Alliance Insurance Corporation Limited

(Registration number 29257)
Consolidated Financial statements
for the year ended 31 December 2024

General Information

Country of incorporation and domicile	United Republic of Tanzania	
Nature of business and principal activities	Underwriting all classes of non-life insurance risks as defined by the Insurance Act	
Directors	Mr. Shaffin Jamal	Tanzanian
	Mr. Yogesh Manek	Tanzanian
	Dr. Alex Nguluma	Tanzanian
	Mr. Kalpesh Mehta	British
Chief Officers	Mr. K V A Krishnan	Group Managing Director
	Mr. Rajiv Kumar	Chief Executive Officer
	Mr. Gwamaka Stambuli	Chief Finance Officer / Company Secretary
	Mr. Oswald Tellis	Head of Bancassurance
	Ms. Deborah Sarakikya	General Manager - Technical & Marketing
Registered office	7th Floor, Exim Tower, Ghana Avenue P.O. Box 9942, Dar es Salaam Telephone: + 255 754 780050 Email: admin@alliance.co.tz Website: www.alliance.co.tz	
Principal bankers	Exim Bank (Tanzania) Limited	
Auditors	Balakrishna Sreekumar & Co. Certified Public Accountants 254 Alykhan Road, Upanga P.O. Box 948 Dar es Salaam	
Legal advisors	Rex Attorneys P.O. Box 7495, Dar es Salaam Octavian Temu Advocates P.O. Box 77353, Dar es Salaam	
Independent Actuary	Kenbright Actuarial & Financial Services (T) Limited Alfa Plaza, 2nd Floor, Ali Hassan Mwinyi Road Dar es Salaam, Tanzania	
Subsidiaries	Alliance Life Assurance Limited 5th Floor, Exim Tower, Ghana Avenue P.O. Box 11522, Dar es Salaam Dar es Salaam Properties Limited 12th Floor, Exim Tower, Ghana Avenue P.O. Box 2763, Dar es Salaam Alliance Africa General Insurance Limited P.O. Box 7308, 3rd Floor, Plot 9 Yusuf Lule Road, Kampala, Uganda	

General Information

Branch Network	ARUSHA 2nd Floor, Sykes Building, Goliondoi Road P.O. Box 793, Arusha Telephone: +255 27 2545999/ 2545465 Email: arusha@alliance.co.tz MWANZA Lwempisi Building Nyerere Road, Mwanza Telephone: +255 28 2500545 Email: mwanza@alliance.co.tz MOSHI NHC Building, Plot No. 8, Block G, JK Nyerere Road P.O. Box 244, Moshi Telephone: +255 27 2752537 Email: moshi@alliance.co.tz

Contents

The reports and statements set out below comprise the consolidated financial statements presented to the shareholders:

Chairman's Statement

Dear Stakeholders,

On behalf of the Board of Directors. I am pleased to present the Annual Report and Financial Statement of the Company for the year ending 31st December 2024.

1. Economic Outlook

According to the the World Bank Tanzania's economic growth accelerated to 5.5%, promoted by strong performance in agriculture, transport, construction, expanding exports and improved access to electricity. This growth is expected to be sustained into 2025, with projections of 6.5% for the second quarter. The current account deficit is also projected to narrow to a sustainable level of 2.3% of GDP in 2024, supported by foreign direct investment and concessional financing.

Growth is expected to accelerate further, but uncertainty to this outlook increases with global policy risks. Poverty at the International Poverty Line was estimated at 42.9 percent. The fiscal deficit has been trending toward the regional benchmark of 3% of GDP recently despite an ambitious infrastructure agenda. Tax revenues at 13% of GDP in 2024 remain low compared to peers and needs. Public debt levels remain nevertheless contained at around half of GDP. Prudent fiscal policy combined with stringent monetary policy has kept inflation below the central bank's 5% target

The overall insurance market grew at 18.70% in 2024 completing a GWP of TZS 1.473 trillion against TZS 1.241 trillion in 2023 with the non-life segment growing at 19.09% and life at 17.30%.

2. Business Operations

Alliance Insurance Corporation Ltd (AICL) continued on the momentum gained in previous years, achieving a significant milestones in 2024. AICL has introduced several forward-thinking digital initiatives to enhance customer experience and streamline operations. Key among them is the USSD platform (*148*59#), which enables users to purchase insurance without Internet access. The company also launched a WhatsApp chatbot (+255743000303) for 24/7 customer support, claims submission, Upload of Pre-inspection Images and Policy Purchasing access. The E-Way portal supports real-time policy issuance and claims management for both B2B and B2C clients. AICL further is on the deploying phase of digitised Insurance distribution through embedded insurance APIs with partners like Yara (Agriculture Insurance) and Otapp(Embedding GPA on online Ticketing App) and looking to embed Insurance on more Digital eco-systems such as Bolt(Ride-hailing company). These innovations reflect Alliance's commitment to accessibility, convenience, and operational efficiency across Tanzania.

3. Our Financial Performance

During the year under review, the company has experienced premium growth of 18.92% from TZS. 110.28 billion To TZS. 131.15 billion in 2024 while the group for both Tanzania and Uganda operation achieved a premium of TZS 191 billion as compared to TZS 169 billion previous year . The total asset base grew from TZS. 186.29 billion to TZS. 245.35 billion in 2024.The underwriting results increased from TZS. 6.93 billion to TZS. 13.44 billion in 2024. Profit before tax posted in 2024 was TZS. 20.29 billion from TZS. 14.57 billion recorded in the previous year. Profit after tax increased by 59 % to TZS. 14.66 billion from TZS. 9.23 billion recorded in 2023. The total investments of the company grew from TZS. 106 billion in 2023 to TZS. 124 billion in 2024.

4. Human Resource Capacity Development

It has always been our focus to nurture and groom Tanzanian talent so that they can make steady progress in their careers and can take on higher responsibilities. Maintaining a healthy and positive work environment to facilitate employee growth, along with training and capacity building continue to be high on our agenda.

5. Acknowledgement

I would like to express my gratitude to the Commissioner of Insurance and his team at TIRA for the valuable support, inputs and guidance provided to us throughout the year

I would also like to thank our esteemed Clientele, the Brooking fraternity, bancassurance partners, our Agents and all our valued business associates for their continued support, which has immensely contributed to our healthy all round performance.

Needless to mention, our team of committed employees has played a stellar role in maintaining our customer service parameters at the highest level, which has contributed to ensuring customer satisfaction and healthy results as well..

Chairman's Statement

5.1 Acknowledgement (continued)

I sincerely thank my fellow Directors on the Board for their support & continued guidance in strengthening the Company and taking it to greater heights of excellence and look forward to similar support in future as well.

Wishing all of you sound physical and financial health.

Shaffin Jamal
Chairman
Date: June 17, 2025

The Report by Those Charged with Governance

Those charged with governance have pleasure in submitting their report on the consolidated and separate statement of financial statements of Alliance Insurance Corporation Limited for the year ended December 31, 2024.

1. Company's vision

We will be the most value-creating and admired risk solutions company in Tanzania, as the first preferred insurer for the customers, the preferred employer for staff in the insurance industry, and the number one insurer for creating shareholder value.

2. Company's mission

As a leading private General Insurance company in the country and as a responsible, customer-focused market leader, we will strive to understand the insurance needs of the consumers and translate them into affordable products that deliver value for money. A Partnership Based on Synergy, we believe in going beyond our core business objectives to make a lasting impact on the well-being of all stakeholders. At Alliance Insurance, we are proud to stand as a responsible corporate citizen, committed to creating a lasting impact on the communities we serve. We believe, together, we can build a better future for all.

3. Service

Uniqueness in Alliance service is the customer-centric approach. We pride ourselves as a solution provider to our customers by offering committed support in times of need. As an underwriter of the risk, we offer risk management solutions in our everyday dealings this includes risk awareness so that the client is able to mitigate risk. We are organized into seven broad departments: underwriting, claims, finance, legal, marketing, HR & and IT. All departments work in unison to provide ultimate customer delight.

4. Principal activities

The principal activities of the company are that of underwriting all classes of non-life insurance risks as defined by the Insurance Act. In July 2010, the company had invested 70% of the shares in Alliance Life Assurance Limited which exclusively transacts life insurance business. In June 2011, the Company became 99% shareholders in Dar es Salaam Properties Limited which is dealing in leasing out residential furnished apartments, which was an Associate till this date. In year 2013, the company promoted and incorporated a new company, Union Insurance Limited in Uganda which was renamed as Alliance Africa General Insurance Limited on 7th November 2014

The directors have pleasure in submitting their report on the consolidated and separate statement of financial statements of Alliance Insurance Corporation Limited and the group for the year ended 31 December 2024.

5. Results

Particulars	2024 Group TSh '000	2023 Group TSh '000	2024 Company TSh '000	2023 Company TSh '000
Profit before tax	20,294,692	14,574,237	16,222,794	13,168,791
Tax charge	(5,638,205)	(5,346,422)	(4,629,209)	(4,469,170)
Profit for the year	**14,656,487**	**9,227,815**	**11,593,585**	**8,699,621**

The net profit for the year has been added to retained earnings.

6. Stakeholder's Relationship

The members charged with governance have identified categories of stakeholders which are Government, employees, regulators, suppliers, customers, lenders, and the general community. Before making its decisions, the Board takes the interests of all stakeholders into account to ensure that engagement with stakeholders is deliberate and planned. Furthermore, the Board wishes to ensure that communication with stakeholders is always transparent and effective.

The Board of Directors recommended total Dividend for the year ended 31st December 2024 of TSh (000) 5,796,793 (2023: Tsh(000) 4,349,789)

7. Share capital

Refer to note 18 of the consolidated financial statements for detail of the movement in issued share capital.

8. Directorate

The directors in office at the date of this report are as follows:

The Report by Those Charged with Governance

8. Directorate (continued)

Directors	Position	Date of birth	Nationality
Mr. Shaffin Jamal	Chairman	27/02/1971	Tanzanian
Mr. Yogesh Manek	Director	23/07/1955	Tanzanian
Dr. Alex Nguluma	Director	23/05/1952	Tanzanian
Mr. Kalpesh Mehta	Director	06/06/1970	British

9. Directors' interests in shares

Mr. Shaffin Jamal has an indirect interest of 64.99% (2023: 64.99%) through his shareholding in Union Trust Investments Limited and Mr. Yogesh Manek has an indirect interest of 32.66% (2023: 32.66%) through his shareholding in MAC Group Limited, in the issued and paid up capital of the company. No other director has shareholding interest in the Company.

10. Corporate Governance

The directors are committed to the principles of good corporate governance and recognize the need to conduct the business in accordance with generally accepted best practice. In so doing the directors therefore confirm that

- the board of directors met regularly throughout the year.
- they retain full and effective control over the group and monitor executive management.
- the positions of Chairman and Chief Executive are held by different people.
- the board accepts and exercises responsibility for strategic and policy decisions, the approval of budgets and the monitoring of performance.
- they bring skills and experience from their own spheres of business to complement the professional experience and skills of the management team.
- the board appoints executive staff and selects non-executive directors (whose appointment is subject to confirmation by shareholders).
- they ensure that discussions on issues of performance, policy and strategy are informed and that debate is rigorous but constructive.

Investment Committee

Investment Committee is responsible for the definition and implementation of investment policy and authorisation of the placement of investment funds.

Audit and Risk Management Committee

Audit and Risk Management Committee is responsible for ensuring compliance with applicable legislation and the requirements of regulatory authorities as well as matters relating to internal controls, internal and external audit processes. reporting and disclosure.

