)
Finance expenses from reinsurance contracts held recognised in profit or loss	-	-	132,547	18,770	151,317
Finance expenses from reinsurance contracts held					
Total amounts recognised in comprehensive income	(4,342,717)	(91,313)	772,676	(27,555)	(3,688,909)
Cash flows:					
Premiums paid net of ceding commissions and other directly attributable expenses paid	3,820,647	-	-	-	3,820,647
Recoveries from reinsurance	-	-	(1,516,549)	-	(1,516,549)
Total cash flows	3,820,647	-	(1,516,549)	-	2,304,098
Other movements					
Translation difference	117,262	(10,730)	(627,073)	(12,223)	(532,764)
Reinsurance contract assets, end of year	565,861	4,431	3,851,542	215,477	4,637,311



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.9 Reinsurance contracts held- Property & casualty continued

5.9.1 Reconciliation of assets for remaining coverage and amounts recoverable on incurred claims continued

Ceded:

2023	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss-recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Reinsurance contract assets, beginning of year	1,196,015	53,026	3,792,435	177,335	5,218,811
Net income (expenses) from reinsurance contracts held:					
Reinsurance expenses	(4,454,234)	-	-	-	(4,454,234)
Incurred claims and other attributable expenses recoveries	-	-	2,427,183	48,768	2,475,951
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	589,001	5,003	594,004
Reversals of a loss-recovery component other than change in the FCF of reinsurance contracts held	-	44,621	-	-	44,621
Net income / (expenses) from reinsurance contracts held	(4,454,234)	44,621	3,016,184	53,771	(1,339,658)
Finance expenses from reinsurance contracts held recognised in profit or loss	-	-	100,410	10,040	110,450
Finance expenses from reinsurance contracts held	-	-	100,410	10,040	110,450
Total amounts recognised in comprehensive income	(4,454,234)	44,621	3,116,594	63,811	(1,229,208)
Cash flows:					
Premiums paid net of ceding commissions and other directly attributable expenses paid	3,946,024	-	-	-	3,946,024
Recoveries from reinsurance	-	-	(2,553,558)	-	(2,553,558)
Total cash flows	3,946,024	-	(2,553,558)	-	1,392,466
Other movements					
Translation difference	282,864	8,827	867,017	14,109	1,172,817
Reinsurance contract assets, end of year	970,669	106,474	5,222,488	255,255	6,554,886



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.10 Reinsurance contracts held - Health

5.10.1 Reconciliation of assets for remaining coverage and amounts recoverable on incurred claims

Ceded:

2024	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss-recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Reinsurance contract assets, beginning of year	(403,098)	2,448	1,550,530	68,079	1,217,959
Net income (expenses) from reinsurance contracts held:					
Reinsurance expenses	(1,526,379)	-	-	-	(1,526,379)
Other incurred directly attributable expenses	-	-	(6,025)	8,913	2,888
Incurred claims and other attributable expenses recoveries	-	-	1,505,416	(4,969)	1,500,447
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	33,630	-	-	33,630
Reversals of a loss-recovery component other than change in the FCF of reinsurance contracts held	-	-	-	-	-
Net income / (expenses) from reinsurance contracts held	(1,526,379)	33,630	1,499,391	3,944	10,586
Finance expenses from reinsurance contracts held recognised in profit or loss	-	-	10,454	1,245	11,699
Finance expenses from reinsurance contracts held	-	-	10,454	1,245	11,699
Total amounts recognised in comprehensive income	(1,526,379)	33,630	1,509,845	5,189	22,285
Cash flows:					
Premiums paid net of ceding commissions and other directly attributable expenses paid	2,474,824	-	-	-	2,474,824
Recoveries from reinsurance	-	-	(2,196,246)	-	(2,196,246)
Total cash flows	2,474,824	-	(2,196,246)	-	278,578
Other movements					
Translation difference	124,610	(169)	(303,779)	(9,929)	(189,267)
Reinsurance contract assets, end of year	669,957	35,909	560,350	63,339	1,329,555



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.10 Reinsurance contracts held - Health

5.10.1 Reconciliation of assets for remaining coverage and amounts recoverable on incurred claims continued

Ceded:

2023	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss-recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Reinsurance contract assets, beginning of year	140,856	42,378	113,369	1,245	297,848
Net income (expenses) from reinsurance contracts held:					
Reinsurance expenses	(1,465,271)	-	-	-	(1,465,271)
Other incurred directly attributable expenses	-	-	-	-	-
Incurred claims and other attributable expenses recoveries	-	-	225,286	43,477	268,763
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	1,325,280	17,336	1,342,616
Reversals of a loss-recovery component other than change in the FCF of reinsurance contracts held	-	(45,488)	-	-	(45,488)
Net income / (expenses) from reinsurance contracts held	(1,465,271)	(45,488)	1,550,566	60,813	100,620
Finance expenses from reinsurance contracts held recognised in profit or loss	-	-	2,620	-	2,620
Finance expenses from reinsurance contracts held	-	-	2,620	-	2,620
Total amounts recognised in comprehensive income	(1,465,271)	(45,488)	1,553,186	60,813	103,240
Cash flows:					
Premiums paid net of ceding commissions and other directly attributable expenses paid	974,121	-	-	-	974,121
Recoveries from reinsurance	-	-	(253,501)	-	(253,501)
Total cash flows	974,121	-	(253,501)	-	720,620
Other movements					
Translation difference	(52,804)	5,558	137,476	6,021	96,251
Reinsurance contract assets, end of year	(403,098)	2,448	1,550,530	68,079	1,217,959



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.11 Reinsurance contracts held - Life risk

5.11.1 Reconciliation of assets for remaining coverage and amounts recoverable on incurred claims

Ceded:

2024	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss-recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Reinsurance contract (liability)/assets at beginning of year	780,272	-	(203,205)	4,274	581,341
Net income / (expenses) from reinsurance contracts held:					
Reinsurance expenses	(1,199,655)	-	-	-	(1,199,655)
Other incurred directly attributable expenses	-	-	(60,168)	(1,913)	(62,081)
Incurred claims recovery	-	-	521,765	-	521,765
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	178,889	15,030	193,919
Net income / (expenses) from reinsurance contracts held	(1,199,655)	-	640,486	13,117	(546,052)
Finance expenses from reinsurance contracts held recognised in profit or loss	-	-	32,976	1,144	34,120
Finance expenses from reinsurance contracts held	-	-	32,976	1,144	34,120
Total amounts recognised in comprehensive income	(1,199,655)	-	673,462	14,261	(511,932)
Cash flows:					
Premiums paid net of ceding commissions and other directly attributable expenses paid	429,332	-	-	-	429,332
Recoveries from reinsurance	-	-	253,070	-	253,070
Total cash flows	429,332	-	253,070	-	682,402
Other movements					
Translation difference	4,568	-	(5,832)	(203)	(1,467)
Reinsurance contract (liability)/assets at end of year	14,517	-	717,495	18,332	750,344



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.11 Reinsurance contracts held - Life risk

5.11.1 Reconciliation of assets for remaining coverage and amounts recoverable on incurred claims continued

Ceded:

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss-recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
2023					
Reinsurance contract (liability)/assets at beginning of year	288,890	575	206,642	3,440	499,547
Net income / (expenses) from reinsurance contracts held:					
Reinsurance expenses	(588,833)	-	-	-	(588,833)
Other incurred directly attributable expenses	-	-	(45,087)	(50)	(45,137)
Incurred claims recovery	-	-	(37,721)	2,236	(35,485)
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	125,825	(1,555)	124,270
Income on initial recognition of onerous underlying contracts	-	(652)	-	-	(652)
Effect of changes in the risk of reinsurers' non-performance	-	-	-	-	-
Net income / (expenses) from reinsurance contracts held	(588,833)	(652)	43,017	631	(545,837)
Finance expenses from reinsurance contracts held recognised in profit or loss	-	-	-	-	-
Finance expenses from reinsurance contracts held recognised in OCI	-	-	-	-	-
Finance expenses from reinsurance contracts held	-	-	-	-	-
Total amounts recognised in comprehensive income	(588,833)	(652)	43,017	631	(545,837)
Cash flows:					
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,078,930	-	-	-	1,078,930
Recoveries from reinsurance	-	-	(458,723)	-	(458,723)
Total cash flows	1,078,930	-	(458,723)	-	620,207
Other movements					
Translation difference	1,285	77	5,859	203	7,424
Reinsurance contract (liability)/assets at end of year	780,272	-	(203,205)	4,274	581,341

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.12 Investment income and insurance finance expenses

2024	Life risk	Saving	Property & casualty	Non-insurance related	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Net investment income					
Interest revenue from financial assets not measured at FVTPL	2,445	-	2,124,307	198,348	2,325,100
Net gains on FVTPL investments	1,241,615	2,910,383	169,154	420,621	4,741,773
Rental income from investment properties	-	66,892	278,938	1,005,495	1,351,325
Net change in investment contract liabilities	-	19,386	-	17,847	37,233
Foreign exchange differences	-	-	-	(660,748)	(660,748)
Net gains from fair value adjustments to investment properties	(5,391)	135,111	53,021	(278,851)	(96,110)
Total net investment income	1,238,669	3,131,772	2,625,420	702,712	7,698,573
Finance income (expenses) from insurance contracts issued					
Changes in value of underlying assets of contracts measured under the VFA	-	(1,354,173)	-	-	(1,354,173)
Interest accreted	(702,502)	-	(558,961)	-	(1,261,463)
Effect of changes in interest rates and other financial assumptions	(214,297)	(1,547,718)	-	-	(1,762,015)
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	47,335	-	-	-	47,335
Finance expense from insurance contracts issued	(869,464)	(2,901,891)	(558,961)	-	(4,330,316)
Finance income (expenses) from reinsurance contracts issued					
Interest accreted	34,120	-	163,016	-	197,136
Finance income from reinsurance contracts issued	34,120	-	163,016	-	197,136
Net insurance finance expenses	(835,344)	(2,901,891)	(395,945)	-	(4,133,180)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.12 Investment income and insurance finance expenses continued

2023	Life risk	Saving	Property & casualty	Non-insurance related	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Net investment income					
Interest revenue from financial assets not measured at FVTPL	3,536	-	2,100,357	96,145	2,200,038
Net gains on FVTPL investments	308,481	655,206	(238,983)	234,334	959,038
Rental income from investment properties	-	67,580	246,671	930,523	1,244,774
Net change in investment contract liabilities	-	(57,949)	-	106,135	48,186
Foreign exchange differences	-	-	-	796,846	796,846
Net gains from fair value adjustments to investment properties	1,259	101,510	(10,664)	95,775	187,880
Total net investment income	313,276	766,347	2,097,381	2,259,758	5,436,762
Finance income (expenses) from insurance contracts issued					
Changes in value of underlying assets of contracts measured under the VFA	-	(713,272)	-	-	(713,272)
Interest accreted	(558,880)	-	(507,611)	-	(1,066,491)
Effect of changes in interest rates and other financial assumptions	137,436	-	-	-	137,436
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	23,555	-	-	-	23,555
Finance expense from insurance contracts issued	(397,889)	(713,272)	(507,611)	-	(1,618,772)
Finance income (expenses) from reinsurance contracts issued					
Interest accreted	-	-	113,071	-	113,071
Finance income from reinsurance contracts issued	-	-	113,071	-	113,071
Net insurance finance expenses	(397,889)	(713,272)	(394,540)	-	(1,505,701)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5) Insurance and reinsurance contracts continued

5.13 Investment contract liabilities

	2024	2023
	KShs'000	KShs'000
Balance as at 1 January	891,818	1,023,371
Contributions received	52,514	122,952
Benefits paid	(167,245)	(129,004)
Fair value movements	155,957	(125,501)
Balance as at 31 December	933,044	891,818

6) Segmental information

Management has determined the operating segments based on the reports reviewed by the Group's Board of Directors that are used to make strategic decisions. The Group has the following operating segments, by products and services and geography:

General insurance: Comprises both general insurance and health insurance to individuals and businesses. General insurance products offered include motor, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident. Non-life healthcare contracts provide medical cover to policyholders. Total income in this segment is derived primarily from insurance premiums, fees and commission income, investment income and fair value gains and losses on investments.

Life insurance: This segment offers savings, protection products and other long-term contracts (both with and without insurance risk and with and without discretionary participating features. It comprises a wide range of whole life, term assurance, unitized pensions, guaranteed pensions, pure endowment pensions and mortgage endowment products. Total income from this segment is derived primarily from insurance premiums, fees and

commission income, investment income and fair value gains and losses on investments.

Property: Comprises the Group's investments in real estate that is not included as investment in the insurance businesses. Total income comprises mainly of rent income.

Other: Comprises of an aggregation of other investment management services which includes stock brokerage, investment management and related financial advisory services included in other as they are not material to the Group and the holding company, which is not a separate reportable segment.

The group currently has operations in five countries namely Kenya, Uganda, South Sudan, Rwanda and Tanzania.

There is no single customer within the Group who accounts for more than 10% of the Group's revenue.

The Group Board of Directors assesses the performance of the reporting segments based on a measure of income and profitability.