Below are details of the attendance of Board meetings:

Name	Q1 held on	Q2 held on	Q3 held on	Q4 held on	Attendance %
Mr. Shaffin Jamal	08/03/2024	10/05/2024	01/08/2024	15/10/2024	100 %
Mr. Yogesh Manek	08/03/2024	10/05/2024	01/08/2024	15/10/2024	100 %
Mr. Kalpesh Mehta	08/03/2024	10/05/2024	01/08/2024	15/10/2024	100 %
Dr. Alexander Nguluma	08/03/2024	10/05/2024	01/08/2024	15/10/2024	100 %

The Group is committed to the principles of effective corporate governance. The Directors also recognise the importance of integrity, transparency and accountability. The Board has the following sub-committees to ensure a high standard of corporate governance throughout the Group:

Audit and Risk committee

Composition of Audit and Risk committee

Name	Position	Nationality
Mr. Kalpesh Mehta	Chairman	British
Dr. Alexander Nguluma	Member	Tanzanian
Mr. KVA Krishnan	Member	Indian

Next page are details of the, Audit and Risk committee:

The Report by Those Charged with Governance

Name	Q1 held on	Q2 held on	Q3 held on	Q4 held on	Attendance %
Mr. Kalpesh Mehta	06/03/2024	08/05/2024	31/07/2024	13/11/2024	100 %
Dr. Alexander Nguluma	06/03/2024	08/05/2024	31/07/2024	13/11/2024	100 %
Mr. KVA Krishnan	06/03/2024	08/05/2024	31/07/2024	13/11/2024	100 %

Investment committee;

Composition of Investment committee

Name	Position	Nationality
Mr. Yogesh Manek	Chairman	Tanzanian
Mr. Shaffin Jamal	Member	Tanzanian
Mr. Kalpesh Mehta	Member	British

Below are details of the Investment committee:

Name	Q1 held on	Q2 held on	Q3 held on	Q4 held on	Attendance %
Mr. Yogesh Manek	08/03/2024	10/05/2025	01/08/2024	15/11/2024	100 %
Mr. Shaffin Jamal	08/03/2024	10/05/2025	01/08/2024	15/11/2024	100 %
Mr. Kalpesh Mehta	08/03/2024	10/05/2025	01/08/2024	15/11/2024	100 %

Risk Management and Internal Control

Members charged with governance accepts final responsibility for the risk management and internal control systems of the Group. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations.
- The safeguarding of the Company's assets.
- Compliance with applicable laws and regulations.
- The reliability of accounting records.
- Business sustainability under normal as well as adverse conditions.
- Responsible behaviors towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system, of internal control can provide absolute assurance against misstatement or losses, the company system is designed to provide the Members charged with governance with reasonable assurance that the procedures in place are operating effectively.

Members charged with governance assessed the internal control systems throughout the financial year ended 31 December 2024 and is of the opinion that they met accepted criteria.

Members charged with governance carries risk and internal control assessment through its Audit and risk committee.

11. Related Party Transactions

The company provided insurance, in the normal course of business and at arm's length, to the majority shareholder Union Trust Investments Limited and its subsidiaries. Details of transactions and balances with related parties are included in note 25 to the financial statements.

12. Employee welfare

The group's entities employment terms are reviewed annually to ensure that they meet statutory and market conditions. The group's entities provides training to employees, encouraging to take up professional examinations by means of financial assistance. Medical expenses reimbursement is provided for the employee, spouse and children.

13. Political and charitable donations

The company did not make any political donations during the year ended 31 December, 2024.

The Report by Those Charged with Governance

14. Disabled Persons and Gender Balance

The Company has an equal opportunity for everyone and as a matter of policy, recruitment processes are transparent and competitive. In case of applications for employment by persons with disabilities will be considered bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort shall be made to ensure that their employment with the company continues and appropriate training is arranged.

Gender Balance

Gender	2024 No.	2024 Percentage	2023 No.	2023 Percentage
Male	57	51 %	47	45 %
Female	54	49 %	57	55 %
	111	**100 %**	104	100 %

The Company's recruitment policy is to give equal opportunity to all people on recruitment process to fill vacant employment posts. Thus, the company does not discriminate between male and female applicants for the vacant posts. In this regard, great care is taken when implementing the policy in order to ensure that education/professional qualifications, competencies and key attributes which are the basic criteria for selection and appointment, are not compromised.

15. Solvency

The directors consider the company's solvency position as shown on the statement of financial position of these financial statements to be very satisfactory. The company's solvency margin at 31 December 2024 exceeded the minimum required by The Insurance Act 2009, by Tzs 30,551 million (2023: Tzs 26,745 million).

16. Going concern

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

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

17. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

18. Terms of appointment of the auditors

Balakrishna Sreekumar & Co. were appointed as the auditors of the company's financial statements for the year ended December 31, 2024 in duly constituted previous annual general meeting. They have expressed their willingness to continue in office and are eligible for reappointment.

Auditors are responsible for examining the financial statements prepared by those charged with governance for presentation to the members and to express opinion on them.

The Report by Those Charged with Governance

19. Responsibility of those charged with governance

The Report by Those Charged with Governance is prepared in compliance with the new Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as issued by the National Board of Accountants and Auditors (NBAA) and became effective from 1st January, 2021.

Members those charged with governance are required in terms of the Tanzanian Companies Act 2002 to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The consolidated financial statements set out on pages 17 to 66, which have been prepared on the going concern basis. were approved by the board of directors on 17/06/2025, and were signed on its behalf by:

By Order of the Board

Director

Director

Director

Directors' Responsibilities and Approval

The directors are required in terms of the Tanzania Companies Act of 2002 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated financial statements.

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

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

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

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

The external auditors are responsible for independently auditing and reporting on the group's consolidated financial statements. The consolidated financial statements have been examined by the group's external auditors and their report is presented on pages 13 to 16.

The consolidated financial statements set out on pages 17 to 66, which have been prepared on the going concern basis, were approved by the board of directors on 17/06/2025 and were signed on their behalf by:

Approval of financial statements

Director

Director

Director

Declaration of the Head of Finance

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the head of finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the management committee to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors as mentioned under Directors' responsibility statement on an earlier page.

I, GWAMAKA L' STAMBUH being the Head of Finance of Alliance Insurance Corporation Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December 2024 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Alliance Insurance Corporation Limited as on that date and that they have been prepared based on properly maintained financial records.

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Chief financial officer
NBAA membership no.: ACPA 2603

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Balakrishna Sreekumar & Co.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of Alliance Insurance Corporation Limited

Opinion

We have audited the accompanying annual consolidated financial statements and separate financial statements of Alliance Insurance Corporation Limited (the Group) set out on pages 17 to 66, which comprise the consolidated and separate statement of financial position as at 31 December 2024, consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate of financial statements present fairly, in all material respects, the financial position of Group and company as at 31 December 2024, and its profit after tax deferred tax of TSh ('000) 14,656,487 and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Tanzania Companies Act of 2002.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and separate of 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) (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of consolidated financial statements in United Republic of Tanzania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in United Republic of Tanzania. 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 of financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of insurance contract liabilities	
As at 31 December 2024, the Group and Company held Tshs (000) 162,494,057 and Tshs (000) 119,119,973 respectively of insurance contract liabilities of which there are two components. The first component relates to the liability for remaining coverage which comprises fulfillment cash flows related to future services to be provided under groups of insurance contracts. Where the general model is adopted, this balance is also inclusive of a risk adjustment, contractual service margin and discounting. The second component relates to the liability for incurred claims and comprises fulfillment cash flows related to past services provided under groups of insurance contracts which have not yet been paid, including claims that have been incurred but not yet reported (IBNR) and claims incurred but not enough reported (IBNER). This balance is also inclusive of a risk adjustment and discounting. We considered the valuation of insurance contract liabilities to be a key audit matter due to the significant judgement required by the Company in estimating future cash flows, and in particular IBNR and IBNER. These estimates are inherently uncertain and can be further impacted by a number of factors such as 'long-tail' classes and natural catastrophe events occurring close to year end where data is limited and as a result require greater reliance on expert judgement. The risk adjustment is also a key area of judgement given it is intended to reflect the compensation an entity requires for ~~bearing the uncertainty about the amount and timing of the~~	With the assistance of actuarial experts, our procedures included: • Performing risk-based testing procedures on the remaining groups of contracts, where there have been material movements and related assumption changes. • Evaluating the appropriateness and reliability of significant data used to estimate future cash flows associated with groups of contracts, including agreeing a sample of claims to underlying information. • Testing the discount rate applied through evaluating yield curves, claims payment patterns and the adopted illiquidity premium. This included comparing the rates applied to external market data and the payment patterns to historical information. • Evaluating the relevant underlying calculations used to derive the risk adjustment, including the significant assumptions.

Key audit matter	How our audit addressed the key audit matter
cash flows associated with insurance contracts that arise from non financial risks.	
Valuation of reinsurance contract assets	
As at 31 December 2024, the Group and Company held Tshs (000) 92,407,410 and Tshs (000) 75,185,093 respectively of reinsurance contract assets. We considered the valuation of reinsurance contract assets to be a key audit matter due to the significant judgement applied by the company in valuing the associated insurance contract liabilities that have been reinsured, the complexity of the application and the risk of nonperformance by the reinsurers.	• Developing an understanding of the control activities relevant to our audit over the company's process for determining reinsurance contract assets, and for certain control activities, assessing whether they were appropriately designed and operating effectively on a sample basis, throughout the year ended 31 December 2024. • Evaluating a sample of reinsurance recoveries held by company against underlying contracts to assess the existence of cover and appropriateness of their recognition. • Assessing the risk of non-performance of reinsurers by considering the payment history and credit worthiness for a sample of reinsurance recoveries.

Other Matter

The Consolidated Alliance Insurance Corporation Limited's financial statements include three (3) subsidiaries. We did not audit the financial statements and other financial information in respect of two (2) subsidiaries which are Alliance Africa General Insurance Limited, Uganda (Foreign subsidiary) and Alliance Life Assurance Limited, Tanzania. These 2 subsidiaries has total assets of Tshs (000) 60,934,990 as at December 31, 2024 (2 023:Tshs(000) 54,430,905) and net insurance service result of Tshs (000) 2,593,585 for the year ended on that date (2023:Tshs (000) 699,978). These financial statements and other financial information have been audited by other auditors.

As group auditors, we conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing. In respect of the components not audited by us, we obtained an understanding of the work performed by the component auditors, communicated group audit instructions, received written confirmations of compliance with those instructions, and evaluated the audit evidence and findings reported to us. Based on our procedures and the reports of the component auditors, we are satisfied that appropriate audit evidence has been obtained to support our opinion on the consolidated financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Alliance Insurance Corporation Limited consolidated and separate of financial statements for the year ended 31 December 2024", which includes the The Report by Those Charged with Governance as required by the Tanzania Companies Act of 2002. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 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 of 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 Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Tanzania Companies Act of 2002, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate of financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate of 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 International Standards on Auditing 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 of financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

Independent Auditor's Report

We hereby provide below the statement of financial position of **Alliance Insurance Corporation Limited** as at 31st December 2024 signed by directors.

Statement of Financial Position as at 31 December 2024

		Group		Company	
	Note(s)	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000
Assets					
Cash and cash equivalents	4	7,737,607	6,388,356	6,085,476	4,572,199
Reinsurance contract assets	14	92,407,410	60,091,172	75,185,093	42,352,952
Trade and other receivables	5	3,202,105	2,506,431	1,393,996	1,211,709
Current tax receivable		907,801	838,028	-	-
Deferred tax	6	-	-	292,225	782,508
Intangible assets	7	930,804	619,577	330,361	111,159
Investment property	8	1,952,000	1,952,000	1,952,000	1,952,000
Financial assets designated at fair value through other comprehensive income	10	15,318,216	13,665,752	14,771,355	13,262,857
Investments in subsidiaries	9	-	-	9,077,759	9,077,759
Financial assets at amortised cost	11	105,830,135	89,758,542	71,859,185	60,473,893
Loans to group companies	12	-	-	3,050,384	3,050,384
Right-of-use assets	15	1,917,266	1,857,920	-	
Property, plant and equipment	13	8,044,741	8,613,469	2,358,205	2,667,425
Total Assets		**238,248,085**	**186,291,247**	**186,356,039**	**139,514,845**
Liabilities					
Current tax payable		884,622	1,229,841	884,622	1,229,841
Bank overdraft	4	2,871,368	1,507,705	2,871,368	1,507,705
Borrowings	16	436,507	631,869	436,507	631,869
Insurance contract liabilities	14	162,494,057	122,653,218	119,119,973	81,601,253
Reinsurance contract liabilities	14	6,322	722	-	-
Lease liabilities	15	2,041,198	1,947,902		-
Deferred tax	6	484,125	85,122		-
Trade and other payables	17	4,445,617	4,776,091	3,148,817	3,252,654
Total Liabilities		**173,663,816**	**132,832,470**	**126,461,287**	**88,223,322**
Equity					
Share capital	18	14,000,000	12,500,000	14,000,000	12,500,000
Reserves		41,054,731	36,158,122	37,674,919	32,380,873
Retained income		7,427,885	3,166,724	8,219,833	6,410,650
Equity attributable to owners		62,482,616	51,824,846	59,894,752	51,291,523
Non-controlling interest		2,101,653	1,633,931	-	-
Total Equity		**64,584,269**	**53,458,777**	**59,894,752**	**51,291,523**
Total Equity and Liabilities		**238,248,085**	**186,291,247**	**186,356,039**	**139,514,845**

The consolidated financial statements and the notes on pages 17 to 66, were approved by the board of directors on the 17/06/2025 and were signed on its behalf by

Director

Director

Director

Report on Other Legal and Regulatory Requirements

As required by the Tanzanian Companies Act 2002 and subject to basis for opinion para above, we report to you that:

* we have obtained all the information and explanation with to the best of our knowledge and belief were necessary for the purpose of our audit;
* in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
* the company's statement of financial position and profit and loss account are in agreement with the books of account.