The segment information provided to the Group Board of Directors for the reportable segments for the year ended 31 December 2024 is as follows:

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

6) Segmental information continued

a) Segmental information by business line

Year ended 31 Dec 2024	General insurance					Life assurance			Property			Total	
	KShs'm					KShs'm			KShs'm				
	Kenya	Uganda	South Sudan	Rwanda	Sub-total	Kenya	South Sudan	Sub-total	Uganda	South Sudan	Sub-total		Other Segments
Insurance revenue	17,853	7,440	1,541	2,323	29,157	4,517	128	4,645	-	-	-	-	33,802
Insurance services expenses	(16,810)	(5,178)	(1,172)	(1,892)	(25,052)	(3,952)	(61)	(4,013)	-	-	-	-	(29,065)
Net expenses from reinsurance contracts held	(1,247)	(2,037)	(223)	(322)	(3,829)	(489)	(58)	(547)	-	-	-	-	(4,376)
Insurance service result	(204)	225	146	109	276	76	9	85	-	-	-	-	361
Interest revenue from financial assets not measured at FVTPL	1,642	420	5	218	2,285	-	2	2	13	13	13	25	2,325
Net gains on FVTPL investments	169	-	-	-	169	4,573	-	4,573	-	-	-	-	4,742
Net change in investment contract liabilities	-	-	-	-	-	37	-	37	-	-	-	-	37
Rental income from investment properties	194	70	15	-	279	67	67	67	512	246	758	247	1,351
Net gains from fair value adjustments to investment properties	69	(21)	-	-	48	158	(5)	153	(164)	(87)	(251)	(46)	(96)
Net foreign exchange (expense)/income	-	-	-	-	-	-	-	-	-	-	-	(661)	(661)
Total investment income	2,074	469	20	218	2,781	4,835	(3)	4,832	361	159	520	(435)	7,698
Finance expenses from insurance contracts issued	(419)	(98)	-	(42)	(559)	(3,771)	-	(3,771)	-	-	-	-	(4,330)
Finance income from reinsurance contracts held	103	55	-	5	163	-	34	34	-	-	-	-	197
Net insurance finance expenses	(316)	(43)	-	(37)	(396)	(3,771)	34	(3,737)	-	-	-	-	(4,133)
Net insurance and investment result	1,554	651	166	290	2,661	1,140	40	1,180	361	159	520	(435)	3,926
Commissions & fee income	66	30	4	53	153	44	-	44	2	-	2	156	1,687
Other income	(103)	(196)	(397)	(117)	(813)	(542)	-	(542)	(188)	(306)	(494)	(969)	355
Operating and other expenses	-	-	-	-	-	-	-	-	-	-	-	-	(2,818)
Commissions payable	-	-	-	-	-	-	-	-	-	-	-	-	(563)
Profit/(loss) before tax	1,517	485	(227)	226	2,001	642	40	682	175	(147)	28	(124)	2,587
Tax	(333)	(219)	-	(71)	(623)	(343)	(71)	(414)	(79)	(263)	(79)	(263)	(1,308)
Profit/(loss) after tax	1,184	266	(227)	155	1,378	299	40	339	96	(147)	(51)	(387)	1,279
Loss after tax for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	(78)	(78)
Loss on disposal of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(363)	(363)
Total loss from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	(441)	(441)
Profit/(loss) for the year	1,184	266	(227)	155	1,378	299	40	339	96	(147)	(51)	(828)	838
Attributable to:													
- Parent	1,184	141	(227)	155	1,253	166	40	206	76	(103)	(27)	(948)	484
- Non-controlling interest	-	125	-	125	125	133	-	133	20	(44)	(24)	120	354
Profit/(loss) after tax	1,184	266	(227)	155	1,378	299	40	339	96	(147)	(51)	(828)	838
Other comprehensive income	3	(647)	(251)	(352)	(1,247)	(56)	(16)	(454)	(189)	643	454	219	(630)
Total comprehensive income	1,187	(381)	(478)	(197)	131	299	(16)	283	(93)	496	403	(609)	208

Statement of financial position

Reinsurance assets	1,915	3,812	85	207	6,019	763	-	763	-	-	-	-	6,782
Property & equipment	356	89	188	68	701	203	-	203	5	127	132	1,652	2,688
Investment property	3,128	730	513	-	4,371	3,211	-	3,211	4,370	3,603	7,973	3,861	19,416
Intangible assets	77	-	-	26	103	21	-	21	-	-	-	7	131
Total assets	18,601	8,570	5,217	2,987	35,375	30,249	491	30,740	4,603	3,840	8,443	244	74,802
Total liabilities	11,585	4,903	4,214	1,894	22,596	24,879	197	25,076	3,475	6,972	10,447	(3,038)	55,081
Net assets	7,016	3,667	1,003	1,093	12,779	5,370	294	5,664	1,128	(3,132)	(2,004)	3,282	19,721

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

6) Segmental information continued

b) Segmental information by business line

Year ended 31 Dec 2023	General insurance					Life assurance			Property			Total	
	KShs'm					KShs'm			KShs'm				
	Kenya	Uganda	South Sudan	Rwanda	Sub-total	Kenya	South Sudan	Sub-total	Uganda	South Sudan	Sub-total		Other Segments
Insurance revenue	16,547	7,487	2,106	2,402	28,542	3,980	109	4,089	-	-	-	-	32,631
Insurance services expenses	(14,140)	(7,824)	(1,846)	(1,872)	(25,682)	(3,499)	(35)	(3,534)	-	-	-	-	(29,216)
Net expenses from reinsurance contracts held	(1,283)	(680)	(256)	(381)	(1,240)	(484)	(61)	(545)	-	-	-	-	(1,785)
Insurance service result	1,124	343	4	149	1,620	(3)	13	10	-	-	-	-	1,630
Interest revenue from financial assets not measured at FVTPL	1,288	609	4	272	2,173	-	4	4	15	-	15	8	2,200
Net gains on FVTPL investments	(239)	-	-	-	(239)	1,162	-	1,162	-	-	-	36	959
Net change in investment contract liabilities	-	-	-	-	-	48	-	48	-	-	-	-	48
Rental income from investment properties	166	67	14	-	247	68	68	68	521	307	828	102	1,245
Net gains from fair value adjustments to investment properties	108	-	(119)	-	(11)	102	1	103	31	(18)	13	83	188
Net foreign exchange (expense)/income	-	-	-	-	-	-	-	-	-	-	-	797	797
Total investment income	1,323	676	(101)	272	2,170	1,380	5	1,385	567	289	856	1,026	5,437
Finance expenses from insurance contracts issued	(494)	-	-	(14)	(508)	(1,111)	-	(1,111)	-	-	-	-	(1,619)
Finance income from reinsurance contracts held	107	-	-	6	113	-	-	-	-	-	-	-	113
Net insurance finance expenses	(387)	(508)	(101)	(8)	(395)	(1,111)	16	(1,111)	567	289	856	1,026	(1,506)
Net insurance and investment result	2,060	1,019	(97)	413	3,395	266	16	282	567	289	856	1,028	5,561
Commissions & fee income	-	-	-	-	-	-	-	-	-	-	-	-	1,197
Other income	71	-	2	70	143	141	-	141	(12)	-	(12)	173	445
Operating and other expenses	(193)	(74)	(141)	(242)	(650)	(160)	-	(160)	(366)	(346)	(712)	(3,899)	(5,421)
Commissions payable	-	-	-	-	-	-	-	-	-	-	-	(381)	(381)
Profit/(loss) before tax	1,938	945	(236)	242	2,888	247	16	263	189	(57)	132	(1,882)	1,401
Loss on disposal of subsidiary	(785)	(308)	-	(81)	(1,174)	286	-	286	(188)	-	(188)	(124)	(1,200)
Profit/(loss) after tax	1,153	636	(236)	161	1,714	533	16	549	1	(57)	(56)	(2,006)	201
Loss after tax for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	(314)	(314)
Loss for the year	1,153	636	(236)	161	1,714	533	16	549	1	(57)	(56)	(2,320)	(113)
Attributable to:													
- Parent	1,153	337	(236)	161	1,415	297	15	312	1	(40)	(39)	(2,264)	(576)
- Non-controlling interest	-	300	-	-	300	236	-	236	-	(17)	(17)	(57)	462
Profit/(loss) after tax	1,153	637	(236)	161	1,715	533	15	548	1	(57)	(56)	(2,321)	(114)
Other comprehensive income	5	833	344	88	1,270	-	64	64	244	(756)	(512)	(161)	661
Total comprehensive income	1,158	1,470	108	249	2,985	533	79	612	245	(813)	(568)	(2,482)	547
Statement of financial position													
Property & equipment	420	128	390	74	1,012	201	-	201	-	210	210	1,691	3,114
Investment property	3,059	887	623	-	4,569	3,053	78	3,131	5,349	4,472	9,821	3,716	21,237
Intangible assets	30	1	-	-	31	-	-	-	-	-	-	16	47
Total assets	16,908	13,046	6,601	3,786	40,341	28,872	508	29,380	5,703	4,840	10,543	556	80,820
Total liabilities	10,579	8,850	5,119	2,420	26,968	23,801	198	23,999	4,481	8,468	12,949	(2,250)	61,666
Net assets	6,329	4,196	1,482	1,366	13,373	5,071	310	5,381	1,222	(3,628)	(2,406)	2,806	19,154

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

6) Segmental information continued

a) Segmental information by country

i) Total income by source

	31 December 2024				31 December 2023					
	Kenya	Uganda	Sudan	Rwanda	Total	Kenya	Uganda	Sudan	Rwanda	Total
Kshs '000										
Insurance revenue	22,368,696	7,440,256	1,669,392	2,323,214	33,801,558	20,526,431	7,487,389	2,214,918	2,401,965	32,630,703
Insurance services expenses	(20,761,308)	(5,177,776)	(1,233,499)	(1,892,376)	(29,064,959)	(17,638,673)	(7,823,723)	(1,881,678)	(1,871,818)	(29,215,892)
Net expenses from reinsurance contracts held	(1,735,854)	(2,036,794)	(280,780)	(322,264)	(4,375,692)	(1,766,432)	680,217	(318,133)	(380,527)	(1,784,875)
Insurance service result	(128,466)	225,686	155,113	108,574	360,907	1,121,326	343,883	15,107	149,620	1,629,936
Interest revenue from financial assets not measured at FVTPL	1,574,173	525,949	7,207	217,771	2,325,100	1,226,289	694,280	7,349	272,120	2,200,038
Net gains on FVTPL investments	4,741,773	-	-	-	4,741,773	959,038	-	-	-	959,038
Net change in investment contract liabilities	37,233	-	-	-	37,233	48,186	-	-	-	48,186
Rental income from investment properties	508,646	582,266	260,413	-	1,351,325	335,616	587,870	321,288	-	1,244,774
Net gains from fair value adjustments to investment properties	181,359	(185,264)	(92,205)	-	(96,110)	292,334	31,429	(135,883)	-	187,880
Net foreign exchange (expense) / income	(660,748)	-	-	-	(660,748)	796,846	-	-	-	796,846
Total investment income	6,382,436	922,951	175,415	217,771	7,698,573	3,658,309	1,313,579	192,754	272,120	5,436,762
Finance expenses from insurance contracts issued	(4,190,569)	(97,700)	-	(42,047)	(4,330,316)	(1,605,231)	-	-	(13,541)	(1,618,772)
Finance income from reinsurance contracts held	103,170	54,530	34,120	5,316	197,136	106,705	-	-	6,366	113,071
Net insurance finance expenses	(4,087,399)	(43,170)	34,120	(36,731)	(4,133,180)	(1,498,526)	-	-	(7,175)	(1,505,701)
Net insurance and investment result	2,166,571	1,105,467	364,648	289,614	3,926,300	3,281,109	1,657,462	207,861	414,565	5,560,997
Commission and fee income	-	1,687,236	-	-	1,687,236	-	1,196,961	-	-	1,196,961
Other income	266,694	31,441	3,719	52,768	354,622	380,417	(7,477)	1,611	70,394	444,945
Total income	2,433,265	2,824,144	368,367	342,382	5,968,158	3,661,526	2,846,946	209,472	484,959	7,202,903

NOTES TO THE FINANCIAL STATEMENTS

6) Segmental information

b) Segmental information by country

ii) Asset allocation by country

	31-Dec-24				31-Dec-23					
	Kenya	Uganda	South Sudan	Rwanda	Total	Kenya	Uganda	South Sudan	Rwanda	Total
KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Property and equipment	2,212,342	69,513	139,931	48,705	2,470,491	2,396,852	63,551	241,349	43,202	2,744,954
Investment property	10,199,428	5,100,261	4,116,075	-	19,415,764	9,827,997	6,236,105	5,172,582	-	21,236,684
Intangible assets	105,097	162	-	25,582	130,841	46,439	821	-	-	47,260
Total assets	47,806,761	14,462,313	9,545,756	2,987,306	74,802,136	45,197,026	19,888,513	11,948,627	3,785,895	80,820,061
Total liabilities	33,075,261	8,730,329	11,381,290	1,894,597	55,081,477	31,747,278	13,713,031	13,785,572	2,420,119	61,666,000
Total equity	14,731,500	5,731,984	(1,835,534)	1,092,709	13,449,659	13,449,748	6,175,482	(1,836,945)	1,365,776	19,154,061

iii) Commissions earned and commissions expense

	Uganda		Uganda	
	Commissions earned	Commissions expense	Commissions earned	Commissions expense
	2024	2023	2024	2023
KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Brokerage/Investment management	1,687,236	1,196,961	563,569	380,927



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7) Investment income

Company

	2024	2023
	KShs'000	KShs'000
Bank deposit interest	6,465	10,480
Loan interest receivable	42,802	128,778
Rental income from investment properties	446,881	409,930
Dividends receivable from equity investments	685,768	1,155,460
Rent, interest and dividends received	1,181,916	1,704,648
Profit on sale of property and equipment	230	23
Income from sublease	-	1,203
Miscellaneous income	26,635	19,628
Rent, interest, dividends received and other investment income	1,208,781	1,725,502
Fair value gains/ (losses) on investment properties (note 17 (b))	(49,344)	94,339
Fair value gains on equity investments at fair value through profit or loss (Note 19(b))	-	35,208
Foreign exchange losses	(660,748)	796,846
Fair value (losses)/gains	(710,092)	926,393
Net Investment Income	498,689	2,651,895

8) Other income

a) Group

	2024	2023
	KShs'000	KShs'000
Fee income	16,249	62,258
Policy administration fees	46,832	66,314
Other income	291,541	316,373
Total	354,622	444,945

Other income include interest from staff loan and agent loans. There are no individually significant items included in 'other' category.

b) Company

	2024	2023
	KShs'000	KShs'000
Shared services and direct cost recoveries	683,778	962,641



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

9) Operating and other expenses

a) Group

	2024	2023
	KShs'000	KShs'000
Staff costs (Note 10 (a))	3,894,715	3,766,830
Depreciation- property and equipment (Note 15 (a))	238,668	263,420
Depreciation- right of use (Note 16(a))	101,581	84,704
Amortisation of intangible assets (Note 14 (a))	73,968	48,821
OMAH and OMLACSA recharges ¹	676,471	863,383
Travel costs	132,754	101,233
Office running costs	1,378,476	1,114,979
Directors' expenses	216,956	227,870
Auditors' fees	73,274	63,524
Consultancy fees and expenses	550,386	342,462
Recurrent property costs	224,933	191,436
Repairs and maintenance costs	19,371	12,234
Publicity and marketing expenses	275,051	192,571
Distribution cost	615,096	472,358
Subscriptions costs	27,240	23,824
Licenses costs	15,837	18,934
Premium tax costs	400,471	368,352
Commission expenses	3,634,395	3,539,407
Other expenses ²	(86,758)	978,070
Total	12,462,885	12,674,412
Less: Amounts attributed to insurance acquisition cash flows	(4,571,109)	(4,010,257)
Other insurance service expenses	(6,393,492)	(5,720,407)
Other Operating and administration expenses	1,498,284	2,943,749

b) Company

Other expenses*	200,301	715,702
Staff costs (Note 10 (b))	466,657	712,847
Impairment loss	-	1,386,320
Consultancy fees and expenses	112,388	38,830
Staff related cost	(3,602)	315,267
Amortisation of intangible assets (Note 14 (b))	17,840	27,143
Depreciation – property & equipment (Note 15 (b))	26,384	33,491
Directors' expenses	41,018	47,978
Office running costs	38,568	30,165
Repairs and maintenance costs	11,469	(575)
Travel costs	28,245	23,948
Publicity and marketing expenses	30,865	18,055
Depreciation - right of use asset depreciation (Note 16 (b))	2,497	4,545
Audit fees	4,355	3,870
Licenses costs	-	5
Total	972,630	3,357,591

¹OMAH and OMLACSA recharges relate to group cost recharges from Old Mutual Africa Holdings

²Negative expenses are due to forex gain on Rand denominated balances payable to Old Mutual Africa Holdings following the strengthening of the Kenya Shilling.

*Other expenses include group cost recharges from Old Mutual Africa Holdings.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

10) Staff costs

a) Group

	2024	2023
	KShs'000	KShs'000
Salaries and wages	2,669,663	2,461,187
Social security benefits costs	67,892	164,025
Retirement benefit costs:		
Defined benefits scheme (Note 24)	17,058	4,396
Defined contribution scheme	211,453	238,754
Other staff costs	928,649	898,468
Total	3,894,715	3,766,830

b) Company

Salaries and wages	425,586	653,395
Social security benefits costs	41,071	59,452
Total	466,657	712,847

11) Income tax expense

a) Group

	2024	2023
	KShs'000	KShs'000
Current income tax	1,082,140	1,227,829
Deferred tax through profit and loss (Note 12 (a))	(10,264)	(27,395)
Deferred tax derecognised in the year (Note 12 (a))	235,934	-
Total income tax charge through income statement	1,307,810	1,200,434
Deferred tax through other comprehensive income (Note 12 (a))	3,921	44,343
Total	1,311,731	1,244,777

The tax on the Group's profit/ (loss) before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11) Income tax expense continued

a) Group continued

	2024	2023
	KShs'000	KShs'000
Profit before tax from continuing operations	2,587,174	1,400,906
Loss before tax from a discontinued operation	(441,102)	(314,359)
Accounting profit before tax	2,146,072	1,086,547
Tax calculated at statutory tax rate*	639,306	420,271
Tax effect of income not subject to tax	(624,313)	(815,059)
Tax effect of expenses not deductible for tax purposes	587,472	1,562,425
Deferred tax previously recognised now derecognised	235,934	-
Deferred tax asset not recognized	469,411	32,797
Total income tax charge through income statement	1,307,810	1,200,434
Amount recognised in other comprehensive income		
- Tax effect on revaluation of property, plant and equipment	2,689	44,343
- Deferred tax on remeasurement of retirement benefit obligations	1,232	-
Total Deferred tax through other comprehensive income	3,921	44,343
Total	1,311,731	1,244,777

Tax rates applicable in the respective countries are:

Kenya, Uganda 30% (2023: 30%), Rwanda 28% (2023:30%) and South Sudan 20% (2023: 20%).

Movement in the tax (payable)/recoverable account is as follows:

At 1 January	222,968	208,294
Taxation charge	(1,082,140)	(1,227,829)
Taxation paid	1,158,318	1,242,503
At end of the year	299,146	222,968

Disclosed as follows;

Current income tax recoverable	391,525	441,428
Current income tax payable	(92,379)	(218,460)
Total	299,146	222,968

b) Company

Current income tax	-	-
Deferred tax (Note 12 (b))	-	-
Prior year under provision for deferred tax	-	-
Total	-	-

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11) Income tax expense continued

b) Company continued

	2024	2023
	KShs'000	KShs'000
Loss before tax	(888,649)	(1,927,447)
Tax calculated at a tax rate of 30% (2023:30%);	(266,595)	(578,234)
Tax effect of income not subject to tax	(418,794)	(415,644)
Tax effect of expenses not deductible for tax purposes	484,946	727,731
Prior year (under)/over provision for deferred tax	-	-
Deferred tax derecognized/not recognised in the year	200,443	266,147
Total	-	-

Movement in the tax recoverable account is as follows:

	2024	2023
At 1 January	311,944	260,669
Taxation (recovered)/ paid	(163,722)	51,275
At end of the year	148,222	311,944

12) Deferred income tax

Deferred income tax is calculated on all temporary differences under the liability method using a principal tax rate of 30% (2023: 30%) for Kenya and Uganda, Rwanda 28% (2023: 30%) and 20% (2023: 20%) for South Sudan. The movement in deferred income tax is as follows:

a) Group

	2024	2023
	KShs'000	KShs'000
At start of year:	83,529	3,075
(Charge)/ credit to profit or loss (Note 11(a))	(10,264)	(27,395)
Credit to other comprehensive income (Note 11(a))	3,921	44,343
Derecognised in the year (Note 11 (a))	235,934	-
Translation difference	(54,237)	63,506
Total	258,883	83,529

Disclosed as follows;

	2024	2023
	KShs'000	KShs'000
Deferred tax asset	(109,989)	(399,607)
Deferred tax liability	368,872	483,136
Total	258,883	83,529

Deferred income tax assets and liabilities, deferred tax charge/(credit) to the income statement and other comprehensive income are attributable to the following items:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12) Deferred income tax continued

a) Group continued

Year ended 31 December 2024

	At 1 Jan 2024	(Charge) / Credit to Profit or loss	Charge / Credit to OCI	Translation reserves	At 31 December 2024
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Property and equipment on historical cost basis	384,784	(5,002)	-	(4,190)	375,592
Investment property fair value losses	528,850	76,683	2,689	116,845	725,067
Tax losses	(3,250,345)	(469,411)	-	-	(3,719,756)
Other provisions	1,117,449	153,989	1,232	(166,892)	1,105,778
Total deferred tax asset	(1,219,262)	(243,741)	3,921	(54,237)	(1,513,319)
Deferred tax not recognised	1,302,791	469,411	-	-	1,772,202
Net deferred tax assets recognised	83,529	225,670	3,921	(54,237)	258,883

Year ended 31 December 2023

	1 Jan 2023	(Charge) / Credit to Profit or loss	Charge / Credit to OCI	Translation reserves	At 31 December 2023
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Property and equipment on historical cost basis	369,806	6,289	-	8,689	384,784
Investment property fair value losses	696,097	(56,010)	44,343	(155,580)	528,850
Tax losses	(3,217,548)	(32,797)	-	-	(3,250,345)
Other provisions	884,726	22,326	-	210,397	1,117,449
Total deferred tax asset	(1,266,919)	(60,192)	44,343	63,506	(1,219,262)
Deferred tax not recognized	1,269,994	32,797	-	-	1,302,791
Net deferred tax assets recognised	3,075	(27,395)	44,343	63,506	83,529

b) Company

	2024	2023
	KShs'000	KShs'000
At start of year:	-	-
Charge/(credit) to profit or loss (Note 11 (b))	-	-
Total	-	-

Deferred tax assets and liabilities and deferred tax charge/(credit) in the income statement are attributable to the following items:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12) Deferred income tax continued

b) Company continued

Year ended 31 December 2024

	At 1 Jan 2024	Charge)/ Credited	At 31 Dec 2024
	KShs'000	KShs'000	KShs'000
Property and equipment: - on historical cost basis	1,375,085	51,320	1,426,405
Unrealized exchange gains	(128,396)	43,085	(85,311)
Provisions	(329,443)	75,306	(254,137)
Investment property fair value gains	(39,149)	(7,402)	(46,551)
Tax losses	(2,152,024)	(602,377)	(2,754,401)
Total deferred tax assets	(1,273,927)	(440,068)	(1,713,995)
Deferred tax asset not recognized	1,273,927	440,068	1,713,995
Net deferred tax assets recognised	-	-	-

Year ended 31 December 2023

	At 1 Jan 2023	Charge)/ Credited	At 31 Dec 2023
	KShs'000	KShs'000	KShs'000
Property and equipment: - on historical cost basis	1,332,306	42,779	1,375,085
Unrealized exchange gains	95,382	(223,778)	(128,396)
Provisions	(343,357)	13,914	(329,443)
Investment property fair value gains	(38,999)	(150)	(39,149)
Tax losses	(2,286,463)	134,439	(2,152,024)
Total deferred tax assets	(1,241,131)	(32,796)	(1,273,927)
Deferred tax asset not recognized	1,241,131	32,796	1,273,927
Net deferred tax assets recognised	-	-	-

Deferred income tax is recognised for all deductible temporary differences only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. In Kenya, effective 1 July 2021, the Kenyan Finance Act 2021, allowed for carry forward tax losses. The accumulated tax losses can be utilised to offset future taxable profits.

The Group has recognised deferred tax assets from subsidiaries where the respective subsidiaries have the ability to generate sufficient taxable profits in the foreseeable future. The Group and Company has therefore not recognised deferred tax assets where there is uncertainty regarding the ability of the Company or a subsidiary to generate taxable profits in the foreseeable future to facilitate utilization of the tax assets.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

13) Earnings per share

Basic earnings per share are calculated by dividing the Group's profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

	2024	2023
	KShs'000	KShs'000
Profit/(Loss) attributable to equity holders of the parent (KShs'000)	484,463	(575,617)
Number of shares in issue (in thousands)	211,718	211,718
Basic and diluted earnings per share (KShs)	2.29	(2.72)

14) Goodwill and other intangible assets

a) Group

	Computer software			
	Goodwill	In use	Work in progress	Total
	KShs'000	KShs'000	KShs'000	KShs'000
Cost				
Balance as at 1 January 2023	240,030	923,125	10,201	1,173,356
Additions	-	29,661	-	29,661
Assets held for sale	(174,363)	(6,686)	-	(181,049)
Translation differences	-	1,355	-	1,355
Balance as at 31 December 2023	65,667	947,455	10,201	1,023,323
Additions	-	156,553	-	156,553
Transfers	-	10,201	(10,201)	-
Assets held for sale	-	-	-	-
Translation differences	-	996	-	996
Balance as at 31 December 2024	65,667	1,115,205	-	1,180,872
Amortisation and impairment losses				
Balance as at 1 January 2023	174,363	861,575	-	1,035,938
Assets held for sale	(174,363)	-	-	(174,363)
Amortisation charge for the year	-	48,821	-	48,821
Balance as at 31 December 2023	-	910,396	-	910,396
Amortisation charge for the year	-	73,968	-	73,968
Balance as at 31 December 2024	-	984,364	-	984,364
Net carrying value as at:				
As at 31 December 2023	65,667	37,059	10,201	112,927
As at 31 December 2024	65,667	130,841	-	196,508



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

14) Goodwill and other intangible assets continued

a) Group continued

The goodwill arose from acquisition of UAP Century Tanzania in 2013 (KShs 174m) and UAP Old Mutual Insurance Uganda Limited in 2004 (KShs 66m) and is therefore all allocated to the Tanzania and Uganda Cash Generating Units (CGUs) for the purposes of impairment assessment. The goodwill allocated to the Tanzania CGU was written down to zero in 2018. No goodwill write down was proposed for the Uganda CGU as the business remained profitable in 2023.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a 5-year period. The growth rates do not exceed the long-term average growth rates for the respective businesses in which CGUs operate.

The key assumptions used for the value in use calculations are:

	2024	2023
	KShs'000	KShs'000
Discount rate %	23.3%	23.3%
Growth rate %	5%	5%

Management determined budgeted profit from operating activities based on past performance and its expectations for the market developments. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are

pre-tax and reflect specific risks relating to the Uganda segment.