20 JUN 2025

Dar es Salaam

Dr. B.S. Sreekumar
Managing Partner
Balakrishna Sreekumar & Co
Certified Public Accountants

Alliance Insurance Corporation Limited
(Registration number 29257)
Consolidated Financial Statements for the year ended 31 December 2024

Statement of Financial Position as at 31 December 2024

		Group		Company	
	Note(s)	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000
Assets					
Cash and cash equivalents	4	7,737,607	6,388,356	6,085,476	4,572,199
Reinsurance contract assets	14	92,407,410	60,091,172	75,185,093	42,352,952
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Financial assets at amortised cost	11	105,830,135	89,758,542	71,859,185	60,473,893
Loans to group companies	12	-	-	3,050,384	3,050,384
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Insurance contract liabilities	14	162,494,057	122,653,218	119,119,973	81,601,253
Reinsurance contract liabilities	14	6,322	722	-	-
Lease liabilities	15	2,041,198	1,947,902	-	-
Deferred tax	6	484,125	85,122	-	-
Trade and other payables	17	4,445,617	4,776,091	3,148,817	3,252,654
Total Liabilities		**173,663,816**	**132,832,470**	**126,461,287**	**88,223,322**
Equity					
Share capital	18	14,000,000	12,500,000	14,000,000	12,500,000
Reserves		41,054,731	36,158,122	37,674,919	32,380,873
Retained income		7,427,885	3,166,724	8,219,833	6,410,650
Equity attributable to owners		62,482,616	51,824,846	59,894,752	51,291,523
Non-controlling interest		2,101,653	1,633,931	-	-
Total Equity		**64,584,269**	**53,458,777**	**59,894,752**	**51,291,523**
Total Equity and Liabilities		**238,248,085**	**186,291,247**	**186,356,039**	**139,514,845**

The consolidated financial statements and the notes on pages 17 to 66, were approved by the board of directors on the 17/06/2025 ~~and were~~ signed on its behalf by:

Director **Director**

Director

The accounting policies on pages 24 to 37 and the notes on pages 38 to 66 form an integral part of the consolidated financial statements.

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
	Note(s)	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000
Insurance revenue	19	177,002,296	151,991,078	121,596,504	99,657,009
Insurance service expenses	19	(150,012,090)	(116,605,377)	(106,241,139)	(70,593,698)
Net expenses from reinsurance contracts	19	(13,553,104)	(28,450,806)	(4,511,855)	(22,828,391)
Insurance service result		**13,437,102**	**6,934,895**	**10,843,510**	**6,234,920**
Finance income from reinsurance contracts issued		(1,732,647)	(2,478,446)	161,542	128,891
Finance income (expenses) from reinsurance contracts held		1,287,539	1,613,947	(112,610)	175,011
Net insurance finance income		**(445,108)**	**(864,499)**	**48,932**	**303,902**
Net insurance and investment result		**12,991,994**	**6,070,396**	**10,892,442**	**6,538,822**
Asset management services revenue		215,190	438,372	-	-
Asset management services expenses		(256,674)	(133,039)	-	-
Investment income	20	9,570,646	9,785,133	6,816,544	7,291,937
Other operating expenses		(2,227,279)	(1,873,601)	(1,366,000)	(973,262)
Other operating income	23	165,472	32,803	-	-
Other operating gains (losses)	21	7,732	375,424	-	375,424
Movement in credit loss allowances		(172,389)	(121,251)	(120,192)	(64,130)
Profit before taxation		**20,294,692**	**14,574,237**	**16,222,794**	**13,168,791**
Taxation	24	(5,638,205)	(5,346,422)	(4,629,209)	(4,469,170)
Profit for the year		**14,656,487**	**9,227,815**	**11,593,585**	**8,699,621**
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gross on movement in revaluation reserve		1,587,979	3,922,996	1,525,058	3,944,058
Deferred tax relating to movement in revaluation reserve		(533,893)	(1,191,579)	(457,517)	(1,183,217)
Total items that will not be reclassified to profit or loss		**1,054,086**	**2,731,417**	**1,067,541**	**2,760,841**
Other comprehensive income for the year net of taxation		**1,054,086**	**2,731,417**	**1,067,541**	**2,760,841**
Total comprehensive income for the year		**15,710,573**	**11,959,232**	**12,661,126**	**11,460,462**

The accounting policies on pages 24 to 37 and the notes on pages 38 to 66 form an integral part of the consolidated financial statements.

Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Contingency reserve	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000
Group									
Balance at 1 January 2023	**11,500,000**	**(36,172)**	**4,811,202**	**22,009,190**	**26,784,220**	**3,004,668**	**41,288,888**	**1,489,365**	**42,778,253**
Profit for the year	-	-	-	-	-	9,227,815	9,227,815	216,732	9,444,547
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**9,227,815**	**9,227,815**	**216,732**	**9,444,547**
Bonus issue of shares	1,000,000	-	-	-	-	(1,000,000)	-	-	-
Reversal of deferred tax charge	-	-	6,319	-	6,319	-	6,319	-	6,319
'Depreciation charge on revaluation of property	-	-	(21,062)	-	(21,062)	-	(21,062)	-	(21,062)
Transfer between reserves	-	390,135	917,232	-	1,307,367	(848,322)	459,045	-	459,045
Revaluation gain on property and investment property	-	-	4,436,077	-	4,436,077	-	4,436,077	-	4,436,077
Deferred tax charge on gain on revaluation of property	-	-	(1,330,823)	-	(1,330,823)	-	(1,330,823)	-	(1,330,823)
Fair value gain on financial assets	-	-	2,038,695	-	2,038,695	-	2,038,695	-	2,038,695
Deferred tax charge on gain on financial assets	-	-	(611,608)	-	(611,608)	-	(611,608)	-	(611,608)
Transfer to contingency reserve '- general business	-	-	-	3,308,384	3,308,384	(3,308,384)	-	(72,166)	(72,166)
Transfer to contingency reserve '- long term business	-	-	-	240,553	240,553	(240,553)	-	-	-
Dividends	-	-	-	-	-	(3,668,500)	(3,668,500)	-	(3,668,500)
Total contributions by and distributions to owners of company recognised directly in equity	**1,000,000**	**390,135**	**5,434,830**	**3,548,937**	**9,373,902**	**(9,065,759)**	**1,308,143**	**(72,166)**	**1,235,977**

Alliance Insurance Corporation Limited
(Registration number 29257)
Consolidated Financial Statements for the year ended 31 December 2024

Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Contingency reserve	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000
Balance at 1 January 2024	**12,500,000**	**353,963**	**10,246,032**	**25,558,127**	**36,158,122**	**3,166,730**	**51,824,852**	**1,633,931**	**53,458,783**
Profit for the year	-	-	-	-	-	14,121,750	14,121,750	534,737	14,656,487
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**14,121,750**	**14,121,750**	**534,737**	**14,656,487**
Bonus issue of shares	1,500,000	-	-	-	-	(1,500,000)	(1,500,000)	-	-
Reversal of deferred tax charge	-	-	18,956	-	18,956	-	18,956	-	18,956
Depreciation on revaluation	-	(168,895)	-	-	(168,895)	-	(168,895)	-	(168,895)
Transfer between reserves	-	-	(209,764)	-	(209,764)	80,175	(129,589)	-	(129,589)
Fair value gain on financial assets	-	-	1,569,023	-	1,569,023	-	1,569,023	-	1,569,023
Deferred tax charge on gain on financial assets	-	-	(470,707)	-	(470,707)	-	(470,707)	-	(470,707)
Transfer to contingency reserve '- long term business	-	-	-	223,383	223,383	(156,368)	67,015	(67,015)	-
Transfer to contingency reserve '- general business	-	-	-	3,934,613	3,934,613	(3,934,613)	-	-	-
Dividends	-	-	-	-	-	(4,349,789)	(4,349,789)	-	(4,349,789)
Total contributions by and distributions to owners of company recognised directly in equity	**1,500,000**	**(168,895)**	**907,508**	**4,157,996**	**4,896,609**	**(9,860,595)**	**(3,463,986)**	**(67,015)**	**(3,531,001)**
Balance at 31 December 2024	**14,000,000**	**185,068**	**11,153,540**	**29,716,123**	**41,054,731**	**7,427,885**	**62,482,616**	**2,101,653**	**64,584,269**
Note(s)	18								

Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Contingency reserve	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000
Company									
Balance at 1 January 2023	**11,500,000**	**-**	**4,389,369**	**21,005,047**	**25,394,416**	**5,687,913**	**42,582,329**	**-**	**42,582,329**
Profit for the year	-	-	-	-	-	8,699,621	8,699,621	-	8,699,621
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**8,699,621**	**8,699,621**	**-**	**8,699,621**
Bonus issue of shares	1,000,000	-	-	-	-	(1,000,000)	-	-	-
Movement in contingency reserve	-	-	-	3,308,384	3,308,384	(3,308,384)	-	-	-
Revaluation gain on property and investment property	-	-	1,933,237	-	1,933,237	-	1,933,237	-	1,933,237
'Deferred tax charge on gain on revaluation of property	-	-	(579,971)	-	(579,971)	-	(579,971)	-	(579,971)
Fair value gain on financial assets	-	-	2,010,821	-	2,010,821	-	2,010,821	-	2,010,821
Deferred tax charge on gain on financial assets	-	-	(603,246)	-	(603,246)	-	(603,246)	-	(603,246)
Other movements	-	-	917,232	-	917,232	-	917,232	-	917,232
Dividends	-	-	-	-	-	(3,668,500)	(3,668,500)	-	(3,668,500)
Total contributions by and distributions to owners of company recognised directly in equity	**1,000,000**	**-**	**3,678,073**	**3,308,384**	**6,986,457**	**(7,976,884)**	**9,573**	**-**	**9,573**

Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Contingency reserve	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000	TSh '000
Balance at 1 January 2024	**12,500,000**	**-**	**8,067,442**	**24,313,431**	**32,380,873**	**6,410,650**	**51,291,523**	**-**	**51,291,523**
Profit for the year	-	-	-	-	-	11,593,585	11,593,585	-	11,593,585
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**11,593,585**	**11,593,585**	**-**	**11,593,585**
Bonus issue of shares	1,500,000	-	-	-	-	(1,500,000)	-	-	-
Movement in contingency reserve	-	-	-	3,934,613	3,934,613	(3,934,613)	-	-	-
Fair value gain on financial assets	-	-	1,525,058	-	1,525,058	-	1,525,058	-	1,525,058
Deferred tax charge on gain on financial assets	-	-	(457,517)	-	(457,517)	-	(457,517)	-	(457,517)
Other movements	-	-	291,892	-	291,892	-	291,892	-	291,892
Dividends	-	-	-	-	-	(4,349,789)	(4,349,789)	-	(4,349,789)
Total contributions by and distributions to owners of company recognised directly in equity	**1,500,000**	**-**	**1,359,433**	**3,934,613**	**5,294,046**	**(9,784,402)**	**(2,990,356)**	**-**	**(2,990,356)**
Balance at 31 December 2024	**14,000,000**	**-**	**9,426,875**	**28,248,044**	**37,674,919**	**8,219,833**	**59,894,752**	**-**	**59,894,752**
Note(s)	18								

The accounting policies on pages 24 to 37 and the notes on pages 38 to 66 form an integral part of the consolidated financial statements.