Work in Progress relates to software developments done for the Group, which have not yet been completed.

b) Company

	2024	2023
	KShs'000	KShs'000
Cost		
At 1 January	760,394	758,394
Additions	8,776	2,000
At 31 December	769,170	760,394
Amortization		
At 1 January	743,856	716,713
Charge for the year	17,840	27,143
At 31 December	761,696	743,856
Net book amount	7,474	16,538

The above balances relate to computer software.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

15) Property and equipment

a) Group

Year ended 31 December 2024

	Buildings	Office furniture & equipment	Motor vehicles	Capital work in progress	Telephone equipment	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Cost/Valuation						
At 1 January 2024	2,957,988	3,176,442	197,331	70,329	136,099	6,538,189
Additions	-	114,010	7,433	55,753	567	177,763
Disposals	-	(14,936)	-	-	-	(14,936)
Transferred from investment property	-	-	-	-	-	-
Revaluation gain	40,088	-	-	-	-	40,088
Assets held for sale	-	-	-	-	-	-
Translation difference	(190,071)	(254,394)	(22,871)	(20,110)	(5,871)	(493,317)
At 31 December 2024	2,808,005	3,021,122	181,893	105,972	130,795	6,247,787
Depreciation						
At 1 January 2024	795,061	2,701,488	171,359	-	125,327	3,793,235
Charge for the year	43,791	180,036	12,401	-	2,440	238,668
Accumulated depreciation on disposals	-	(8,248)	-	-	-	(8,248)
Assets held for sale	-	-	-	-	-	-
Translation difference	-	(205,700)	(21,393)	(13,462)	(5,804)	(246,359)
At 31 December 2024	838,852	2,667,576	162,367	(13,462)	121,963	3,777,296
Net book value						
As at 31 December 2024	1,969,153	353,546	19,526	119,434	8,832	2,470,491

Year ended 31 December 2023

	Buildings	Office furniture & equipment	Motor vehicles	Capital work in progress	Telephone equipment	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Cost/Valuation						
At 1 January 2023	2,345,162	2,844,135	163,215	81,818	120,429	5,554,759
Additions	-	153,398	36,112	19,026	8,953	217,489
Disposals	-	(1,253)	(1,249)	-	-	(2,502)
Transferred from investment property	319,232	-	-	-	-	319,232
Revaluation gain	50,515	-	-	11,548	-	62,063
Assets held for sale	-	(110,935)	(31,294)	(73,736)	-	(215,965)
Translation difference	243,079	291,097	30,547	31,673	6,717	603,113
At 31 December 2023	2,957,988	3,176,442	197,331	70,329	136,099	6,538,189
Depreciation						
At 1 January 2023	756,347	2,367,359	158,797	14,702	115,253	3,412,458
Charge for the year	38,714	203,917	17,331	-	3,458	263,420
Accumulated depreciation on disposals	-	(750)	(1,249)	-	-	(1,999)
Assets held for sale	-	(100,525)	(32,528)	(33,405)	-	(166,458)
Translation difference	-	231,487	29,008	18,703	6,616	285,814
At 31 December 2024	795,061	2,701,488	171,359	-	125,327	3,793,235
Net book value						
As at 31 December 2023	2,162,927	474,954	25,972	70,329	10,772	2,744,954



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

15) Property and equipment continued

a) Group continued

Included in equipment are assets with an original cost of KShs 2b (2023 – KShs 1.98b) which are fully depreciated and still in use. Such assets would have attracted a notional depreciation of KShs 491m (2023 – KShs 478m). The revaluation deficit in buildings relates to the portion of fair value losses on investment properties, which is owner occupied. The owner-occupied portion of investment property was transferred to buildings as detailed in Note 17.

Carrying amounts for buildings if measured at historical cost less accumulated depreciation.

	2024	2023
	KShs'000	KShs'000
At 1 January	1,373,005	1,419,793
Accumulated depreciation	(201,377)	(206,812)
Translation difference	(116,798)	160,024
At end of the year	1,054,830	1,373,005

b) Company

	Office furniture & equipment	Computer equipment	Motor vehicles	Telephone equipment	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Cost					
At 1 January 2024	98,225	349,402	32,177	56,269	536,073
Additions	4,659	5,844	-	-	10,503
Disposals	-	(142)	-	-	(142)
At 31 December 2024	102,884	355,104	32,177	56,269	546,434
Depreciation					
At 1 January 2024	73,225	329,786	32,177	47,234	482,422
Charge for the year	10,654	13,822	-	1,908	26,384
Disposals	-	(142)	-	-	(142)
At 31 December 2024	83,879	343,466	32,177	49,142	508,664
Net book value					
As at 31 December 2024	19,005	11,638	-	7,127	37,770
Cost					
At 1 January 2023	95,290	338,233	32,177	47,696	513,396
Additions	2,935	11,441	-	8,573	22,949
Disposals	-	(272)	-	-	(272)
At 31 December 2023	98,225	349,402	32,177	56,269	536,073
Depreciation					
At 1 January 2023	63,154	313,096	28,641	44,274	449,165
Charge for the year	10,071	16,923	3,536	2,960	33,490
Disposals	-	(233)	-	-	(233)
At 31 December 2023	73,225	329,786	32,177	47,234	482,422
Net book value as					
At 31 December 2023	25,000	19,616	-	9,035	53,651

Included in equipment are assets with an original cost of KShs 426m (2023: KShs 390m) which are fully depreciated and still in use. Such assets would have attracted a notional depreciation of KShs 129m (2023: KShs 100m).



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

16) Right of use assets

a) Group

	Buildings	Office equipment	Total
	KShs'000	KShs'000	KShs'000
At 1 Jan 2024	537,134	29,966	567,100
Additions	10,795	-	10,795
Lease derecognition	(43,371)	(29,966)	(73,337)
Translation difference	(50,795)	-	(50,795)
At 31 December 2024	453,763	-	453,763
Depreciation			
At 1 January 2024	179,588	18,417	198,005
Charge for the year	99,084	2,497	101,581
Charge on lease derecognition	(40,873)	(20,914)	(61,787)
Translation difference	(1,885)	-	(1,885)
At 31 December 2024	235,914	-	235,914
Net book amount as at:			
At 31 December 2024	217,849	-	217,849
Cost			
At 1 Jan 2023	714,017	29,966	743,983
Additions	189,716	-	189,716
Lease derecognition	(250,057)	-	(250,057)
Derecognition on loss of control of a subsidiary	(112,724)	-	(112,724)
Translation difference	(3,818)	-	(3,818)
At 31 December 2023	537,134	29,966	567,100
Depreciation			
At 1 January 2023	216,742	14,672	231,414
Charge for the year	80,959	3,745	84,704
Charge on lease derecognition	(45,514)	-	(45,514)
Derecognition on loss of control of a subsidiary	(93,949)	-	(93,949)
Translation difference	21,350	-	21,350
At 31 December 2023	179,588	18,417	198,005
Net book amount as at:			
At 31 December 2023	357,546	11,549	369,095



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

16) Right of use assets continued

b) Company

2024	Buildings	Office equipment	Total
		KShs'000	
Cost			
At 1 January 2024	-	11,549	11,549
Derecognition	-	(11,549)	(11,549)
At 31 December 2024	-	-	-
Amortisation			
At 1 January 2024	-	18,417	18,417
Charge for the year	-	2,497	2,497
Disposal	-	(20,914)	(20,914)
At 31 December 2024	-	-	-
Net book amount	-	-	-
At 31 December 2024	-	-	-

2023	Buildings	Office equipment	Total
		KShs'000	
Cost			
At 1 January 2023	11,548	29,966	41,514
Derecognition	(11,548)	-	(11,548)
At 31 December 2024	-	29,966	29,966
Amortisation			
At 1 January 2023	4,264	14,671	18,935
Charge for the year	799	3,746	4,545
Disposal	(5,063)		(5,063)
At 31 December 2024	-	18,417	18,417
Net book amount	-	11,549	11,549
At 31 December 2024	-	11,549	11,549

17) Investment properties

a) Group

	2024	2023
	KShs'000	KShs'000
At start of year	21,236,684	19,210,250
Additions	-	48,961
Disposals	(59,473)	-
Unrealised fair value (losses) /gains	(96,110)	200,835
Transferred to PPE (Note 15 (a))	-	(319,232)
Translation difference	(1,665,337)	2,095,870
At end of year	19,415,764	21,236,684

Details of the investment properties held by the Group are shown in the table below



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

17) Investment properties continued

a) Group continued

	2024	2023
	KShs'000	KShs'000
Old Mutual Holdings Plc - Old Mutual Tower	5,571,000	5,566,000
Rwanda Land	258,580	312,923
Old Mutual General insurance Kenya Limited - Equity Center	1,730,000	1,663,000
Old Mutual General insurance Kenya Limited - Telkom Place	1,395,000	1,393,000
Old Mutual General insurance Kenya Limited, Plot	3,000	3,000
Old Mutual Life Assurance Kenya Limited - Union House	867,000	860,000
Old Mutual Life Assurance limited - Kimathi House	1,462,000	1,313,000
Old Mutual Life Assurance limited – NCBA Annex	882,000	880,000
UAP Insurance, South Sudan Juba Apartments	513,281	622,655
UAP Insurance, South Sudan Plot	-	78,420
UAP Properties, South Sudan Equatoria Tower	3,602,795	4,471,508
UAP Insurance, Uganda Plot	310,283	382,855
UAP Insurance, Nakawa House	420,174	504,190
UAP Properties, Uganda Nakawa Business Park	4,369,804	5,349,059
	21,384,917	23,399,610
Classified as property and equipment (Buildings)	(1,969,153)	(2,162,926)
At end of year	19,415,764	21,236,684

The Group's investment properties were revalued in December 2024 and 2023 by Knight Frank Valuers Limited, professional independent valuers in Kenya, South Sudan, Rwanda and Uganda respectively on the basis of open market and the comparative and income approach. The open market value of all properties was determined using recent market prices. The rental income earned by the Group from its investment properties leased out under operating leases amounted to KShs 1,349million (2023: KShs 1,244million). Direct operating expenses arising on

investment properties amounted to KShs 224million (2023: KShs 191million). All investment properties are classified as non-current assets. Transfers of investment property to property and equipment in 2024 and 2023 relates to the reclassification of the owner-occupied portions of the properties.

Details of the Group's investment properties and information about fair value hierarchy as at 31 December are as follows:

	2024	2023
	KShs'000	KShs'000
Level 3	19,415,764	21,236,684



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

17) Investment properties continued

b) Company continued

	2024	2023
	KShs'000	KShs'000
At start of year	5,878,924	5,784,585
Fair value gains/ (losses) unrealized	(49,344)	94,339
At end of year	5,829,580	5,878,924

Details of the investment properties held by the Company are shown in the table below:

	2024	2023
	KShs'000	KShs'000
Old Mutual Tower	5,571,000	5,566,000
Rwanda Land	258,580	312,924
At end of year	5,829,580	5,878,924

Details of the Company's investment properties and information about fair value hierarchy as at 31 December are as follows:

	2024	2023
	KShs'000	KShs'000
Level 3	5,829,580	5,878,924

The carrying value of the investment properties is the fair value of the property as determined by a registered independent valuer having an appropriate recognized professional qualification and experience in the category of the property being valued.

The investment properties are leased to third parties under operating leases as well as being partly occupied by companies of the Group though the owner-occupied portion which has been reclassified to property and equipment in the consolidated financial statements. No contingent rents are charged.

There is neither restriction on the realisability of the investment properties nor are there contractual obligations pegged to the investment properties.

Valuation methodology

The Income Approach was used to value the investment properties. The Income approach is predicated on the principal of anticipation, which holds that the present value is indicated by the expectations of future benefits.

This method is used for valuation of income producing properties. Given a known or estimated stream of net rental income, the end value is thus driven by the rate of return that is expected. The choice of return is made by comparison with such other investments as bear the nearest relationship in such matters as the physical characteristics, use and degree of risk and life of the investment.

For the Income Approach market value can be expressed in a formula: Market Value = Annual Income/Rate of Return or the capitalization rate (MV=A/R).

Valuation basis

Market Value is defined within RICS Valuation – Professional Standards / International Valuation Standards as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

17) Investment properties continued

b) Company continued

Valuation inputs and sensitivities

Key valuation considerations include:

- Passing rents
- Yield of asset class
- Existing lease terms
- Estimated occupancy levels over the holding period
- Estimated reversionary rent
- Estimated yield on reversion
- 10 year holding period

- Estimated vacancy rates and rentals for vacant space
- Irrecoverable landlord expenses
- Estimated market growth rate and rent terms on expiry of current leases

The following table summarises the key inputs, their relationship to the fair value and the sensitivities, assuming a change in the input while all other factors remain constant.

Significant input	Relationship of unobservable inputs to fair value	Sensitivity of input	Impact on profit after tax and equity
Rental rates	The higher the rentals, the higher the fair value	Increase by 10%	532,000
		Decrease by 10%	(335,300)
Discount rate	The higher the discount rate, the lower the fair value	Increase by 1%	(453,600)
		Decrease by 1%	501,900
Terminal yield rate	The higher the terminal yield rate, the lower the fair value	Increase by 1%	(362,600)
		Decrease by 1%	280,700
Vacancy rate	The higher the vacancy rate, the lower the fair value	Increase by 1%	86,100
		Decrease by 1%	109,200

18) Investments in subsidiaries – cost less impairment

Country of incorporation	2024		2023		
	Interest held	KShs'000	Interest held	KShs'000	
Old Mutual General Insurance Kenya Limited	Kenya	100%	600,000	100%	600,000
Old Mutual Life Assurance Kenya Limited	Kenya	55.7%	1,609,095	100%	1,609,095
UAP Old Mutual Insurance Uganda Limited	Uganda	53%	202,507	53%	202,507
Old Mutual Investment Group, Uganda	Uganda	65%	140,861	89%	140,861
UAP Old Mutual Properties Uganda Limited	Uganda	55%	488,743	79%	488,743
UAP Insurance South Sudan Limited	South Sudan	100%	339,442	100%	339,442
UAP Africa Limited	Mauritius	100%	1,280,125	100%	1,280,125
UAP Investments Limited	Kenya	100%	-	100%	-
UAP Properties Limited	South Sudan	70%	-	70%	-
UAP Financial Services Limited	Kenya	100%	-	100%	-
UAP Global Services Limited	Mauritius	100%	-	100%	-
			4,660,773		4,660,773



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

18) Investments in subsidiaries – cost less impairment continued

The subsidiaries below are owned indirectly by Old Mutual Holdings Plc through UAP Africa Limited (Mauritius):

	Country of incorporation	2024	2023
		Interest held KShs'000	
UAP Insurance Tanzania Limited	Tanzania	-	60%
Old Mutual Insurance Rwanda Plc	Rwanda	100%	100%

The subsidiary below is owned indirectly by Old Mutual Holdings Plc through Old Mutual Life Assurance Kenya Limited:

	Country of incorporation	2024	2023
		Interest held KShs'000	
Old Mutual Life Assurance Company Limited	Kenya	44%	44%

The Company increased/(impaired) its investment in subsidiaries as follows:

	Country of incorporation	2024	2023
		Interest held KShs'000	
UAP Africa Limited	Mauritius	-	(1,231,233)