Statement of Cash Flows

	Note(s)	Group 2024 TSh '000	Group 2023 TSh '000	Company 2024 TSh '000	Company 2023 TSh '000
Cash flows from operating activities					
Profit before taxation		20,302,425	14,547,237	16,222,794	13,168,791
Adjustments for non-cash items:					
Gains on sale of assets and liabilities		(15,464)	(375,424)	-	(375,424)
Depreciation and amortisation		1,146,904	-	448,697	525,294
Impairment on credit loss		172,389	-	120,192	64,130
Interest expense on lease liability		155,399	-	-	-
Adjust for items which are presented separately:					
Interest income		(8,775,359)	(9,183,981)	(6,021,257)	(6,690,785)
Dividends received		(795,287)	(601,152)	(795,287)	(601,152)
Changes in working capital:					
(Increase) decrease in trade and other receivables		(695,674)	(27,574)	(182,287)	93,507
Increase (decrease) in trade and other payables		(330,472)	(3,656,762)	(103,840)	(3,222,552)
Increase (decrease) in reinsurance contract assets		(32,316,238)	(530,380)	(32,832,141)	(126,164)
Increase (decrease) in insurance contract liabilities		39,840,839	13,026,693	37,518,720	7,133,782
Increase (decrease) in reinsurance contract liabilities		5,600	326	-	-
Cash generated from operations		**18,695,062**	**13,198,983**	**14,375,591**	**9,969,427**
Interest income	20	8,775,359	9,183,981	6,021,257	6,690,785
Dividends received	20	795,287	601,152	795,287	601,152
Dividends paid	22	(4,349,789)	(3,668,500)	(4,349,789)	(3,668,500)
Tax paid		(6,110,679)	(4,650,669)	(4,941,662)	(3,996,055)
Net cash from operating activities		**17,805,240**	**14,664,947**	**11,900,684**	**9,596,809**
Cash flows from investing activities					
Purchase of property, plant and equipment	13	(923,143)	(1,629,988)	(39,994)	(806,724)
Proceeds from sale of property, plant and equipment	13	4,881	9,657	-	-
Purchases of intangible assets	7	(454,913)	(141,973)	(318,685)	(104,964)
Net movement in financial assets at amortised cost	11	(16,716,498)	(13,464,159)	(11,197,029)	(6,564,400)
Net cash from investing activities		**(18,089,673)**	**(15,226,463)**	**(11,555,708)**	**(7,476,088)**
Cash flows from financing activities					
Proceeds on borrowings	16	(195,362)	631,869	(195,362)	631 869
Payment of lease liabilities (rent paid)	15	465,383	(604,449)	-	-
Net cash from financing activities		**270,021**	**27,420**	**(195,362)**	631,869
Total cash movement for the year		**(14,412)**	**(534,096)**	**149,614**	**2,752,590**
Cash and cash equivalents at the beginning of the year		4,880,651	5,414,747	3,064,494	311,904
Cash and cash equivalents at the end of the year	4	**4,866,239**	**4,880,651**	**3,214,108**	**3,064,494**

The accounting policies on pages 24 to 37 and the notes on pages 38 to 66 form an integral part of the consolidated financial statements.

Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate consolidated financial statements are set out below.

1.1 Basis of preparation

The consolidated and separate consolidated financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these consolidated financial statements and the Tanzania Companies Act of 2002.

The consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Tanzanian Shillings, which is the group and company's functional currency.

These accounting policies are consistent with the previous period, except for the changes set out in note .

1.2 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

1.3 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset 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.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Rate
Buildings	Straight line	5%
Furniture and fixtures	Straight line	10%
Motor vehicles	Straight line	20%
Office equipment	Straight line	25%
IT equipment	Straight line	33.33%

Accounting Policies

1.3 Property, plant and equipment (continued)

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	5 years

1.5 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group, as applicable, are as follows:

1.5 Financial instruments (continued)

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:

1.6 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

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.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitlv specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

1.7 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

Accounting Policies

1.7 Impairment of assets (continued)

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.8 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the group in which they are declared.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (NSSF) retirement benefit schemes are dealt with as defined contribution plans where the group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Accounting Policies

1.10 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Tanzanian Shillings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the group receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the group initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, group determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Tanzanian Shillings by applying to the foreign currency amount the exchange rate between the Tanzanian Shilling and the foreign currency at the date of the cash flow.

2. Summary of significant accounting policies for insurance contracts

Accounting Policies

2.1.a Definition and classification

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 DPF issued by the Group fall under this category. Refer to note 3.1.3.

Some investment contracts issued by the Group contain 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.

The Group issues certain insurance contracts 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. The Group's policy is to hold such investment assets.

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.

Investment components in Savings and Participating products comprise policyholder account values less applicable surrender fees.

The Group uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value returns on the underlying items.

Insurance contracts with direct participation features are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. The variable fee comprises the Group's share of the fair value of the underlying items, which is based on a fixed percentage of investment management fees (withdrawn annually from policyholder account values based on the fair value of underlying assets and specified in the contracts with policyholders) less the FCF that do not vary based on the returns on underlying items. The measurement approach for insurance contracts with direct participation features is referred to as the VFA. The VFA modifies the accounting model in IFRS 17 (referred to as the GMM) to reflect that the consideration an entity receives for the contracts is a variable fee.

Direct participating contracts issued by the Group are contracts with direct participation features where the Group holds the pool of underlying assets and accounts for these groups of contracts under the VFA.

All other insurance contracts originated by the Group are 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.

All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued or acquired, reinsurance contracts held and investment contracts with DPF, unless specifically stated otherwise.

Accounting Policies

2.1.b Unit of account

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) 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.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

For Life Risk and Savings product lines, sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing groups with no information available at a more granular level.

Contracts issued within Participating product lines are always priced with high expected profitability margins, and thus, such contracts are allocated to groups of contracts that have no significant possibility of becoming onerous as at initial recognition.

For other short term contracts measured using the PAA, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

Transition approaches that were applied by the Group on adoption of IFRS 17 with respect to contracts aggregation requirements are included in note 2.2.2.

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. The company does not have any contracts that require further separation or combination of insurance contracts.

2.1.c Recognition and derecognition

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.

A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised at the later of:
- the beginning of the coverage period of the group; or
- the initial recognition of any underlying insurance contract.

The Group does not recognise a group of quota share reinsurance contracts held until it has recognised at least one of the underlying insurance contracts.

A group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognised at the beginning of the coverage period of that group.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

Accounting for contract modification and derecognition

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.

When an insurance contract is modified by the Group as a result 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 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:

a. 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;

b. the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or

c. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

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

a. 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.

b. Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC 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.

Accounting Policies

- If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in a. 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.

c. 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 relating rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

a. if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;

b. if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party;

c. if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC 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.

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2.1.d Measurement

Fulfilment cash flows

Fulfilment cash flows within contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the company 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:

a. are based on a probability weighted mean of the full range of possible outcomes;

b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and

c. 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 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. Refer to note 2.2.3.1.

Risk of the companys's non-performance is not included in the measurement of groups of insurance contracts issued. 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 company estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The company 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 costs

The company includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

a. costs directly attributable to individual contracts and groups of contracts; and

b. costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

Before a group of insurance contracts is recognised, the company could pay directly attributable acquisition costs to originate them. When such prepaid costs are refundable in case of insurance contracts termination, they are recorded as a prepaid insurance acquisition cash flows asset within other assets and allocated to the carrying amount of a group of insurance contracts when the insurance contracts are subsequently recognised.

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.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in note 2.2.3.8.

Accounting Policies

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

The Company uses the PAA for measuring contracts with a coverage period of one year or less. This approach is used for originated short term insurance contracts as each of these contracts has a coverage period of one year or less.

The portfolio of the short term insurance contracts in the run-off period acquired in 2024 is considered protection against adverse ultimate loss development with a coverage period of more than one year. The respective groups of acquired contracts do not meet the PAA eligibility criteria and have been measured under the GMM.

The excess of loss reinsurance contracts held provide coverage on the short term insurance contracts originated for claims incurred during an accident year and are accounted for under the PAA.

For insurance contracts issued, insurance acquisition cash flows are deferred and recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the company measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

For reinsurance contracts held, on initial recognition, the company 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:

a. the LRC; and

b. 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:

a. the remaining coverage; and

b. 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 LRC is:

a. increased for premiums received in the period;

b. decreased for insurance acquisition cash flows paid in the period;

c. decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and

d. increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

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

a. increased for ceding premiums paid in the period; and

b. decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. Future cash flows are adjusted for the time value of money sinceshort term insurance contracts issued by the company and measured under the PAA typically have a settlement period of over one year.

If a group of contracts becomes onerous, the company increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses. Subsequently, the company amortises the amount of the loss component within the LRC 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 company 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.

Accounting Policies

2.1.e Amounts recognised in comprehensive income

Insurance service result from insurance contracts issued

Insurance revenue

As the company provides services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the company expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

- Amounts relating to the changes in the LRC:

a. insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:

- amounts related to the loss component;

- repayments of investment components;

- amounts of transaction-based taxes collected in a fiduciary capacity; and

- insurance acquisition expenses;

b. changes in the risk adjustment for non-financial risk, excluding:

- changes included in insurance finance income (expenses);

- changes that relate to future coverage (which adjust the CSM); and

- amounts allocated to the loss component;

c. amounts of the CSM recognised in profit or loss for the services provided in the period; and

d. experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes.

- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

a. incurred claims and benefits excluding investment components;

b. other incurred directly attributable insurance service expenses;

c. amortisation of insurance acquisition cash flows;

d. changes that relate to past service (i.e. changes in the FCF relating to the LIC); and

e. changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Accounting Policies

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The company presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

a. reinsurance expenses;

b. incurred claims recovery;

c. other incurred directly attributable insurance service expenses;

d. effect of changes in risk of reinsurer non-performance;

e. for contracts measured under the GMM, changes that relate to future service (i.e. changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts); and

f. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

a. insurance claims and other expenses recovery in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;

b. changes in the risk adjustment for non-financial risk, excluding:

- changes included in finance income (expenses) from reinsurance contracts held; and

- changes that relate to future coverage (which adjust the CSM);

c. amounts of the CSM recognised in profit or loss for the services received in the period; and

d. ceded premium experience adjustments relating to past and current service.

For groups of reinsurance contracts held measured under the PAA, the company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

Insurance finance income or expenses

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

a. the effect of the time value of money and changes in the time value of money; and

b. the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

a. interest accreted on the FCF and the CSM;

b. the effect of changes in interest rates and other financial assumptions; and

Accounting Policies

c. foreign exchange differences arising from contracts denominated in a foreign currency.

For contracts measured under the VFA, the main amounts within insurance finance income or expenses are:

a. changes in the fair value of underlying items;

b. interest accreted on the FCF relating to cash flows that do not vary with returns on underlying items; and

c. the effect of changes in interest rates and other financial assumptions on the FCF relating to cash flows that do not vary with returns on underlying items.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

a. interest accreted on the LIC; and

b. the effect of changes in interest rates and other financial assumptions.

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

For the contracts measured under the GMM and the PAA, the company includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option (the PL option) is applied).

Notes to the Consolidated Financial Statements

3. New Standards and Interpretations

3.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The group has adopted the amendment for the first time in the 2024 consolidated financial statements.

The impact of the amendment is not material.

3.2 Standards and Interpretations early adopted

The group has chosen not to early adopt theany standards and interpretations:

3.3 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 January 2025 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

The impact of this amendment is currently being assessed.

Notes to the Consolidated Financial Statements

	Group		Company	
	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	4,501	4,016	2,601	1,640
Bank balances	7,733,106	6,384,340	6,082,875	4,570,559
Bank overdraft	(2,871,368)	(1,507,705)	(2,871,368)	(1,507,705)
	4,866,239	**4,880,651**	**3,214,108**	3,064,494
Current assets	7,737,607	6,388,356	6,085,476	4,572,199
Current liabilities	(2,871,368)	(1,507,705)	(2,871,368)	(1,507,705)
	4,866,239	**4,880,651**	**3,214,108**	**3,064,494**

5. Trade and other receivables

Trade receivables	671,745	337,143	-	-
Trade receivables - related parties	-	-	189,014	150,932
Trade receivables at amortised cost	671,745	337,143	189,014	150,932
Other receivable	2,530,360	2,147,064	1,204,982	1,060,777
VAT	-	22,224	-	-
Total trade and other receivables	**3,202,105**	**2,506,431**	**1,393,996**	**1,211,709**

6. Deferred tax

Deferred tax asset

Property plant and equipment	326,527	(57,569)	292,225	782,508

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax asset	326,527	(57,569)	292,225	782,508
Deferred tax liability	(810,652)	(27,553)	-	-
Total net deferred tax (liability) asset	**(484,125)**	**(85,122)**	**292,225**	**782,508**

Reconciliation of deferred tax asset

At beginning of year	(85,122)	2,086,020	782,508	1,824,000
Income statement (credit)/charge	57,482	(256,744)	(32,766)	141,725
Charge to equity (Revaluation reserve)	(456,485)	(1,914,398)	(457,517)	(1,183,217)
	(484,125)	**(85,122)**	**292,225**	782,508

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

7. Intangible assets

Group

	2024			2023		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	2,192,464	(1,261,660)	930,804	1,741,789	(1,122,212)	619,577

Company

	2024			2023		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	1,435,384	(1,105,023)	330,361	1,116,699	(1,005,540)	111,159

Reconciliation of intangible assets - Group - 2024

	Opening balance	Additions	Capital WIP	Foreign exchange movements	Amortisation	Total
Computer software	619,577	318,685	136,227	159	(143,844)	930,804

Reconciliation of intangible assets - Group - 2023

	Opening balance	Additions	Foreign exchange movements	Amortisation	Total
Computer software	739,176	141,973	9,098	(270,670)	619,577

Reconciliation of intangible assets - Company - 2024

	Opening balance	Additions	Amortisation	Total
Computer software	111,159	318,685	(99,483)	330,361

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

7. Intangible assets (continued)

Reconciliation of intangible assets - Company - 2023

	Opening balance	Additions	Amortisation	Total
Computer software	240,552	104,964	(234,357)	111,159

8. Investment property

Group	2024			2023		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	1,952,000	-	1,952,000	1,952,000	-	1,952,000

Company	2024			2023		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	1,952,000	-	1,952,000	1,952,000	-	1,952,000

Reconciliation of investment property - Group - 2024

	Opening balance	Total
Investment property	1,952,000	1,952,000

Reconciliation of investment property - Group - 2023

	Opening balance	Fair value adjustments	Total
Investment property	816,357	1,135,643	1,952,000

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

8. Investment property (continued)

Reconciliation of investment property - Company - 2024

	Opening balance	Total
Investment property	1,952,000	1,952,000

Reconciliation of investment property - Company - 2023

	Opening balance	Fair value adjustments	Total
Investment property	816,357	1,135,643	1,952,000

Details of valuation

Revaluations were performed in prior year by an independent professional valuers, named Property Consultancy and Services Limited. Property Consultancy and Services Limited is not connected to the group and have recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

9. Investments in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

Name of company	Country of incorporation	% holding 2024	% holding 2023	Carrying amount 2024	Carrying amount 2023
Alliance Life Assurance Limited	Tanzania	70.00 %	70.00 %	4,435,808	4,435,808
Dar es Salaam Properties Limited	Tanzania	99.90 %	99.90 %	55,769	55,769
Alliance Africa General Insurance Limited	Uganda	99.90 %	99.90 %	4,586,182	4,586,182
				9,077,759	9,077,759

Notes to the Consolidated Financial Statements

	Group		Company	
	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000

10. Financial assets designated at fair value through other comprehensive income

Equity investments at fair value through other comprehensive income	15,318,216	13,665,752	14,771,355	13,262,857
Equity investments at fair value through other comprehensive income:				
Listed shares	13,388,639	12,393,627	12,841,778	11,990,732
Unlisted shares	1,929,577	1,272,125	1,929,577	1,272,125
	15,318,216	**13,665,752**	**14,771,355**	**13,262,857**

11. Financial assets at amortised cost

Financial assets at amortised cost are presented at amortised cost, which is net of loss allowance, as follows:

Fixed deposits and Corporate bonds	84,446,355	70,663,015	57,177,975	47,389,818
Treasury bonds	18,251,976	17,373,450	12,254,385	11,662,273
Accrued interest	3,813,899	2,441,233	3,108,920	1,983,705
Less: loss allowance for investments at amortised cost	(682,095)	(719,156)	(682,095)	(561,903)
	105,830,135	**89,758,542**	**71,859,185**	60,473,893

12. Loans to group companies

Subsidiaries

Dar Salaam Properties Limited	-	-	3,050,384	3,050,384

The loan to Dar es Salaam Properties Limited is unsecured and interest bearing and have no specific dates for repayments.

Notes to the Consolidated Financial Statements

Figures in Tanzanian Shilling thousand	Group 2024	Group 2023	Company 2024	Company 2023

13. Property, plant and equipment

Group	2024 Cost or revaluation	2024 Accumulated depreciation	2024 Carrying value	2023 Cost or revaluation	2023 Accumulated depreciation	2023 Carrying value
Buildings	6,924,000	(461,600)	6,462,400	6,924,000	(115,400)	6,808,600
Furniture and fixtures	682,013	(372,475)	309,538	477,970	(361,523)	116,447
Motor vehicles	1,438,813	(943,291)	495,522	1,442,094	(785,424)	656,670
Office equipment	599,711	(535,430)	64,281	568,978	(476,864)	92,114
IT equipment	1,047,084	(849,070)	198,014	995,975	(783,654)	212,321
Leasehold improvements	1,462,979	(947,993)	514,986	1,600,075	(872,758)	727,317
Total	**12,154,600**	**(4,109,859)**	**8,044,741**	**12,009,092**	**(3,395,623)**	**8,613,469**

Company	2024 Cost or revaluation	2024 Accumulated depreciation	2024 Carrying value	2023 Cost or revaluation	2023 Accumulated depreciation	2023 Carrying value
Buildings	1,952,000	(130,133)	1,821,867	1,952,000	(32,533)	1,919,467
Furniture and fixtures	320,060	(292,429)	27,631	320,060	(279,694)	40,366
Motor vehicles	1,147,015	(713,877)	433,138	1,147,015	(569,522)	577,493
Office equipment	442,109	(408,116)	33,993	427,027	(357,802)	69,225
IT equipment	687,124	(645,548)	41,576	662,212	(601,338)	60,874
Leasehold improvements	733,566	(733,566)	-	733,566	(733,566)	-
Total	**5,281,874**	**(2,923,669)**	**2,358,205**	**5,241,880**	**(2,574,455)**	**2,667,425**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2024

	Opening balance	Additions	Disposals	Transfers	Foreign exchange movements	Depreciation on disposal	Depreciation on revaluation	Depreciation	Total
Buildings	6,808,600	-	-	-	-	-	(63,186)	(283,014)	6,462,400
Furniture and fixtures	116,447	251,007	(57,030)	-	12,763	28,128	-	(41,777)	309,538
Motor vehicles	656,670	2,556	(3,185)	-	(224)	2,142	-	(162,437)	495,522
Office equipment	92,114	32,654	(1,180)	-	(740)	1,180	-	(59,747)	64,281
IT equipment	212,321	54,989	(2,319)	-	(159)	1,125	-	(67,943)	198,014
Leasehold improvements	727,317	581,937	-	(719,033)	-	-	-	(75,235)	514,986
	8,613,469	**923,143**	**(63,714)**	**(719,033)**	**11,640**	**32,575**	**(63,186)**	**(690,153)**	**8,044,741**

Reconciliation of property, plant and equipment - Group - 2023

	Opening balance	Additions	Disposals	Revaluations	Foreign exchange movements	Depreciation on disposal	Depreciation on revaluation	Depreciation	Total
Buildings	3,623,566	-	-	3,300,434	-	-	(21,062)	(94,338)	6,808,600
Furniture and fixtures	137,214	3,801	(159,743)	-	5,126	158,435	-	(28,386)	116,447
Motor vehicles	61,752	756,271	-	-	3,819	-	-	(165,172)	656,670
Office equipment	107,458	34,308	-	-	-	-	-	(49,653)	92,114
IT equipment	174,079	108,291	(8,491)	-	1,885	8,491	-	(71,934)	212,321
Leasehold improvements	-	727,317	-	-	-	-	-	-	727,317
	4,104,069	**1,629,988**	**(168,234)**	**3,300,434**	**10,830**	**166,926**	**(21,062)**	**(409,483)**	**8,613,469**

Reconciliation of property, plant and equipment - Company - 2024

	Opening balance	Additions	Depreciation	Total
Buildings	1,919,467	-	(97,600)	1,821,867
Furniture and fixtures	40,366	-	(12,735)	27,631
Motor vehicles	577,493	-	(144,355)	433,138
Office equipment	69,225	15,082	(50,314)	33,993
IT equipment	60,874	24,912	(44,210)	41,576
	2,667,425	**39,994**	**(349,214)**	**2,358,205**

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Company - 2023

	Opening balance	Additions	Revaluations	Depreciation	Total
Buildings	1,154,406	-	797,594	(32,533)	1,919,467
Furniture and fixtures	52,339	3,801	-	(15,774)	40,366
Motor vehicles	926	721,771	-	(145,204)	577,493
Office equipment	107,056	9,848	-	(47,679)	69,225
IT equipment	39,316	71,304	-	(49,746)	60,874
	1,354,043	**806,724**	**797,594**	**(290,936)**	**2,667,425**

Revaluations

The group's buildings are stated at revalued amounts, being the fair value at the date of revaluation.

The building was revalued in August 2023 by independent professional valuers named Property Consultancy and Services Limited on the basis of market value for buildings. The book value of building was adjusted to the revaluation and the surplus net of deferred tax was credited to the revaluation reserve in shareholders' equity.

14. Insurance contracts issued and Reinsurance contracts held

Group

I) General insurance: Insurance contract liabilities

	Year ended 31 December 2024				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding Loss Component Tshs ('000)	Loss Component Tshs ('000)	Estimate of present value of cash flows Tshs ('000)	RA for non- financial risk Tshs ('000)	Total Tshs ('000)
Insurance contracts issued:					
Opening Insurance Contract Liabilities	(29,478,735)	- 1,216,571.34	- 54,362,325.51	- 4,814,346.52	(89,871,979)
	-	-	-	-	-
Insurance revenue	142,145,619	-	-	-	142,145,619
	-	-	-	-	-
Insurance service expenses	-	-	-	-	-
Incurred claims	-	-	(73,938,090)	-	(73,938,090)
Changes that relate to past service		-	975,346	(2,258,463)	(1,283,118)
Other directly attributable expenses	-	-	(21,006,538)	-	(21,006,538)
Insurance acquisition cash flows amortization	(22,980,445)	-	-	-	(22,980,445)
Losses on onerous contracts and reversal of those losses	-	(1,458,923)	-	-	(1,458,923)
Insurance service expenses	(22,980,445)	(1,458,923)	(93,969,283)	(2,258,463)	(120,667,114)
Insurance service result	119,165,174	(1,458,923)	(93,969,283)	(2,258,463)	21,478,505
	-	-	-	-	-
Net finance expense from insurance contract	-	-	(179,589)	(20,147)	(199,735)
	-	-	-	-	-
Cash flows	-	-	-	-	-
Premiums received	(157,122,481)	-	-	-	(157,122,481)
Claims and other directly attributable expenses paid	-	-	72,830,597	-	72,830,597
Insurance acquisition cash flows paid	25,796,155	-	-	-	25,796,155
Total cash flows	(131,326,325)	-	72,830,597	-	(58,495,728)
Closing insurance contract liabilities	(41,639,887)	(2,675,494)	(75,680,600)	(7,092,957)	(127,088,937)

II) Life insurance: Insurance contract liabilities

	Year ended 31 December 2024			
	Liability for Remaining Cover(LRC) Tshs ('000)	Loss Component (Rem Cvr) Tshs ('000)	Liability for Incurred Claims(LIC) Tshs ('000)	Total Tshs ('000)
Insurance contracts liabilities at beginning of period	(27,866,837)	(85,241)	(4,689,375)	(32,641,452)
Cash Inflows (Gross written premiums)	(35,811,450)	-	-	(35,811,450)
Insurance Revenue	33,584,630	-	-	33,584,630
Insurance Service Expenses	(11,174,572)	(51,059)	(17,226,340)	(28,451,972)
Investment Component	294,561	-	(294,561)	-
Insurance Finance Expenses	(1,759,221)	4,814	(180,340)	(1,934,747)
Cash Outflows	12,422,140	-	17,427,730	29,849,870
Insurance contracts liabilities at end of period	(30,310,748)	(131,486)	(4,962,886)	(35,405,120)

Total Insurance contract liabilities (I+II)	(162,494,057)

14. Insurance contracts issued and Reinsurance contracts held

Group

I) General insurance: Insurance contract liabilities

	Year ended 31 December 2023				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding Loss Component Tshs ('000)	Loss Component Tshs ('000)	Estimate of present value of cash flows Tshs ('000)	RA for non- financial risk Tshs ('000)	Total Tshs ('000)
Insurance contracts issued:					
Opening Insurance Contract Liabilities	(30,156,503)	(1,996,792)	(46,024,059)	(3,214,877)	(81,392,231)
	-	-	-	-	-
Insurance revenue	120,227,173	-	-	-	120,227,173
	-	-	-	-	-
Insurance service expenses	-	-	-	-	-
Incurred claims	-	-	(46,046,436)	(1,555,744)	(47,602,180)
Changes that relate to past service		(159,166)	(1,661,372)	(50,860)	(1,871,398)
Other directly attributable expenses	-	-	(18,816,661)	-	(18,816,661)
Insurance acquisition cash flows amortization	(20,012,114)	-	-	-	(20,012,114)
Losses on onerous contracts and reversal of those losses	-	936,446	-	-	936,446
Insurance service expenses	(20,012,114)	777,280	(66,524,469)	(1,606,604)	(87,365,907)
Insurance service result	100,215,059	777,280	(66,524,469)	(1,606,604)	32,861,266
	-	-	-	-	-
Net finance expense from insurance contract	-	-	(124,480)	-	(124,480)
	-	-	-	-	-
Cash flows	-	-	-	-	-
Premiums received	(119,878,477)	-	-	-	(119,878,477)
Claims and other directly attributable expenses paid	-	-	57,876,576	-	57,876,576
Insurance acquisition cash flows paid	20,645,580	-	-	-	20,645,580
Total cash flows	(99,232,897)	-	57,876,576	-	(41,356,321)
Closing insurance contract liabilities	(29,174,341)	(1,219,513)	(54,796,431)	(4,821,480)	(90,011,766)