Impairment of UAP Africa Limited in 2023 was determined based on the estimated recoverable amount of its subsidiary, UAP Insurance Tanzania Limited which was disposed of as at 31st July 2024

19) Equity investments

The Group's equity investments are measured at fair value with fair value changes recorded through the income statements for different portfolios of equity investments, as follows:

a) Group

Equity investments at fair value through profit or loss

	2024	2023
	KShs'000	KShs'000
At 1 January	2,164,530	2,569,099
Additions	-	-
Disposals	(769,975)	(123,622)
Fair value gains/(losses) charged to profit or loss	288,714	(340,491)
Assets held for sale	-	(12,870)
Translation difference	107,898	72,414
At end of the year	1,791,167	2,164,530



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

19) Equity investments continued

a) Group continued

Equity investments are comprised of listed and unlisted securities as below:

i) Listed securities

	2024	2023
	KShs'000	KShs'000
At 1 January	1,619,420	2,085,573
Additions	-	-
Disposals	(769,975)	(123,622)
Fair value (losses)/gains (charged)/credited to profit or loss	274,989	(355,472)
Assets held for sale	-	(12,870)
Translation difference	143,525	25,811
At end of the year	1,267,959	1,619,420

ii) Unlisted securities

	2024	2023
	KShs'000	KShs'000
At 1 January	545,110	483,526
Additions	-	-
Fair value gains credited to profit or loss	13,725	14,981
Translation difference	(35,627)	46,603
At end of the year	523,208	545,110
Total equities	1,791,167	2,164,530

b) Company

Unlisted

	2024	2023
	KShs'000	KShs'000
At 1 January	271,482	236,274
Recognised on loss of control of subsidiary	-	-
Fair value gains credited to profit or loss	-	35,208
At end of the year	271,482	271,482



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

20) Mortgage loans receivable

Group

	2024	2023
	KShs'000	KShs'000
At 1 January	219,829	249,424
Loans advanced	36,998	38,508
Loan repayments	(43,394)	(64,056)
Expected credit loss	(3,588)	(23,418)
Translation difference	(14,967)	19,371
At end of the year (Note 4 (d))	194,878	219,829
Maturity profile of loans		
Loans maturing:		
Within 1 year	900	62,305
In 1-5 years	106,694	129,754
In over 5 years	87,284	27,770
At end of the year (Note 4 (d))	194,878	219,829

There is no concentration of credit risk with respect to the mortgage loans receivable.

21) Other receivables and other assets

a) Group

	2024	2023
	KShs'000	KShs'000
Prepayments	398,003	254,054
Accrued income	81,944	101,492
Staff debtors	174,608	176,321
Others*	1,077,865	1,194,196
As at 31 December	1,732,420	1,726,063
Less: Provision for expected credit losses	(15,186)	(65,061)
Net amount at end of year	1,717,234	1,661,002

b) Company

Prepayments	106,696	32,861
Staff debtors	39,989	71,569
Rent debtors	38,745	16,828
Others*	9,693	43,525
As at 31 December	195,123	164,783
Less: Provision for expected credit losses	(3,577)	(5)
Net amount at end of year	191,546	164,778

There are no individually significant items under other assets category. Others for both Group and Company includes VAT and withholding tax receivables.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

22) Investments and government securities

a) Corporate bonds at amortised cost

	2024	2023
	KShs'000	KShs'000
At 1 January	100,517	102,948
Additions	6,011	-
Redemptions	(969)	(397)
Expected credit loss	(4,418)	(2,034)
As at 31 December	101,141	100,517

b) Government securities at amortised cost

At 1 January	12,781,815	10,834,707
Purchases	1,296,511	3,760,693
Disposals	(1,901,088)	(2,353,164)
Expected credit loss	(3,107)	601
Assets held for sale	-	(83,448)
Translation difference	(686,128)	622,426
As at 31 December	11,488,003	12,781,815

c) Government securities at fair value through profit and loss

At 1 January	15,306,284	17,714,092
Purchases	2,637,882	2,107,946
Disposals	(2,257,922)	(3,193,841)
Fair value gain /(losses) charged to profit or loss	1,778,663	(1,321,913)
As at 31 December	17,464,907	15,306,284

Total investment & government securities

Government securities – amortised cost	11,488,003	12,781,815
Government securities – fair value	17,464,907	15,306,284
Total government securities	28,952,910	28,088,099
Corporate bonds at amortised cost	101,141	100,517
Investments and government securities	29,054,051	28,188,616

Treasury bills and bonds maturing:

91 days to 1 year	1,453,055	1,063,778
In 1-5 years	4,504,714	4,019,708
After 5 years	22,995,141	23,004,613
As at 31 December	28,952,910	28,088,099



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

23) Cash and cash equivalents and deposits with financial institutions

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

a) Group

	2024	2023
	KShs'000	KShs'000
Deposits with financial institutions		
Deposits with financial institutions	9,997,731	9,428,939
Impairment losses	(77,012)	(103,136)
Net deposits with financial institutions	9,920,719	9,325,803
Cash and bank balances		
Cash and bank balances	1,421,080	2,661,014
Impairment losses	(2,026)	(5,290)
Net cash and bank balances	1,419,054	2,655,724

Cash and cash equivalents as per the statement of cashflows

Net deposits with financial institutions	9,920,719	9,325,803
Net cash and bank balances	1,419,054	2,655,724
Cash and cash equivalents	11,339,773	11,981,527

b) Company

Deposits with financial institutions

Deposits with financial institutions	58,886	1,261
Impairment losses	-	-
Net deposits with financial institutions	58,886	1,261

Cash and bank balances

Cash and bank balances	73,951	248,137
Impairment losses	(4)	(9)
Net cash and bank balances	73,947	248,128

Cash and cash equivalents as per the statement of cashflows

Net cash and bank balances	73,947	248,128
Net deposits with financial institutions	58,886	1,261
Cash and cash equivalents	132,833	249,389



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

24) Retirement benefit obligation

Description of plan

The Company operates a funded defined benefit pension scheme. The defined benefit scheme established under trust, was closed to new entrants with effect 31st December 2014. After that date members had the option to stay in the defined benefit scheme or to transfer the accrued benefits to the defined contribution scheme. The Scheme

funds are invested by a fund manager in a variety of asset classes comprising government securities, equities, fixed deposits and commercial paper. The amounts recognized in the profit or loss and other comprehensive income are determined as follows:

	2024	2023
	KShs'000	KShs'000
Opening retirement benefit asset	-	-
Adjustments through statement of profit or loss		
Expected return on assets	(46,621)	(43,564)
Current service cost	3,805	4,104
Interest cost	46,924	43,856
Total adjustment through profit or loss	4,108	4,396
Adjustments through other comprehensive income		
Return on plan assets	(11,150)	27,093
Actuarial gain / (loss) due to experience/financial assumptions	29,762	(10,398)
Effect of asset ceiling	(22,720)	(21,091)
Total adjustment through other comprehensive income	(4,108)	(4,396)
Present value of over/under-funding	-	-

The movement in the fair value of funded obligations is as follows:

At start of year	161,978	174,987
Current service cost	3,805	4,104
Interest cost	23,644	23,028
Actuarial gain due to experience	29,762	(10,398)
Benefits paid	(30,356)	(29,743)
As at 31 December	188,833	161,978

The movement in the fair value of the plan assets is as follows:

At start of year	308,390	321,662
Interest on scheme assets	46,621	43,564
Actuarial gains/(losses)	11,150	(27,093)
Benefits paid	(30,356)	(29,743)
As at 31 December	335,805	308,390
Present value of funded obligations	188,833	161,978
Fair value of plan assets	(335,805)	(308,390)
Effect of asset ceiling	146,972	146,412
As at 31 December	-	-



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

24) Retirement benefit obligation continued

Plan assets comprise:

	2024		2023	
	KShs'000	(%)	KShs'000	(%)
Equity instruments	23,340	6.95%	16,637	5.39%
Debt instruments	300,333	89.44%	287,513	93.23%
Other	12,132	3.61%	4,240	1.37%
As at 31 December	335,805	100%	308,390	100%

The principal actuarial assumptions used were as follows:

	2024	2023
	KShs'000	KShs'000
Discount rate	14.4%	15.9%
Future salary increases	14.4%	15.9%
Future pension increases	8%	8%
Normal retirement age (years)	3%	3%

Demographic assumptions

The principal demographic assumptions used were as follows:

- a) Mortality
- Pre-retirement: A1949/52 mortality table (as per the previous valuation) was assumed.
 - Post-retirement: The a(55) life table was assumed.
 - AIDS: No allowance for additional deaths due to the impact of AIDS has been made.
- b) Retirement: It was assumed that members will retire at their Normal Retirement Date. No allowance for ill-health retirement, early retirement or late retirement was made.
- c) Withdrawals: At rate consistent with similar arrangements

These assumptions represent management's best estimate of long-term expectation, as required by IAS 19. The gap between the discount rate and the rate of increase

in salaries is critical to the whole valuation basis. Varying the gap from one year to another introduces volatility in the actuarial liability calculation. The minimal actuarial gain Shs.30 million (2023: Shs 10 million loss) is contributed largely by the flat pension growth assumption of 3% per annum. This is in line with the Fund rules which allow for a guaranteed increase of 3% per annum and in line with intention of the Fund trustees and the Company in the future.

Sensitivity analysis of the above actuarial assumptions

The results of the actuarial valuation are more sensitive to changes in the financial assumptions than changes in the demographic assumptions. In preparing the sensitivity analysis of the results to the discount rate used, we have relied on our calculations of the duration of the liability. Based on this methodology, the results of our sensitivity analysis are summarised in the table below:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

24) Retirement benefit obligation continued

Defined benefit obligations

	Present value of obligation	Present value of obligation
	2024	2023
Current Discount rate (15.9%)	Shs.188.8 million	Shs162.0 million
Discount rate -1%	Shs.195.9 million	Shs168.3 million
Salary rate -0.5%	Shs.188.8 million	Shs162.0 million
Salary rate +0.5%	Shs.188.8 million	Shs162.0 million

25) Borrowed funds

a) Group

Movement in borrowings

	2024	2023
	KShs'000	KShs'000
At start of year	6,832,164	14,448,390
Proceeds from borrowings	5,680,286	-
Repayments	(6,390,827)	(1,672,723)
Debt to equity conversion	-	(8,772,860)
Interest cost payable	1,245,671	1,501,113
Unrealised forex (gain)/loss on borrowings	(68,519)	870,922
Translation difference	(201,279)	457,323
As at 31 December	7,097,496	6,832,165

Finance costs

Interest cost payable	1,245,671	1,501,113
Unrealised forex (gain)/loss on borrowings	(68,519)	870,922
Finance cost-Borrowings	1,177,152	2,372,035

The breakdown of the borrowings is shown below:

Lender	Borrower	Maturity	2024 KShs'000	2023 KShs'000
Old Mutual Investments Services Limited	Old Mutual Holdings Plc	2025	239,105	262,651
Stanbic Bank Limited	Old Mutual Holdings Plc	2027	5,953,653	2,331,408
ABSA Bank Limited	Old Mutual Holdings Plc	2024	-	2,967,247
State Finance Corporation (SFC)	UAP Insurance South Sudan	2024	-	209,120
DFCU Holdings	UAP Properties Limited Uganda	2028	713,198	1,061,739
Old Mutual (Africa) Holdings (Pty) Limited Loan	Old Mutual Holdings Plc	2027	191,540	-
As at 31 December			7,097,496	6,832,165



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

25) Borrowed funds continued

a) Group continued

Current and non-current split:

	2024	2023
	KShs'000	KShs'000
Current	1,038,010	5,507,775
Non-current	6,059,486	1,324,390
Total	7,097,496	6,832,165

b) Company

At start of year	5,561,307	13,039,249
Proceeds from borrowings, net of transaction costs	5,680,286	-
Repayments	(5,955,177)	(930,801)
Debt to equity conversion	-	(8,772,860)
Finance costs – interest on borrowings	1,142,775	1,356,127
Finance costs -Unrealised forex (gain)/loss on borrowings	(44,893)	869,592
As at 31 December	6,384,298	5,561,307

On 26 January 2024, the Company obtained a 3-year KShs 5.5b loan from Stanbic Bank to repay existing loans from Absa Bank and Stanbic bank that were maturing on that date. The Stanbic facility interest rate is average 6-month T-bill + 2.6%.

In addition to the above facility the Company has borrowed:

- USD 1.6m from Old Mutual Investment Services, a related company which is 100% owned by Old Mutual East Africa Holdings Group Limited (the majority shareholder of the Company). The loan is a 4-year facility maturing in 2025, at an interest rate of 3 month SOFR + 5.25%
- USD 1.4m (approx. Kshs 180,286,000) from Old Mutual (Africa) Holdings (Pty) Limited. Old Mutual (Africa) Holdings (Pty) Limited is the parent company of Old Mutual East Africa Holdings Group Limited. The facility was drawn June 2024 and is for a term of 3 years @ 6 month SOFR + 5.5%.

UAP Properties Uganda borrowed USD 11.2 million from DFCU Bank in 2020. The debt is tied to the construction of Nakawa Business Park. The loan is an 8-year facility at an interest rate of 3-months SOFR plus 4.5%.

UAP Insurance South Sudan assisted in financing the

South Sudan Equatoria Tower project by borrowing USD 6 million from SFC at an interest rate of 9.5%. The loan was fully settled by 31 December 2024.

Interest rate benchmark reform

The Group's borrowings that were based on LIBOR have transitioned to using the SOFR benchmark.

In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one. The Phase 2 amendments provide a relief which states that when changing the basis for determining contractual cash flows for financial assets and liabilities, the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement.

On this basis, we do not expect that the change will result in a material impact to the Group.

Breaches

The Group was not in breach of any loan covenants as at 31 December 2024 (2023: No breaches).