II) Life insurance: Insurance contract liabilities

	Year ended 31 December 2023			
	Liability for Remaining Cover(LRC) Tshs ('000)	Loss Component (Rem Cvr) Tshs ('000)	Liability for Incurred Claims(LIC) Tshs ('000)	Total Tshs ('000)
Insurance contracts liabilities at beginning of period	(23,545,195)	(209,782)	(4,913,047)	(28,668,024)
Cash Inflows (Gross written premiums)	36.951,224	-	-	(36,951,224)
Insurance Revenue	31,763,903	-	-	31.763,903
Insurance Service Expenses	(10,812.281)	(128,963)	18.690,044	(29,373,363)
Investment Component	-	-	-	-
Insurance Finance Expenses	(2,325.210)	4,421	273,294	(2,602,925)
Cash Outflows	14 003,171	-	(19,187,011)	33,190,181
Insurance contracts liabilities at end of period	46,035,611	85,241	4,689,375	(32,641,452)
Total Insurance contract liabilities (I+II)				(122,653,218)

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

Company

2024

Insurance contracts issued	Liability for remaining coverage: Excluding loss component	Liability for remaining coverage: Loss component	Liability for incurred claims: Estimate of present value of future cash flows	Liability for incurred claims: Risk adj. for non-fin. risk	Total
Opening insurance contract liabilities	(26,846,920)	(1,042,540)	(49,319,536)	(4,392,257)	(81,601,253)
Net balance as at 1 January 2024	**(26,846,920)**	**(1,042,540)**	**(49,319,536)**	**(4,392,257)**	**(81,601,253)**
Insurance revenue	**121,596,505**	**-**	**-**	**-**	**121,596,505**
Insurance service expenses					
Incurred claims	-	-	(66,033,521)	(2,377,100)	(68,410,621)
Other directly attributable expenses	-	-	(17,803,722)	-	(17,803,722)
Losses on onerous contracts and reversal of those losses	-	(1,501,342)	-	-	(1,501,342)
Insurance acquisition cash flows amortisation	(18,525,455)	-	-	-	(18,525,455)
Insurance service expenses	(18,525,455)	(1,501,342)	(83,837,243)	(2,377,100)	(106,241,140)
Insurance service result	**103,071,050**	**(1,501,342)**	**(83,837,243)**	**(2,377,100)**	**15,355,365**
Investment components	-	-	(141,395)	(20,147)	(161,542)
Cash flows					
Premiums received	(136,312,445)	-	-	-	(136,312,445)
Claims and other directly attributable expenses paid	-	-	62,172,731	-	62,172,731
Insurance acquisition cash flows	21,427,170	-	-	-	21,427,170
Total cash flows	**(114,885,275)**	**-**	**62,172,731**	**-**	**(52,712,544)**
Net balance as at 31 December 2024	**(38,661,145)**	**(2,543,882)**	**(71,125,443)**	**(6,789,504)**	**(119,119,974)**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

2023

Insurance contracts issued	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adj. for non-fin. risk	Total
Opening insurance contract liabilities	(27,585,277)	(1,947,484)	(42,098,196)	(2,836,514)	(74,467,471)
Net balance as at January 1, 2023	**(27,585,277)**	**(1,947,484)**	**(42,098,196)**	**(2,836,514)**	**(74,467,471)**
Insurance revenue	**99,657,009**	-	-	-	**13,814,346**
Insurance service expenses					
Incurred claims	-	-	(38,465,464)	(1,555,743)	(40,021,207)
Other directly attributable expenses	-	-	(15,284,750)	-	(15,284,750)
Losses on onerous contracts and reversal of those losses	-	904,943	-	-	904,944
Insurance acquisition cash flows amortisation	(16,192,684)	-	-	-	(16,192,684)
Insurance service expenses	(16,192,684)	904,943	(53,750,214)	(1,555,743)	(70,593,697)
Insurance service result	**83,464,325**	**904,943**	**(53,750,214)**	**(1,555,743)**	**29,063,312**
Finance income from insurance contracts issued	-	-	(128,892)	-	(128,892)
Total amounts recognised in comprehensive income	**83,464,325**	**904,943**	**(53,879,106)**	**(1,555,743)**	**28,934,420**
Cash flows					
Premiums received	(99,034,376)	-	-	-	(99,034,376)
Claims and other directly attributable expenses paid	-	-	46,657,766	-	46,657,766
Insurance acquisition cash flows	16,308,408	-	-	-	16,308,408
Total cash flows	**(82,725,968)**	-	**46,657,766**	-	**(36,068,202)**
Net balance as at December 31, 2023	**(26,846,920)**	**(1,042,541)**	**(49,319,536)**	**(4,392,257)**	**(81,601,253)**

14. Insurance contracts issued and Reinsurance contracts held

Group

I) General Insurance: Reinsurance contract Assets

	Year ended 31st December 2024				
	Asset for remaining Coverage		Asset for incurred claims		
	Excluding Loss Component	Loss Recovery Component	Estimate of present value of cash flows	RA for non-financial risk	Total
	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)
Reinsurance contracts held:					
Reinsurance contracts held assets (liabilities) at beginning of period	**14,406,386**	**379,969**	**27,593,206**	**3,071,631**	**45,451,193**
Reinsurance expenses PAA	(47,993,055)	-	-	-	(47,993,055)
Changes in the risk of non performance by the Reinsurer	-	-	-	-	-
Claims Recovered.Incurred claims and other claims contingent expenses	-	-	16,422,420	-	16,422,420
Changes that relate to past service	-	-	18,354,143	1,853,020	20,207,163
Income on initial recognition of onerous underlying contracts	-	-	-	-	-
Reversal of a loss-recovery component other than changes in the FCF of reinsurance contracts held	-	2,172,324	-	-	2,172,324
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	(299,762)	-	12,960	(286,802)
Net expense from reinsurance contracts held	**(47,993,055)**	**1,872,562**	**34,776,564**	**1,865,980**	**(9,477,949)**
Finance income from reinsurance contracts held	-	-	65,830	-	65,830
Total amounts recognised in comprehensive income	**(47,993,055)**	**1,872,562**	**34,842,394**	**1,865,980**	**(9,412,119)**
	-	-	-	-	-
Cash flows	-	-	-	-	-
Premiums paid net of ceding commissions and other directly attributable expenses	56,896,212	-	-	-	56,896,212
Recoveries from reinsurance	-	-	(15,840,439)	-	(15,840,439)
Total cash flows	**56,896,212**	**-**	**(15,840,439)**	**-**	**41,055,773**
Reinsurance contracts held assets (liabilities) at end of period	**23,309,543**	**2,252,532**	**46,595,161**	**4,937,611**	**77,094,848**

II) Life Insurance: Reinsurance contract Assets

	Year ended 31st December 2024					
	Future CFs	Risk Adjustment	Reinsurance CSM	Component	Reinsurance	Total
	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)
Reinsurance contracts held assets (Liabilities) at beginning of period	**11,423,130**	**(661,620)**	**3,813,229**	**12,151**	**3,825,380**	**14,586,890**
Changes related to new business Future Service	(5,196,030)	(78,030)	5,274,060	-	5,274,060	-
Cash Inflows (Recoveries from reinsurance)	(8,820,750)	-	-	-	-	(8,820,750)
Insurance Finance Expenses	493,518	-	869,473	1,245	870,717	1,364,236
Changes related to future service	322,402	(320,864)	(1,538)	-	(1,538)	0
Changes related to current service	273,951	339,432	(4,567,892)	-	(4,567,892)	(3,954,509)
Changes related to past service	356,817	2,066	-	-	-	358,884
Cash Outflows (Premiums paid)	11,770,571	-	-	-	-	11,770,571
Loss Recovery from Reinsurance	-	-	-	8,189	8,189	8,189
Loss Recovery Component Amortisation	-	-	-	(7,270)	(7,270)	(7,270)
Reinsurance contracts held assets (Liabilities) at end of period	**10,623,610**	**(719,016)**	**5,387,332**	**14,315**	**5,401,647**	**15,306,241**

Total Reinsurance contract Assets (I + II)	**92,401,088**

14. Insurance contracts issued and Reinsurance contracts held

Group

I) General Insurance: Reinsurance contract Assets

	Year ended 31st December 2023				
	Asset for remaining Coverage		Asset for incurred claims		
	Excluding Loss Component	Loss Recovery Component	Estimate of present value of cash flows	RA for non-financial risk	Total
	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)
Reinsurance contracts held:					
Reinsurance contracts held assets (liabilities) at beginning of period	**19,771,828**	**938,468**	**24,917,614**	**2,249,065**	**47,876,975**
Reinsurance expenses PAA	(41,371,166)	-	-	-	(41,371,166)
Changes in the risk of non performance by the Reinsurer	-	-	-	-	-
Claims Recovered.Incurred claims and other claims contingent expenses	-	-	11,288,896	-	11,288,896
Changes that relate to past service	-	-	2,707,586	826,728	3,534,314
Income on initial recognition of onerous underlying contracts	-	-	-	-	-
Reversal of a loss-recovery component other than changes in the FCF of reinsurance contracts held	-	(782,413)	-	-	(782,413)
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	224,356	-	-	224,356
Net expense from reinsurance contracts held	**(41,371,166)**	**(558,057)**	**13,996,482**	**826,728**	**(27,106,014)**
Finance income from reinsurance contracts held	-	-	172,075	-	172,075
Total amounts recognised in comprehensive income	**(41,371,166)**	**(558,057)**	**14,168,557**	**826,728**	**(26,933,939)**
	-	-	-	-	-
Cash flows	-	-	-	-	-
Premiums paid net of ceding commissions and other directly attributable expenses	30,418,544	-	-	-	30,418,544
Recoveries from reinsurance	-	-	(5,857,299)	-	(5,857,299)
Total cash flows	**30,418,544**	**-**	**(5,857,299)**	**-**	**24,561,245**
Reinsurance contracts held assets (liabilities) at end of period	**8,819,207**	**380,410**	**33,228,871**	**3,075,793**	**45,504,282**

II) Life Insurance: Reinsurance contract Assets

	Year ended 31st December 2023					
	Future CFs	Risk Adjustment	Reinsurance CSM	Component	Reinsurance	Total
	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)	Tshs ('000)
Reinsurance contracts held assets (Liabilities) at beginning of period	**8,645,808**	**(574,019)**	**3,911,431**	**38,295**	**3,949,726**	**12,021,514**
Changes related to new business Future Service	(6,896,300)	(99,802)	6,996,103	-	6,996,103	-
Cash Inflows (Recoveries from reinsurance)	(9,556,822)	-	-		-	(9,556,822)
Insurance Finance Expenses	423,149	-	1,009,046	3,805	1,012,851	1,436,000
Changes related to future service	4,610,676	(322,871)	(4,287,805)	-	(4,287,805)	-
Changes related to current service	1,825,226	338,142	(3,815,545)	-	(3,815,545)	(1,652,177)
Changes related to past service	369,887	(3,070)	-	-	-	366,817
Cash Outflows (Premiums paid)	12,001,507	-	-	-	-	12,001,507
Loss Recovery from Reinsurance	-	-	-	5,478	5,478	5,478
Loss Recovery Component Amortisation	-	-	-	(35,427)	(35,427)	(35,427)
Reinsurance contracts held assets (Liabilities) at end of period	**11,423,130**	**(661,620)**	**3,813,229**	**12,151**	**3,825,380**	**14,586,890**

Total Reinsurance contract Assets (I + II)	**60,091,172**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

Company

2024

Reinsurance contracts held	"Asset for remaining Coverage" Excluding Loss Component	Loss Recovery Component	Asset for incurred claims Estimate of present value of cash flows	Risk adj. for non-fin. risk	Total
Opening reinsurance contract assets	13,430,573	353,879	25,743,106	2,825,394	42,352,952
Net balance as at 1 January 2024	**13,430,573**	**353,879**	**25,743,106**	**2,825,394**	**42,352,952**
Net income (expenses) from reinsurance contracts held					
Reinsurance expenses	(40,969,495)	-	-	-	(40,969,495)
Claims Recovered. Incurred claims and other claims contingent expenses	-	-	13,807,149	-	13,807,149
Changes that relate to past service	-	-	18,834,706	1,971,251	20,805,957
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	2,198,414	-	-	2,198,414
Reversal of a loss-recovery component other than changes in the FCF of reinsurance contracts held	-	(353,880)	-	-	(353,880)
Net income (expenses) from reinsurance contracts held	**(40,969,495)**	**1,844,534**	**32,641,855**	**1,971,251**	**(4,511,855)**
Finance income from reinsurance contracts held	-	-	99,650	12,960	112,610
Total amounts recognised in comprehensive income	**(40,969,495)**	**1,844,534**	**32,741,505**	**1,984,211**	**(4,399,245)**
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	49,834,030	-	-	-	49,834,030
Recoveries from reinsurance	-	-	(12,602,643)	-	(12,602,643)
Total cash flows	**49,834,030**	**-**	**(12,602,643)**	**-**	**37,231,387**
Net balance as at 31 December 2024	**22,295,108**	**2,198,413**	**45,881,968**	**4,809,605**	**75,185,094**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

2023

	Asset for remaining Coverage		Asset for incurred claims		
Reinsurance contracts held	Excluding Loss Component	Loss Recovery Component	Estimate of present value of cash flows	Risk adj. for non-fin. risk	Total
Opening reinsurance contract assets	16,629,212	903,475	22,967,259	1,979,170	42,479,116
Net balance as at January 1, 2023	**16,629,212**	**903,475**	**22,967,259**	**1,979,170**	**42,479,116**
Net income (expenses) from reinsurance contracts held					
Reinsurance expenses	(34,370,608)	-	-	-	(34,370,608)
Claims Recovered. Incurred claims and other claims contingent expenses	-	-	8,469,746	-	8,469,746
Changes that relate to past service	-	-	2,775,845	846,224	3,622,069
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	215,031	-	-	215,031
Income on initial recognition of onerous underlying contracts	-	(764,627)	-	-	(764,627)
Net income (expenses) from reinsurance contracts held	**(34,370,608)**	**(549,596)**	**11,245,591**	**846,224**	**(22,828,389)**
Finance income from reinsurance contracts held	-	-	175,011	-	175,011
Total amounts recognised in comprehensive income	**(34,370,608)**	**(549,596)**	**11,420,602**	**846,224**	**(22,653,378)**
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	31,171,969	-	-	-	31,171,969
Recoveries from reinsurance	-	-	(8,644,757)	-	(8,644,757)
Total cash flows	**31,171,969**	**-**	**(8,644,757)**	**-**	**22,527,212**
Net balance as at December 31, 2023	**13,430,573**	**353,879**	**25,743,104**	**2,825,394**	**42,352,950**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

Claims development

Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the below claims development disclosure on a gross of reinsurance basis as at 31 December 2024.

Company

Estimate of ultimate claim costs	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
At end of accident year	20,826,247	22,360,435	23,652,261	29,944,529	36,490,147	41,929,118	175,202,737
1 year later	21,065,110	22,718,552	24,210,583	30,424,036	37,340,028		135,758,309
2 year later	21,182,331	23,074,801	24,313,925	30,899,996			99,471,053
3 year later	21,555,161	23,465,982	24,574,956				69,596,099
4 year later	21,636,132	23,465,982					45,102,114
5 year later	21,636,132						21,636,132

The company provides information on the gross and net claims development for the current reporting period and five years prior to it. The company considers that there is no significant uncertainty with regard to claims that were incurred more than five years before the reporting period.

	Group		Company	
	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000

15. Leases (group as lessee)

The group has the option to purchase the plant at a nominal amount on completion of the lease term.

Details pertaining to leasing arrangements, where the group is lessee are presented below:

Group	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	3,801,060	(1,883,794)	1,917,266	3,428,788	(1,570,868)	1,857,920
Leasehold improvements	1,462,979	(947,993)	514,986	1,600,075	(872,758)	727,317
Total	**5,264,039**	**(2,831,787)**	**2,432,252**	**5,028,863**	**(2,443,626)**	**2,585,237**

Company	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Leasehold improvements	733,566	(733,566)	-	733,566	(733,566)	-

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

	Group 2024	Group 2023	Company 2024	Company 2023
Buildings	1,917,266	1,857,920	-	-
Leasehold improvements	514,986	727,317	-	-
	2,432,252	**2,585,237**	-	-

16. Borrowings

	Group 2024	Group 2023	Company 2024	Company 2023
Canara Bank Limited	436,507	631,869	436,507	631,869

The company obtained loan facility during the prior year amounting to USD 327,000 for a period of four (4) years. Interest is charged at rate of fixed deposit plus 1%. Rate of interest on deposit is 4.55% + 1%, hence the interest rate is 5.5% per annum.

Security
The loan is secured by fixed deposit FDR 1014030001334 of USD 363,978.

Purpose
The loan was obtained for the purposes of purchasing motor vehicles.

17. Trade and other payables

	Group 2024	Group 2023	Company 2024	Company 2023
Trade payables	468,508	206,852	-	-
Trade payables - related parties	-	-	9,206	9,206
Other payables	2,330,757	3,108,167	1,908,023	2,600,236
Deposits received	11,572	9,072	-	-
Other payables	192,781	181,220	-	-
Amounts received in advance	35,083	31,618	-	-
VAT	1,406,916	1,239,162	1,231,588	643,212
	4,445,617	**4,776,091**	**3,148,817**	3,252,654

Notes to the Consolidated Financial Statements

	Group		Company	
	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000
18. Share capital				
Authorised				
1,000,000 ordinary shares of Tzs. 50,000 each	50,000,000	50,000,000	50,000,000	50,000,000
Reconciliation of number of shares issued:				
Reported as at 1 January 2024	250,000	230,000	250,000	230,000
Issue of shares – ordinary shares	30,000	20,000	30,000	20,000
	280,000	**250,000**	**280,000**	**250,000**
Issued				
280,000 ordinary shares of Tzs. 50,000 each (2023: 250,000 ordinary shares of Tzs. 50,000 each	14,000,000	12,500,000	14,000,000	12,500,000

Figures in Tanzanian Shilling thousand

19 Insurance revenue and expenses

An analysis of insurance revenue, insurance service expenses and net expenses from reinsurance contracts held by product line for 2024 and 2023 is included in the following tables.

Group

Insurance revenue and insurance service result - General insurance

	Year ended 31st December 2024						
	Aviation and hull	**Eng**	**Fire**	**Marine**	**Motor**	**Misc**	**Total**
Insurance Revenue							
Insurance revenue from contracts measured under PAA	6,165,908	7,504,203	26,261,852	7,251,430	72,056,016	24,178,255	143,417,665
Total Insurance revenue	6,165,908	7,504,203	26,261,852	7,251,430	72,056,016	24,178,255	143,417,665
Insurance service expense							
Paid Claims	224,468	10,729,030	1,097,541	2,745,079	30,047,476	5,520,615	50,364,210
Change in the PVFCF	(39,422)	8,528,276	8,107,876	1,987,794	1,571,619	2,871,329	23,027,472
Risk adjustment	29,852	987,034	319,656	863,641	(47,224)	98,161	2,251,119
Losses on onerous contracts and reversal of those losses	-	2,490,331	-	(332,277)	(780,878)	79,120	1,456,297
Amortisation of insurance acquisition cash flows	940,953	1,657,473	6,542,137	1,370,602	9,091,940	3,653,116	23,256,221
Other incurred insurance service expenses	871,340	1,833,601	2,266,543	791,523	11,649,888	3,791,907	21,204,802
Total insurance service expenses	2,027,191	26,225,745	18,333,754	7,426,362	51,532,820	16,014,249	121,560,118
Net (income) expenses from reinsurance contract held							
Reinsurance expenses -contracts measured under the PAA	5,299,626	4,216,304	13,341,354	3,061,700	8,807,854	13,700,993	48,427,832
Incurred claims and other expense recoveries	(217,560)	(6,756,919)	(1,641,108)	(1,135,540)	(3,959,546)	(2,873,643)	(16,584,316)
Changes that relate to past service - adjustments to incurred claims	(24,639)	(7,518,675)	(7,828,930)	(2,212,143)	(206,771)	(2,378,938)	(20,170,097)
Effect of changes in the risk of reinsurers non-performance	-	10,374	79,604	(507)	(4,449)	14,725	99,748
Changes that relate to future service (i.e., losses on onerous groups of contracts and reversals of such losses)	-	(2,226,119)	-	109,986	215,031	86,330	(1,814,771)
Total net income (expenses) from reinsurance contracts held	5,057,428	(12,275,035)	3,950,920	(176,502)	4,852,120	8,549,466	9,958,398
Total insurance service result	**(918,711)**	**(6,446,507)**	**3,977,179**	**1,571**	**15,671,076**	**(385,461)**	**11,899,149**

Alliance Insurance Corporation Limited
(Registration number 29257)
Consolidated Financial Statements for the year ended December 31, 2024

Notes to the Consolidated Financials Statements

Figures in Tanzanian Shilling thousand

Insurance revenue and insurance service result - Life assurance

	Year ended 31st December 2024					
	Credit Life	**Group Life**	**Mortgage Protection**	**Keyman**	**Individual**	**Total**
Insurance Revenue						
Contracts measured under GMM						
Amounts relating to the changes in the LRC:						
Expected Incurred Claims and Expenses over the period	12,948,869	2,802,385	124,854	47,691	563,894	16,487,693
Unwind/Release of the risk margin over the period	762,458	173,969	9,956	-	3,498	949,880
Amortization of CSM	3,068,367	1,733,453	141,455	9,815	31,244	4,984,335
Less any Unwind/release of loss component over the period	-	-	-	(6,452)	(5,397)	(11,849)
Acquisition costs amortized in the period	8,989,185	2,037,665	119,262	6,658	21,803	11,174,572
Total Insurance revenue	**25,768,878**	**6,747,473**	**395,527**	**57,712**	**615,041**	**33,584,630**
Insurance service expense						
Paid Claims	11,334,736	5,341,881	36,399	18,131	696,581	17,427,730
Change in Out + IBNR - Expected Recovery	633,219	(526,083)	(20,183)	-	-	86,953
Changes in Loss Component	-	-	-	-	51,059	51,059
Change inDAC (Acquisition Costs)	-	-	-	-	(294,561)	(294,561)
+/- Movement in LIC risk adjustment not accounted for by Finance Expenses	8,989,185	2,037,665	119,262	6,658	21,803	11,174,572
	7,494	(1,214)	(62)	-	-	6,218
Total insurance service expenses	**20,964,634**	**6,852,249**	**135,416**	**24,790**	**474,883**	**28,451,972**
Net Income (expenses) from Reinsurance Contracts held						
Reinsurance income (expenses) - contracts measured under GMM;						
Expected claim recoveries	(6,836,387)	(1,067,988)	(86,542)	(2,922)	(7,092)	(8,000,930)
Unwind/Release of the risk margin over the period	261,287	72,863	5,015	106	162	339,432
Amortization of CSM	(3,064,547)	(1,394,978)	(103,903)	(6,915)	2,450	(4,567,892)
GMM(Allocation of Reinsurance Premiums)	**(9,639,646)**	**(2,390,103)**	**(185,430)**	**(9,730)**	**(4,480)**	**(12,229,390)**
Actual reinsurance recoveries	5,349,346	2,924,263	1,273	-	-	8,274,881
Changes in expected recoveries net of payments (past service)	397,630	(30,627)	(10,185)	-	-	356,817
Changes in Loss Component	-	-	-	-	919	919
Risk adjustment	1,364	669	33	-	-	2,066
Amounts Recoverable from Reinsurers	**5,748,340**	**2,894,305**	**(8,880)**	**-**	**919**	**8,634,684**
Total net income (expenses) from reinsurance contracts held	**(3,891,307)**	**504,202**	**(194,310)**	**(9,730)**	**(3,560)**	**(3,594,706)**
Total Insurance Service Result	**912,938**	**399,425**	**65,800**	**23,191**	**136,598**	**1,537,953**

Group insurance Revenue	General	Life	Total
Insurance revenue from contracts measured under PAA	143,417,665	33,584,630	177,002,296
Group insurance service expenses	(121,560,118)	(28,451,972)	(150,012,090)
Group net income (expenses) from reinsurance contracts held	(9,958,398)	(3,594,706)	(13,553,104)
Group insurance service result	**11,899,149**	**1,537,953**	**13,437,102**

Figures in Tanzanian Shilling thousand

19 Insurance revenue and expenses

An analysis of insurance revenue, insurance service expenses and net expenses from reinsurance contracts held by product line for 2023 and 2022 is included in the following tables.