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

26) Other payables and other liabilities

a) Group

	2024	2023
	KShs'000	KShs'000
Deferred income	16,113	27,453
Accrued expenses	2,529,094	3,135,404
Accrued leave	105,995	109,009
Tenants' deposits	90,799	38,456
Withheld taxes	87,874	96,081
Other liabilities*	495,283	1,789,264
As at 31 December	3,325,158	5,195,667

There are no individually significant items under other liabilities category. Included in the other liabilities are provisions for unpaid withholding taxes, group recharges and provisions for staff costs.

b) Company

Accrued expenses	32,799	283,882
Accrued leave	16,753	31,853
Rental deposits	34,987	34,987
Other liabilities	821,552	850,964
Total	906,091	1,201,686

There are no individually significant items under other liabilities category. Included in the other liabilities are provisions for unpaid withholding taxes, group recharges and provisions for staff costs.

27) Dividend payable

a) Group

	2024	2023
	KShs'000	KShs'000
At beginning of the year	440,042	352,710
Declared during the year	173,971	157,195
Paid during the year	(73,117)	(97,089)
Translation difference	(64,383)	27,226
Total	476,513	440,042

b) Company

At beginning of the year	352,600	352,710
Payments	(223)	(110)
Total	352,377	352,600

The Directors do not recommend the payment of a dividend (2023: Nil). Payment of dividends is subject to withholding tax at a rate of either 0%, 5% or 15% depending on the nature and residence of the respective shareholders.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

28) Share capital, share premium and capital awaiting allotment.

Group and Company

The total authorised number of ordinary shares is 220 million (2023: 220 million) with a par value of KShs 5 per share. All shares in issue are fully paid.

	Number of shares (thousands)	Ordinary shares KShs'000	Share premium KShs'000	Capital Awaiting Allotment KShs'000
1 January 2024	211,718	1,058,590	4,664,801	8,772,860
31 December 2024	211,718	1,058,590	4,664,801	8,772,860

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets. Ordinary shares are classified as share capital in equity. Any premium received over and above the par value of the shares is classified as share premium.

The Company converted the above loans to preference shares, effective 30th June 2023. The

29) Retained earnings

The retained earnings balance represents the amount available for dividend distribution to the shareholders of the Company, except for cumulative fair value profit on the investment properties of KShs 539 million (2023: KShs 635 million) and common control reserve of Kshs 671 million (2023: Kshs 671 million) whose distribution is subject to restrictions imposed by regulation

30) Reserves

i) Contingency reserve

The contingency reserve represents amounts set up in the Group's Uganda based insurance subsidiaries in accordance with the Ugandan Insurance Act, which requires the following amounts to be appropriated from earnings:

- A contingency reserve calculated at the higher of 2% of gross premium and 15% of net profits of UAP Insurance Uganda Limited.
- A capital reserve calculated at 5% of net profits of UAP Insurance Uganda Limited.

The reserve is available for distribution to the extent that the minimum amounts required by the Uganda Insurance Act are maintained.

proposed conversion was approved by the lender and received board and shareholder approvals. Regulatory approval has been lodged with the relevant government authorities and is under review. The borrowings, which are subject to conversion have been accounted for as "capital awaiting allotment". Upon receipt of regulatory approvals, this will be classified as preference share capital.

In addition, the Insurance Act in Tanzania requires that a minimum capital is maintained which is the higher of 50% of Net Written Premiums and the minimum statutory requirement. Further the act requires that a contingent reserve be established which is:

- the higher of 3% of net written premium; and
- 20% of net profit.

Upon deconsolidation of UAP Tanzania Insurance contingency reserve relating to this company has been removed.

As at 31st December 2024, the subsidiaries held a contingent reserve of KShs 1,289m (2022: KShs 1,356m).

ii) Revaluation Surplus

The revaluation surplus represents upward movement in the proportion of owner-occupied Investment Properties transferred to Property and Equipment. This reserve is not distributable.

ii) Translation reserve

The translation reserve compiles all foreign currency differences arising from the translation of the financial statements of foreign operations. The translation reserve is not distributable to shareholders unless the foreign operation is abandoned or closed.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

30) Reserves continued

iii) Statutory reserve

The statutory reserves balance represents cumulative statutory reserves and relates to the unappropriated Old Mutual Life Assurance Kenya Limited fund surplus/(deficit) net of the corresponding deferred tax. The amount that would be available for dividend distribution to the shareholders of the Company, excludes the cumulative

fair value gains on the Company's investment properties whose distribution is subject to restrictions imposed by legislation.

iv) OCI items, net of tax:

The disaggregation of changes of OCI by each type of reserve in equity is shown below:

2024	Notes	Retained earnings KShs'000	Translation reserve KShs'000	Revaluation surplus KShs'000	Total KShs'000
Items that will be recycled to profit or loss					
	Exchange differences on translating foreign operations	-	(670,888)	-	(670,888)
	Total items that will be recycled to profit or loss	-	(670,888)	-	(670,888)
Items that will not be recycled to profit or loss					
	Remeasurement of retirement benefit obligations	24	4,108	-	4,108
	Deferred tax on remeasurement of retirement benefit obligations	11(a)	(1,232)	-	(1,232)
	Gains on revaluation of PPE	15 (a)	-	40,088	40,088
	Deferred tax on revaluation of PPE	11 (a)	-	(2,689)	(2,689)
	Total items that will not be recycled to profit or loss	2,876	-	37,399	40,275
	Total other comprehensive income for the year	2,876	(670,888)	37,399	(630,613)

2023	Notes	Retained earnings KShs'000	Fair value reserve KShs'000	Translation reserve KShs'000	Revaluation surplus KShs'000	Total KShs'000
Items that will be recycled to profit or loss						
	Exchange differences on translating foreign operations	-	-	638,890	-	638,890
	Total items that will be recycled to profit or loss	-	-	638,890	-	638,890
Items that will not be recycled to profit or loss						
	Remeasurement of retirement benefit obligations	24	4,396	-	-	4,396
	Deferred tax on remeasurement of retirement benefit obligations	11(a)	-	-	-	-
	Transfer of realised gains on sale of shares	513	(513)	-	-	-
	Gains on revaluation of PPE	15 (a)	-	-	62,063	62,063
	Deferred tax on revaluation of PPE	11 (a)	-	-	(44,343)	(44,343)
	Total items that will not be recycled to profit or loss	4,909	(513)	-	17,720	22,116
	Total other comprehensive income for the year	4,909	-	638,890	17,720	661,006



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31) Cash generated from operations

Reconciliation of profit before tax to cash generated from operations:

a) Group

	2024	2023
	KShs'000	KShs'000
Profit before tax from continuing operations	2,587,174	1,400,906
Adjustments for:		
Investment income (Note 5.12)	(7,698,573)	(5,431,718)
Depreciation - Property & equipment (Note 15 (a))	238,668	263,420
Depreciation - Right of use asset (Note 16 (a))	101,581	84,704
Amortisation (Note 14)	73,968	48,821
Interest cost - borrowings (Note 25 (a))	1,245,671	1,501,113
Unrealised forex (gain)/loss on borrowings(Note 25 (a))	(68,519)	870,922
Interest cost - lease liability (Note 33)	53,846	39,060
Gain on disposal of property and equipment	(230)	-
Net impairment loss on financial assets	88,133	66,226
Changes in:		
Insurance contract liabilities (net)	(2,896,411)	1,374,502
Investment contract liabilities	41,226	(131,553)
Other payables	(1,870,509)	1,868,933
Due to related parties	(564,934)	1,149,583
Re-insurance contract assets and liabilities	1,636,976	(2,256,147)
Other receivables	333,247	(1,039,956)
Retirement benefit asset	4,108	4,396
Cash generated from operations	(6,694,578)	(186,788)

b) Company

	2024	2023
Loss before tax	(888,649)	(1,972,447)
Adjustments for:		
Rent, interest and dividends received (Note 7 (a))	(1,181,916)	(1,704,648)
Miscellaneous income and income from sublease	26,635	20,831
Fair value (losses)/ gains	49,344	-129,547
Depreciation – right of use assets (Note 16 (b))	11,549	11,030
Depreciation - Property and equipment (Note 15 (b))	26,384	33,490
Amortisation (Note 14 (b))	17,840	27,143
Interest costs (Note 25 (b))	1,142,775	1,356,127
Unrealized forex (gain)/loss on borrowings (Note 25 (b))	(44,893)	869,592
Interest costs – lease liability (Note (33))	-	2,757
Net impairment of Investment in subsidiaries (Note 18)	-	1,231,233
Changes in:		
Other payables	(295,595)	250,174
Other receivables increase	136,954	41,235
Net movements in related party balances	36,953	(1,077,259)
Cash generated from operations	962,619	(1,040,289)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

32) Related party transactions

The Group is controlled by Old Mutual Limited incorporated in South Africa being the ultimate parent of the Group. Old Mutual East Africa Holdings Group is the immediate parent.

There are other companies that are related to Old Mutual Holdings Plc through common shareholdings or common directorships. Interests in subsidiaries is disclosed in Note 18.

i) Transactions with related parties

The following transactions were carried out with related companies

Group

Expense recharges to the Group by related companies

	2024	2023
	KShs'000	KShs'000
Old Mutual Life Assurance Company South Africa	404,700	506,210
Old Mutual Africa Holding	271,771	358,750
	676,471	864,960

Expense recharges relate to expenses incurred by related parties on behalf of the Group.

Interest charged on related party borrowings

	2024	2023
	KShs'000	KShs'000
Interest payable to Old Mutual Holdings East Africa	-	1,352,745
Interest payable to Old Mutual Investment service	(23,546)	77,963
Interest payable to Old Mutual Africa Holding	11,255	-
	(12,291)	1,430,708

Company

Expense recharges to the Company by related companies

	2024	2023
	KShs'000	KShs'000
Old Mutual Life Assurance Company South Africa	-	281,461
Old Mutual Africa Holding	428,675	198,559
	428,675	480,020

Expense recharges relate to expenses incurred by the related parties on behalf of the Company.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

32) Related party transactions continued

i) Transactions with related parties continued

Company continued

Expense recharges to related parties by the Company.

	2024	2023
	KShs'000	KShs'000
Old Mutual Life Assurance Kenya	66,678	122,753
Old Mutual Insurance Kenya	150,708	237,894
UAP Life Assurance Uganda	13,114	18,878
UAP Insurance South Sudan	80,093	150,590
UAP Properties Uganda	12,221	27,064
Old Mutual Life Assurance Company Limited	1	4
UAP Properties South Sudan	12,038	26,742
UAP Insurance Uganda	13,114	18,878
UAP Insurance Tanzania	-	60,995
Old Mutual Investment Group Limited, Uganda	53,311	85,607
Old Mutual Investment Group Limited, Kenya	29,289	33,927
Old Mutual Rwanda Insurance Company	30,905	61,707
Old Mutual Holdings East Africa Limited	222,306	117,604
	683,778	962,643

Expense recharges relate to expenses incurred by the Company on behalf of the related parties.

Interest income on loans to related parties.

	2024	2023
	KShs'000	KShs'000
Interest received from UAP Properties South Sudan	-	22,830
Interest received from UAP Insurance South Sudan	39,838	37,777
Interest received from UAP Properties Uganda	-	68,170
	39,838	128,777

Interest expense on related party borrowings

	2024	2023
	KShs'000	KShs'000
Interest payable to Old Mutual Holdings East Africa	-	1,352,745
Interest payable to Old Mutual Investment service	(23,546)	77,963
Interest payable to Old Mutual Africa Holding	11,255	-
	(12,291)	1,430,708



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

32) Related party transactions continued

ii) Balances with related companies

Group

	2024	2023
	KShs'000	KShs'000
Old Mutual Investment Services (note 25)	239,105	262,651
Old Mutual Holdings	191,540	-
Mortgage loans receivable (note 20)	194,878	219,829
	625,523	482,480

Mortgage loans receivable comprise mortgages to staff, which are fully secured on the mortgage properties and bear interest at 6% (2023: 6%).

iii) Payables to related parties.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties. These are short term in nature with no specific repayment date, are unsecured and are not subject to any interest charges.

Group

	2024	2023
	KShs'000	KShs'000
Old Mutual Investment Services	3,611	378
Old Mutual Investment Group	10,853	20,615
Old Mutual Securities	71	-
Old Mutual Africa Holding	2,601,147	907,811
Old Mutual Emerging market	285,186	180,158
Old Mutual Life Assurance Company South Africa	-	2,356,840
As at 31 December	2,900,868	3,465,802

Company

Old Mutual Insurance Kenya	-	28,657
UAP Insurance Uganda	54,144	77,775
Old Mutual Investment Services	3,611	3,561
Old Mutual Securities	115	131
Old Mutual Africa Holding	1,868,393	770,162
Old Mutual Emerging market	285,186	180,158
Old Mutual Life Assurance Company South Africa	-	1,843,099
Old Mutual Life Assurance Company Limited	53,006	30,241
Old Mutual Life Assurance Kenya Limited	37,756	52,741
Old Mutual East Africa Holdings Group Limited	120	-
Old Mutual Investment Group Limited	12,991	38,028
As at 31 December	2,315,322	3,024,553



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

32) Related party transactions continued

iv) Receivables from related companies

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties. These are short term in nature with no specific repayment date, are unsecured and are not subject to any interest charges.

Group	2024	2023
	KShs'000	KShs'000
Old Mutual Foundation	650	794
Old Mutual Securities	-	880
Old Mutual Africa Holding	456,820	996,150
Old Mutual Holdings East Africa Limited	662,902	516,636
Faulu Micro Finance Bank	321	644
As at 31 December	1,120,693	1,515,104
ECL on Intercompany	(370)	4,560
Total	1,120,323	1,519,664

Company

UAP Properties Uganda	2,226,912	2,771,842
UAP Insurance Uganda	-	27,928
UAP Insurance South Sudan	1,297,028	1,034,267
UAP Properties South Sudan	655,068	761,445
Old Mutual Africa Holding	456,820	819,496
UAP Global Services Mauritius	765,153	817,037
Old Mutual Holdings Limited	662,902	515,686
Faulu Micro Finance Bank	487	-
UAP Investments Kenya	1,780	1,762
Old Mutual General Insurance Kenya Limited	24,809	-
UAP Life Assurance Uganda	4,018	17,635
Old Mutual Insurance Rwanda	15,800	72,546
Old Mutual Life Assurance Company South Africa Capability Cluster	-	16,539
UAP Africa Mauritius	9,357	6,536
UAP Insurance Tanzania	-	1,059
UAP Financial Services Uganda	11,695	16,663
Old Mutual foundation	650	650
Total	6,132,479	6,881,091
ECL on Intercompany (Note 4 b(ii))	(10,135)	(12,563)
Total	6,122,344	6,868,528

ECL charged to profit and loss in relation to related party receivables was KShs 0.6 million (2023: KShs 0.9 million)



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

32) Related party transactions continued

v) Key management compensation

Group	2024	2023
	KShs'000	KShs'000
Salaries (including executive directors' salaries)	824,441	811,119
Retirement benefits costs	57,731	86,026
	882,172	897,145

Company

Company	2024	2023
	KShs'000	KShs'000
Salaries (including executive directors' salaries)	274,423	209,671
Retirement benefits costs	15,559	13,020
	289,982	222,691

vi) Directors' emoluments

Group	2024	2023
	KShs'000	KShs'000
Executive salaries (included in key management compensation above)	180,525	149,906
Fees	57,263	48,648
	237,788	198,554

Company

Company	2024	2023
	KShs'000	KShs'000
Executive salaries (included in key management compensation above)	57,263	48,648
Fees	27,011	28,798
	84,274	77,446

iv) Leases

Group	2024	2023
	KShs'000	KShs'000
Old Mutual Investment Group	7,983	7,602
Old Mutual Services Limited	953	908
Faulu Micro Finance Bank	292	278
	9,228	8,788



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

32) Related party transactions continued

iv) Leases continued

Company	2024	2023
	KShs'000	KShs'000
Old Mutual Investment Group	7,983	7,602
Old Mutual Life Assurance Company Limited	12,077	11,502
Old Mutual Services Limited	953	908
Faulu Micro Finance Bank	292	278
Old Mutual Insurance Kenya Limited	46,996	44,758
Old Mutual Life Assurance Kenya Limited	10,961	10,439
	79,262	75,487

33) Leases

a) Group

The Group as a lessor

The Group leases out its investment properties. Rental income earned during the year was KShs 1,349m (2023: KShs 1,244m). The following table sets out the maturity analysis of lease settlements, showing the undiscounted lease settlements from tenants to be received after the reporting date:

	2024	2023
	KShs'000	KShs'000
Less than one year	834,826	788,430
One to two years	852,605	745,950
Two to three years	839,079	709,554
Three to four years	864,061	700,253
Four to five years	765,219	601,411
More than five years	138,706	138,706
	4,294,496	3,684,304

Leases are negotiated for an average term of 6 years and rentals are reviewed every two years. The leases are cancellable with a penalty when the tenants do not give three months' notice to vacate the premises.

The Group as a lessee

Lease liabilities movement for the year ended 31 December.

2024	Lease liability	Restoration provisions	Total
	KShs'000	KShs'000	KShs'000
At 1 January 2024	468,511	16,131	484,642
Interest charge	53,846	-	53,846
Additions	9,468	-	9,468
Derecognition	(2,532)	(4,157)	(6,689)
Lease payments	(131,291)	-	(131,291)
Translation	(36,893)	-	(36,893)
At 31 December 2024	361,109	11,974	373,083



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

33) Leases continued

a) Group continued

The Group as a lessee continued

2023	Lease liability	Restoration provisions	Total
	KShs'000	KShs'000	KShs'000
At 1 January 2023	515,613	8,925	524,538
Interest charge	39,060	-	39,060
Additions	67,181	-	67,181
Derecognition	(164,026)	(861)	(164,887)
Lease payments	(77,080)	-	(77,080)
Assets held for sale	(19,619)	-	(19,619)
Translation	107,382	8,067	115,449
At 31 December 2024	468,511	16,131	484,642

Restoration provisions are recognised as part of other payables.

Current and non-current split:

	2024	2023
	KShs'000	KShs'000
Current	103,903	70,039
Non-current	257,206	398,472
Total	361,109	468,511

Amounts recognised in the statement of cashflow

Lease interest payments	(53,846)	(39,060)
Lease principal payments	(77,445)	(38,020)
Total	(131,291)	(77,080)

b) Company

The Company as a lessor

Rental income earned during the year was KShs 447m (2023: KShs 417m). The following table sets out the maturity analysis of lease settlements, showing the undiscounted lease settlements from tenants to be received after the reporting date:

	2024	2023
	KShs'000	KShs'000
Less than one year	517,025	470,629
One to two years	542,877	436,222
Two to three years	570,020	440,495
Three to four years	598,521	434,713
Four to five years	628,447	439,626
Total	2,856,890	2,221,685

Leases are negotiated for an average term of 6 years and rentals are reviewed every two years. The leases are cancellable with a penalty when the tenants do not give three months' notice to vacate the premises.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

33) Leases continued

b) Company continued

The Group as a lessee continued

Lease liabilities movement for the year ended 31 December

2024	Lease liability	Restoration provisions	Total
	KShs'000	KShs'000	KShs'000
At 1 January 2024	14,825	-	14,825
Interest charge	-	-	-
Sub lease payments	-	-	-
Payment	-	-	-
Derecognition	(14,825)	-	(14,825)
At 31 December 2024	-	-	-

2023	Lease liability	Restoration provisions	Total
	KShs'000	KShs'000	KShs'000
At 1 January 2023	29,389	278	29,667
Interest charge	2,757	-	2,757
Sub lease payments	(1,202)	-	(1,202)
Payment	(5,671)	-	(5,671)
Derecognition	(10,448)	(278)	(10,726)
At 31 December 2023	14,825	-	14,825

The existing lease held was terminated in the year leading to the derecognition of the lease liability held by the company.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

34) Non-controlling interest

2024	Old Mutual Life Assurance Kenya Limited	Old Mutual Life Assurance Company Limited	UAP Old Mutual Insurance Uganda Limited	Old Mutual Investment Group Uganda Limited	UAP Properties Limited (Uganda)	UAP Properties Limited (Sudan)	UAP Insurance Tanzania Limited*	Intra-group eliminations	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
NCI Percentage	44.33%	44.33%	47.00%	17.88%	21.15%	30.00%	40.00%	-	
Assets	17,332,774	12,914,857	8,569,025	1,290,094	4,603,194	3,839,605	-	-	48,549,549
Liabilities	14,090,500	10,787,009	4,902,934	351,954	3,475,441	6,972,081	-	-	40,579,919
Net assets	3,242,274	2,127,848	3,666,091	938,140	1,127,753	(3,132,476)	-	-	7,969,630
Net assets attributable to NCI	1,437,300	943,275	1,723,064	167,749	238,520	(939,743)	-	(77,127)	3,493,038
Revenue	425,999	757,918	681,436	1,780,328	362,380	159,041	(56,018)	-	4,111,084
Profit/(loss)	(392,989)	691,695	266,682	571,154	95,675	(147,618)	(77,637)	-	1,006,962
OCI	-	-	(648,053)	(128,785)	(189,034)	643,314	(44,442)	-	(367,000)
Total comprehensive income	(392,989)	691,695	(381,371)	442,369	(93,359)	495,696	(122,079)	-	639,962
Profit/(loss) allocated to NCI	(174,212)	306,628	125,340	102,128	20,235	(44,285)	17,965	-	353,799
OCI allocated to NCI	-	-	(304,586)	(23,028)	(39,981)	192,994	(17,776)	-	(192,377)
Total comprehensive income attributable to NCI	(174,212)	306,628	(179,246)	79,100	(19,746)	148,709	189	-	161,422
Cash flows (used in)/ generated from operating activities	(1,573,390)	(482,973)	(792,043)	426,260	172,082	(25,382)	-	-	-
Cash flows generated from/ (used in) investment activities	398,671	747,845	978,306	(133,297)	(4,751)	(4,615)	-	-	-
Cash flows used in financing activities	(17,501)	(22,895)	(186,061)	(278,516)	(299,615)	-	-	-	-
Net increase/ (decrease) in cash and cash equivalents as at 31 December 2024	(1,192,220)	241,977	202	14,447	(132,284)	(29,997)	-	-	-

*UAP Tanzania is held as a discontinued operation held for sale till 31 July 2024. See note 35.



34) Non-controlling interest continued

2023	Old Mutual Life Assurance Kenya Limited	Old Mutual Life Assurance Company Limited	UAP Old Mutual Insurance Uganda Limited	Old Mutual Investment Group Uganda Limited	UAP Properties Limited (Uganda)	UAP Properties Limited (Sudan)	UAP Insurance Tanzania Limited*	Intra-group eliminations	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
NCI Percentage	44.33%	44.33%	47.00%	17.88%	21.15%	30.00%	40.00%		
Assets	16,466,462	12,405,898	12,922,970	1,140,642	5,703,155	4,840,261	1,523,142		55,002,530
Liabilities	12,831,198	10,969,746	8,727,920	381,323	4,482,043	8,468,432	1,278,047		47,138,709
Net assets	3,635,264	1,436,152	4,195,050	759,319	1,221,112	(3,628,171)	245,095		7,863,821
Net assets attributable to NCI	1,611,513	636,646	1,971,675	135,774	258,265	(1,088,451)	98,038	(677,135)	2,946,325
Revenue	132,061	275,111	1,019,641	1,271,258	556,047	288,612	(144,250)		3,398,480
Profit/(loss)	334,264	199,009	636,397	385,370	1,446	(57,491)	(191,811)		1,307,184
OCI	-	-	833,183	164,736	243,317	(756,491)	50,769		535,514
Total comprehensive income	334,264	199,009	1,469,580	550,106	244,763	(813,982)	(141,042)		1,842,698
Profit/(loss) allocated to NCI	148,179	88,221	299,106	68,908	306	(17,247)	(125,743)		461,730
OCI allocated to NCI	-	-	391,595	29,456	51,462	(226,947)	20,308		265,874
Total comprehensive income attributable to NCI	148,179	88,221	690,701	98,364	51,768	(244,194)	(105,435)		727,604
Cash flows (used in)/ generated from operating activities	(740,964)	(173,108)	(431,489)	378,684	218,250	156,045	(254,556)		
Cash flows generated from/ (used in) investment activities	2,547,547	176,978	409,477	(68,105)	(8,061)	(7,712)	252,935		
Cash flows used in financing activities	(21,732)	(23,546)	(294,213)	(307,705)	(290,843)	(103,848)	(34,260)		
Net increase/ (decrease) in cash and cash equivalents as at 31 December 2023	1,784,851	(19,676)	(316,225)	2,874	(80,654)	44,485	(35,881)		



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

35) Deconsolidation of UAP Insurance Tanzania

During the year ended 31 December 2023, management embarked on a process to dispose its entire shareholding (60%) in UAP Insurance Tanzania in line with its strategic objectives. The sale transaction was fulfilled as at 31

July 2024 and the Company's control of UAP Insurance Tanzania ceased with effect from 1 August 2024 with Strategic Ventures Company Limited taking ownership.

	KShs'000
Sales proceeds	74,152
Net assets less fair value loss	(469)
Non-controlling interest derecognised	(463,490)
Foreign Currency Transfer Reserve (FCTR) recycled into Income statement	26,342
Group loss on disposal of UAP Tanzania Insurance	(363,465)

UAP Tanzania has been accounted for as a discontinued operation held for sale as at 31st December 2023 and till the sale transaction was fulfilled as at 31 July 2024.

Income statement

	2024	2023
	KShs'000	KShs'000
Insurance revenue	527,736	915,043
Insurance services expenses	(401,957)	(996,569)
Net expenses from reinsurance contracts held	(205,791)	(135,377)
Insurance service result	(80,012)	(216,903)
Interest revenue from financial assets not measured at FVTPL	28,547	84,426
Net gains on FVTPL investments	-	292
Net credit impairment losses	-	(1,862)
Total investment income	28,457	82,856
Finance expenses from insurance contracts issued	(14,225)	(23,943)
Finance income from reinsurance contracts held	9,591	12,000
Net insurance finance expenses	(4,634)	(11,943)
Net insurance and investment result	(56,099)	(145,990)
Other income	81	1,740
Total income	(56,018)	(144,250)
Operating and other expenses	(21,619)	(41,415)
Loss before tax	(77,637)	(185,665)
Income tax expense	-	(6,146)
Net loss after tax	(77,637)	(191,811)
Fair value loss on classification as held for sale	-	(122,548)
Loss before tax from discontinued operations	(77,637)	(314,359)

No income tax benefit has been recognized in relation to the fair value loss on classification as held for sale.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

35) Deconsolidation of UAP Insurance Tanzania continued

The major classes of assets and liabilities of UAP Insurance Tanzania classified as held for sale as at 31 December 2023 are, as follows:

	2023
	KShs'000
Assets	
Property and equipment	49,507
Right of use asset	18,775
Intangible assets	6,686
Equity investment at fair value through profit or loss	12,870
Current income tax recoverable	78,109
Reinsurance contract assets	458,827
Other receivables	45,164
Government securities	83,448
Deposits with financial institutions	747,249
Cash and bank balances	22,508
Less: Fair value loss	(122,548)
Assets held for sale	1,400,595
Liabilities	
Insurance contract liabilities	1,048,031
Other payables	230,016
Liabilities directly associated with assets held for sale	1,278,047

The net cash flows generated / (used) by UAP Insurance Tanzania are as below:

Net cashflows	
Cash flows used in operating activities	(254,556)
Cash flows from investing activities	252,935
Cash flows used in investing activities	(34,260)
Total net cash flows	(35,881)

36) Contingent liabilities

Legal proceedings

Old Mutual Holdings Plc, has a pending legal suit which seeks a declaration that the sale of the property known as Land Reference No. 209/13453 Upper hill, Nairobi and on which the development known as Old Mutual Towers sits, is null and void. On 30 April 2020, the Court ruled in our favour and agreed with the Company's contention and arguments rendering the title clean. The plaintiff's estate then filed a Notice of Appeal in the Court of Appeal but did not file the appeal. There has been no movement in the case since then and it is unlikely the plaintiff will pursue the appeal, and the matter has therefore been held in abeyance. Management, based on legal advice, do not

foresee the appeal being successful and has therefore made no provision in the financial statements.

Old Mutual Life Assurance Company Limited (OMLAC) has a pending legal suit filed against it, where the plaintiff is seeking an award for loss profits of KShs 64 million together with interest at court rates. The contingent liability is estimated as the amount claimed and cumulative interest from the date of filling suit, which as at the year 2024 is approximately KShs. 281 million. Based on legal advice, with our evidence, we have high chances of success, however the nature of the case is one where the possible outcome is 50:50 and therefore the recommendation is for carrying the sum as a contingent liability but not a provision in the financial statements.



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

36) Contingent liabilities continued

The Group is subject to litigation arising in the normal course of insurance business. The directors are of the opinion that these litigations will not have a material effect on the financial position or profits of the Group.

Tax contingent liabilities

In 2016, the Kenya Revenue Authority (KRA) carried out an audit of Old Mutual Life Assurance Kenya Limited's (OMLAK) tax affairs for the periods January 2011 to December 2014 and issued an assessment of KShs 68 million under the tax heads of Excise Duty, Pay As You Earn (PAYE) and Corporation Tax. OMLAK resolved to pay the principal tax amounts of the Corporation Tax and Excise Duty but objected on the PAYE assessment. On 4th November 2019, the High Court ruled that tied agents were not employees hence the PAYE assessed was not payable.

KRA gave a notice to appeal the case in the court of appeal. We await the appeal process on the matter.

The Company and its subsidiaries has other assessments and litigations by the various revenue authorities in the countries in which it operates, arising in the normal course of business. The directors are of the opinion that these will not have a material effect on the financial position or profits of the Group.

37) Subsequent events

The directors are not aware of any other events that have occurred after the reporting date that would require disclosure or adjustment to the financial statements as at the date of this report.



ANNUAL GENERAL MEETING





NOTICE OF THE 17TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Seventeenth Annual General Meeting of the shareholders of Old Mutual Holdings Plc will be held as a virtual meeting on Friday, 27 June 2025 via electronic communication platforms at 11.00 a.m. to transact the following business:

1. Reading of Notice

The Secretary to read the notice convening the meeting, table the proxies and to confirm the presence of quorum.

2. Confirmation of Minutes

Confirmation of the Minutes of the 16th Annual General Meeting held on 25 June 2024; and

ORDINARY BUSINESS

3. Consideration of Reports

To receive, consider and if thought fit, adopt the Audited Financial Statements for the year ended 31st December 2024 and the Reports of the Chairman, Directors' and Auditors' thereon.

4. Declaration of Dividend

To adopt the recommendation of the Directors that no dividend be declared or paid in respect of the financial year ended 31st December 2024.

5. Remuneration Report

To approve the directors' remuneration for the year ended 31st December 2024 as provided for in the Financial Statements.

6. Election of Directors

To approve that Mr. Matthew Brinckmann, who was appointed to fill a casual vacancy in accordance with Article 116 of the Articles of Association of the Company and being eligible offers himself for election as a director.

7. Resignation of Directors

To note the resignation of Mr. Richard Treagus as a non-executive director from the Board with effect from 8 March 2025.

8. Rotation of Directors

To approve, that in accordance with the Company's Articles of Association:

i. Mr. Clement Chinaka, retires by rotation at the dissolution of the meeting and being eligible, offers himself re-election in accordance with Articles 119, 120 and 121 of the Company's Articles of Association.

ii. Mr. Francis Kamulegeya, retires by rotation at the

dissolution of the meeting and being eligible, offers himself re-election in accordance with Articles 119, 120 and 121 of the Company's Articles of Association.

iii. Dr. Catherine Adeya, retires by rotation at the dissolution of the meeting and being eligible, offers herself re-election in accordance with Articles 119, 120 and 121 of the Company's Articles of Association.

9. Board Audit Committee

In accordance with the provisions of Section 769 of the Companies Act 2015, the following directors being member of the Board Audit Committee be elected to continue to serve as members of the Committee:

- i. Mr. Francis Kamulegeya – Chairman
- ii. Mr. Robert Mbugua
- iii. Dr. Catherine Adeya
- iv. Ms. Flora Mutahi

10. Re-appointment of External Auditors

To note that the auditors, Messrs. Ernest & Young LLP (EY), being eligible and having expressed their willingness, will continue in office in accordance with Section 721 (2) of the Companies Act, 2015 and to authorize the directors to fix their remuneration in accordance with Section 724(2) of the Companies Act, 2015.

11. Company Policies

To authorize the Board to formulate, approve, implement and regularly review policy documents as a continuing obligation envisaged under Regulation 8.21 of the Thirteenth Schedule of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 for:

- (i) Director Remuneration Policy
- (ii) Board Members' Attraction and Retention
- (iii) Corporate Disclosures Policies and Procedures
- (iv) Dispute Resolution for Internal and External Dispute

ANY OTHER BUSINESS

12. Any other Business

To transact any other business which may be properly transacted at an annual general meeting and for which valid notice has been issued in accordance with the Articles of Association of the Company.

By Order of the Board

Nannette Miingi
Group Company Secretary/Legal Counsel
3 June 2025



NOTICE OF THE 17TH ANNUAL GENERAL MEETING CONTINUED

Note:

1. This Annual General Meeting is being duly convened virtually in accordance with the Company's Articles of Association and shareholders will be able to register to follow the meeting, vote electronically or by proxy and may ask questions in the matter detailed under the Instruction Note to shareholders available on the Company's website: <https://www.oldmutual.co.ke>
2. In accordance with Article 171 and 173 of the Articles of Association of the Company, the following documents: (a) Notice of the AGM and Proxy Form – <https://www.oldmutual.co.ke/> (b) the 2024 Audited Financial Statements- <https://www.oldmutual.co.ke> are available on the Company's website.



NOTICE OF THE 17TH ANNUAL GENERAL MEETING CONTINUED

INSTRUCTION NOTES FOR THE 17TH ANNUAL GENERAL MEETING OF OLD MUTUAL HOLDINGS PLC

- 1) In accordance with Article 71 as read together with Article 85 of the Company's Articles of Association and the Companies Act 2015, the 17th Annual General Meeting of Old Mutual Holdings PLC (the "Company") will be held virtually on Friday 27th June, 2025 at 11:00 a.m.
 - d) To the extent possible, physically delivering their written questions by 21st June 2024 12:00 Noon with a return physical address or email address to the offices of Custody & Registrars, at IKM Place, Tower B, 1st Floor, 5th Ngong Avenue
- 2) All shareholders will be pre-registered using their Bio-data details in the Company Register and will receive a personalized link via SMS and/or email. Shareholders wishing to participate in the meeting still need to confirm their attendance online at <https://digital.candr.africa/> or by dialing USSD short code number *483*190# or via a link to the AGM Platform that will be sent to them via SMS and/or Email and following the various registration prompts. In order to complete the registration process, shareholders who are not using the pre-registration link will need to have their ID/ Passport Numbers which were used to purchase their shares and their shares account number at hand.

For assistance shareholders should dial the following helpline number **+254 20 8690360** from 8:00 a.m. to 4:30 p.m. from Monday to Friday. Any shareholder outside Kenya should dial the helpline number to be assisted to register or send an email to digital@candr.africa
- 3) Registration for the AGM opens on 23rd June 2025 at 08:00AM and will close on 26th June 2025 at 12.00 Noon.
- 4) Shareholders wishing to raise any questions or clarifications regarding the AGM may do so by:
 - a) Sending their written questions by email to digital@candr.africa; or
 - b) Shareholders who will have registered to participate in the meeting shall be able to ask questions via SMS by dialing the USSD code ***483*190#** and selecting the option (ask Question) on the prompts; or
 - c) Shareholders who will have registered to participate in the meeting shall be able to ask questions online at <https://digital.candr.africa/> or via a link to the AGM platform; Select Attend Event; Select "Q&A" option
- 5) Shareholders wishing to vote may do so by:
 - a) Accessing Virtual AGM via online at <https://digital.candr.africa/> or via a link to the AGM platform; Select Attend Event; Select "Old Mutual Holdings Plc AGM"; Select "Voting" option tab and vote; or
 - b) Accessing Virtual AGM via USSD platform *483*190#; Use the menu prompts menu option for "Voting" and follow the various prompts regarding the voting process
- 6) In accordance with Section 298(1) of the Companies Act, shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy to vote on their behalf.
 - A proxy need not be a member of the Company. If the Proxy appointed is not the Chairman of the AGM, the appointed proxy will need access to a mobile telephone or an internet enabled device.
 - A form of proxy is available on the company website www.oldmutual.co.ke. Physical copies of the proxy form are also available at the offices of Custody & Registrars, IKM Place, Tower B, 1st Floor, 5th Ngong Avenue, Nairobi.
 - A proxy form must be signed by the appointer or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument appointing the proxy shall be given under its common seal or under the hand of an officer or duly authorized attorney of such body corporate.
 - A completed form of proxy should be emailed to proxy@candr.africa or delivered to Custody & Registrars, at IKM Place, Tower B, 1st Floor, 5th Ngong Avenue, Nairobi so as to be received not later than Wednesday 25th June 2025 at 11.00 AM. Any person appointed as a proxy should submit his/her email or mobile telephone number to the Company no later than Wednesday 25th June 2025 at 12.00 Noon.



NOTICE OF THE 17TH ANNUAL GENERAL MEETING CONTINUED

INSTRUCTION NOTES FOR THE 17TH ANNUAL GENERAL MEETING OF OLD MUTUAL HOLDINGS PLC CONTINUED

- Any proxy registration that is rejected will be communicated to the shareholder concerned no later than Thursday 26th June 2025 to allow time to address any issues.
- 7) The AGM will be streamed live via a link which shall be provided to all shareholders who will have registered to participate in the general meeting. Duly registered shareholders and proxies will receive a short message service SMS/ and/or an email one hour ahead of the AGM, reminding duly registered shareholders and proxies that the AGM will begin in an hours' time and providing a link to the live stream.
 - 8) Duly registered shareholders and proxies may follow the proceedings of the AGM using the live stream platform and may access the agenda. Duly registered shareholders and proxies may vote (when prompted by the Chairman) via the USSD ***483*190#** or Voting Matters tab on the live stream display screen.
 - 9) A poll shall be conducted for all the resolutions put forward in the notice.
 - 10) Results of the AGM voting shall be announced in the meeting 96 hours following conclusion of the AGM on the Company's website: www.oldmutual.co.ke under the Investor Relations tab.



FORM OF PROXY

I/WE

being a member*/members of OLD MUTUAL HOLDINGS PLC hereby appoint: _____

of P. O. Box _____ and failing him/her the Chairman of the meeting to be my/our

Proxy, to vote for me/us at an Annual General Meeting of the company as a virtual meeting on Friday 27th June 2025 at 11:00 a.m. or at any adjournment thereof.

As witness by my/our hands this _____ day of _____ 2025.

Signed _____

Please indicate with a tick in the appropriate block how you wish your vote to be cast:

Agenda item	Ordinary Business	For	Against	Abstain
2	Confirmation of the Minutes of the 16th Annual General Meeting held on 25 June 2024	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	To receive, consider and if thought fit, adopt the Audited Financial Statements for the year ended 31st December 2024 and the Reports of the Chairman, Directors' and Auditors' thereon.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	To adopt the recommendation of the Directors that no dividend be declared or paid in respect of the financial year ended 31st December 2024.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	To approve the directors' remuneration for the year ended 31st December 2024 as provided for in the Financial Statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	To approve that Mr. Matthew Brinckmann, who was appointed to fill a casual vacancy in accordance with Article 116 of the Articles of Association of the Company and being eligible offers himself for election as a director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	To approve, that in accordance with the Company's Articles of Association:			
	i. Mr. Clement Chinaka, retires by rotation at the dissolution of the meeting and being eligible, offers himself re-election in accordance with Articles 119, 120 and 121 of the Company's Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ii. Mr. Francis Kamulegeya, retires by rotation at the dissolution of the meeting and being eligible, offers himself re-election in accordance with Articles 119, 120 and 121 of the Company's Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	iii. Dr. Catherine Adeya, retires by rotation at the dissolution of the meeting and being eligible, offers herself re-election in accordance with Articles 119, 120 and 121 of the Company's Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



FORM OF PROXY CONTINUED

Agenda item	Ordinary Business	For	Against	Abstain
9	Board Audit Committee In accordance with the provisions of Section 769 of the Companies Act 2015, the following directors being member of the Board Audit Committee be elected to continue to serve as members of the Committee:Association: i) Mr. Francis Kamulegeya – Chairman ii) Mr. Robert Mbugua iii) Dr. Catherine Adeya iv) Ms. Flora Mutahi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Appointment of External Auditors To note that the auditors, Messrs Ernest & Young LLP (EY), being eligible and having expressed their willingness, will continue in office in accordance with Section 721 (2) of the Companies Act, 2015 and to authorize the directors to fix their remuneration in accordance with Section 724(2) of the Companies Act, 2015.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	Company Policies To authorize the Board to formulate, approve, implement and regularly review policy documents as a continuing obligation envisaged under Regulation 8.21 of the Thirteenth Schedule of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 for: (i) Director Remuneration Policy (ii) Board Members' attraction and Retention (iii) Corporate Disclosures Policies and Procedures (iv) Dispute Resolution for Internal and External Dispute	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Notes:

In accordance with section 298(1) of the Companies Act, 2015, every member entitled to vote at the above meeting is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. A form of proxy is enclosed and should be returned to the Company Secretary's office, Secretariat@oldmutual.co.ke **Old Mutual Tower, 6th Floor, Upper Hill Road P.O. Box 43013 - 00100, Nairobi** or sent to the AGM administrator, Custody and Registrar Services Ltd (C & R Group) proxy@candr.africa Tower B, P.O. Box 8484 - 00100, Nairobi, to arrive no later than 48 hours before the meeting or any adjournment thereof.

OLDMUTUAL



DO GREAT THINGS EVERYDAY