Group

Insurance revenue and insurance service result - General insurance

	Year ended 31st December 2023						
	Aviation and hull	Eng	Fire	Marine	Motor	Misc	Total
Insurance Revenue							
Insurance revenue from contracts measured under PAA	5,177,633	6,384,557	22,447,706	7,749,570	58,487,819	19,979,891	120,227,176
Total Insurance revenue	5,177,633	6,384,557	22,447,706	7,749,570	58,487,819	19,979,891	120,227,176
Insurance service expense							
Paid Claims	513,011	1,911,274	2,667,736	2,297,846	26,084,279	4,223,533	37,697,680
Change in the PVFCF	(690,620)	613,181	1,968,987	2,084,884	6,068,276	(134,518)	9,910,189
Risk adjustment	(68,144)	111,898	744,062	245,342	626,527	(53,082)	1,606,604
Losses on onerous contracts and reversal of those losses	(137,241)	(413,844)	-	(223,680)	775,315	(777,830)	(777,280)
Amortisation of insurance acquisition cash flows	533,600	943,082	5,568,665	1,342,031	8,632,140	2,992,596	20,012,114
Other incurred insurance service expenses	663,147	1,085,680	2,804,812	1,189,358	10,152,934	2,886,776	18,782,707
Total insurance service expenses	813,753	4,251,272	13,754,263	6,935,780	52,339,471	9,137,476	87,232,015
Net (income) expenses from reinsurance contract held							
Reinsurance expenses -contracts measured under the PAA	4,401,846	2,864,028	11,931,443	2,868,090	6,595,711	12,710,048	41,371,166
Incurred claims and other expense recoveries	(1,721,286)	(905,133)	(2,254,384)	(1,848,182)	(2,281,226)	(2,249,928)	(11,260,140)
Changes that relate to past service - adjustments to incurred claims	860,040	(140,976)	(2,805,624)	(1,060,339)	(397,534)	10,843	(3,533,590)
Changes that relate to future service (i.e., losses on onerous groups of contracts and reversals of such losses)	134,621	191,414	-	74,040	(215,031)	373,014	558,057
Total net income (expenses) from reinsurance contracts held	3,287,421	1,722,123	6,547,772	(488,963)	3,566,743	8,193,291	27,135,494
Total insurance service result	**1,076,459**	411,162	**2,145,671**	1,302,752	**2,581,605**	**2,649,124**	**5,859,668**

Notes to the Consolidated Financials Statements

Figures in Tanzanian Shilling thousand

Insurance revenue and insurance service result - Life assurance

	Year ended 31st December 2023					
	Credit Life	**Group Life**	**Mortgage Protection**	**Keyman**	**Individual**	**Total**
Insurance Revenue						
Contracts measured under GMM						
Amounts relating to the changes in the LRC:						
Expected Incurred Claims and Expenses over the period	8,936,356	6,703,867	121,482	58,629	371,068	16,191,402
Unwind/Release of the risk margin over the period	640,281	273,879	7,960	-	21,983	944,103
Amortization of CSM	2,474,645	1,036,841	137,267	170,795	107,421	3,926,968
Less any Unwind/release of loss component over the period	(0)	(56,166)	-	(18,497)	(36,188)	(110,852)
Acquisition costs amortized in the period	8,122,803	2,438,901	87,411	23,562	139,605	10,812,281
Total Insurance revenue	**20,174,085**	**10,397,321**	**354,119**	**234,488**	**603,889**	**31,763,903**
Insurance service expense						
Paid Claims	8,916,753	9,796,538	25,410	31,140	417,169	19,187,011
Change in Out + IBNR - Expected Recovery	839,924	(1,213,999)	(27,677)	-	-	(401,752)
Changes in Loss Component	0	(83,639)	-	-	(45,323)	(128,963)
Change inDAC (Acquisition Costs)	8,122,803	2,438,901	87,411	-	(90,848)	10,558,267
+/- Movement in LIC risk adjustment not accounted for by Finance Expenses	(1,250)	(3,031)	(85)	23,562	139,605	158,800
Total insurance service expenses	**17,878,231**	**10,934,771**	**85,058**	**54,702**	**420,602**	**29,373,363**
Net Income (expenses) from Reinsurance Contracts held						
Reinsurance income (expenses) - contracts measured under GMM;						
Expected claim recoveries	(3,433,256)	(3,845,648)	(75,990)	(90)	(5,265)	(7,360,248)
Unwind/Release of the risk margin over the period	211,823	120,935	5,170	-	214	338,142
Amortization of CSM	(2,416,284)	(1,131,562)	(131,166)	(136,677)	145	(3,815,545)
Reinsurance expenses - contracts measured under	**(5,637,717)**	**(4,856,275)**	**(201,986)**	**(136,768)**	**(4,907)**	**(10,837,652)**
Actual reinsurance recoveries	3,994,408	5,189,299	-	-	1,768	9,185,475
Changes in expected recoveries net of payments (past service)	378,467	(2,879)	(5,701)	-	-	369,887
Changes in Loss Component	-	(23,502)	-	-	(6,448)	(29,949)
Risk adjustment	(4,834)	1,749	15	-	-	(3,070)
Amounts Recoverable from Reinsurers	**4,368,041**	**5,164,667**	**(5,686)**	**-**	**(4,679)**	**9,522,343**
Total net income (expenses) from reinsurance contracts held	**(1,269,676)**	**308,393**	**(207,672)**	**(136,768)**	**(9,586)**	**(1,315,309)**
Total Insurance Service Result	**1,026,179**	**(229,057)**	**61,389**	**43,018**	**173,701**	**1,075,231**

Group insurance Revenue	General	Life	Total
Insurance revenue from contracts measured under PAA	120,227,176	31,763,903	151,991,078
Group insurance service expenses	(87,232,015)	(29,373,363)	(116,605,377)
Group net income (expenses) from reinsurance contracts held	(27,135 494)	(1,315,309)	(28,450,803)
Group insurance service result	5,859,668	**1,075,231**	**6,934,898**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

Company

2024

	Aviation & Hull	Engineering	Fire	Marine	Motor	Miscellaneous	Total
			Partcipating				
Note							-
Insurance revenue							
Insurance revenue from contracts measured under the PAA	5,633,015	6,001,975	21,914,180	5,323,759	63,703,904	19,019,671	121,596,504
Total insurance revenue	5,633,015	6,001,975	21,914,180	5,323,759	63,703,904	19,019,671	121,596,504
Insurance service expenses							
Incurred claims	(224,468)	(10,387,631)	(381,167)	(2,606,233)	(25,588,925)	(2,781,903)	(41,970,327)
Changes that relate PVFCF	39,422	(8,573,239)	(8,355,366)	(2,030,333)	(1,960,889)	(3,182,789)	(24,063,194)
Losses on onerous contracts and reversal of those losses	-	(2,543,882)	-	332,277	649,625	60,639	(1,501,341)
Amortisation of insurance acquisition cash flows	(918,689)	(1,306,865)	(5,123,369)	(859,592)	(7,709,454)	(2,607,486)	(18,525,455)
Risk adjustments to the LIC	(29,852)	(999,252)	(420,798)	(856,047)	68,207	(139,358)	(2,377,100)
Other incurred insurance service expenses	(859,450)	(1,565,103)	(1,651,451)	(533,231)	(10,212,930)	(2,981,557)	(17,803,722)
Total insurance service expenses	(1,993,037)	(25,375,972)	(15,932,151)	(6,553,159)	(44,754,366)	(11,632,454)	(106,241,139)
Reinsurance expenses - contracts measured under the PAA	(4,717,365)	(3,466,346)	(11,041,031)	(2,027,975)	(8,012,899)	(11,703,879)	(40,969,495)
Changes that relate to future service (i.e., losses on onerous groups of contracts and reversals of such losses)	-	2,198,414	-	(109,986)	(215,031)	(28,862)	1,844,535
Claims recovered	217,802	6,390,374	1,097,253	1,090,395	3,832,956	1,178,369	13,807,149
Changes that relate to past service - adjustments to incurred claims	27,750	7,571,490	8,150,328	2,229,598	236,557	2,590,233	20,805,956
Total net expenses from reinsurance contracts held	(4,471,813)	12,693,932	(1,793,450)	1,182,032	(4,158,417)	(7,964,139)	(4,511,855)
Total insurance service result	**(831,835)**	**(6,680,065)**	**4,188,579**	**(47,368)**	**14,791,121**	**(576,922)**	**10,843,510**

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in Tanzanian Shilling thousand	2024	2023	2024	2023

2023

	Aviation & Hull	Engineering	Partcipating Fire	Marine	Motor	Miscellaneous	Total
Note							-
Insurance revenue							
Insurance revenue from contracts measured under the PAA	4,720,148	5,456,258	19,080,540	5,712,129	50,871,588	13,814,346	99,657,009
Total insurance revenue	4,720,148	5,458,258	19,080,540	5,712,129	50,871,588	13,814,346	99,657,009
Insurance service expenses							
Incurred claims	(513,011)	(1,302,503)	(1,281,090)	(1,989,584)	(22,311,745)	(2,818,712)	(30,216,645)
Changes that relate PVFCF	690,620	(628,651)	(2,124,555)	(2,131,159)	(4,697,799)	642,726	(8,248,818)
Losses on onerous contracts and reversal of those losses	137,241	447,319	-	223,680	(649,625)	746,328	904,943
Insurance acquisition cash flows amortisation	(513,423)	(733,595)	(4,990,331)	(767,475)	(7,408,999)	(1,778,861)	(16,192,684)
Risk adjustments to the LIC	68,144	(113,954)	(771,862)	(249,433)	(586,646)	98,007	(1,555,744)
Other incurred insurance service expenses	(614,811)	(901,763)	(2,252,917)	(904,863)	(8,731,068)	(1,879,328)	(15,284,750)
Total insurance service expenses	(745,240)	(3,233,147)	(11,420,755)	(5,818,834)	(44,385,882)	(4,989,840)	(70,593,698)
Reinsurance expenses - contracts measured under the PAA	(3,782,062)	(2,229,827)	(10,701,531)	(2,291,569)	(6,308,699)	(9,056,922)	(34,370,610)
Changes that relate to future service (i.e., losses on onerous groups of contracts and reversals of such losses)	-	(200,738)	-	(74,040)	215,031	(489,849)	(549,596)
Incurred claims and other expense recoveries	16,217	526,227	1,198,041	1,789,126	2,134,244	2,805,891	8,469,746
Changes that relate to past service - adjustments to incurred claims	32,136	182,215	2,955,718	1,065,445	392,680	(1,006,125)	3,622,069
Total net expenses from reinsurance contracts held	(3,733,709)	(1,722,123)	(6,547,772)	488,962	(3,566,744)	(7,747,005)	(22,828,391)
Total insurance service result	**241,199**	**502,988**	**1,112,013**	**382,257**	**2,918,962**	**1,077,501**	**6,234,920**

Notes to the Consolidated Financial Statements

	Group		Company	
	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000
20. Investment income				
Dividend income				
Equity instruments at fair value through other comprehensive income:				
Listed investments - Local	795,287	601,152	795,287	601,152
Total dividend income	**795,287**	**601,152**	**795,287**	**601,152**
Interest income				
Investments in financial assets:				
Bank and other cash	1,459,416	1,140,588	95,175	58,426
Debt instruments at fair value through other comprehensive income	7,267,776	6,843,039	5,754,309	5,628,294
Exchange gain	48,167	1,200,354	(11,250)	851,546
Loans to group companies:				
Subsidiaries	-	-	183,023	152,519
Total interest income	**8,775,359**	**9,183,981**	**6,021,257**	**6,690,785**
Total investment income	**9,570,646**	**9,785,133**	**6,816,544**	**7,291,937**
21. Other operating gains (losses)				
Gains (losses) on disposals, scrappings and settlements				
Financial assets/tangible assets	7,732	375,424	-	375,424
22. Dividends paid				
Dividends	(4,349,789)	(3,668,500)	(4,349,789)	(3,668,500)
23. Other operating income				
Other income	165,472	32,803	-	-
24. Taxation				
Major components of the tax expense				
Current				
Local income tax - current period	5,695,687	5,089,648	4,596,443	4,610,896
Deferred				
Originating and reversing temporary differences	(57,482)	256,774	32,766	(141,726)
	5,638,205	**5,346,422**	**4,629,209**	4,469,170

Notes to the Consolidated Financial Statements

25. Related parties

The group is controlled by .

Refer to note 9, note and note for details of investments in subsidiaries and associates.

Members of the board and the Group Management Committee are considered to be related parties.

The company Alliance Insurance Corporation Limited is controlled by Union Trust Investment Limited incorporated in Tanzania which owns 65% and the balance 35% is held by MAC Company. The company has 70% investment in Alliance Life Assurance Limited, 99% in Dar-es-Salaam Properties Limited and 99% in Alliance Africa General Insurance Limited.

In the normal course of business, insurance policies are sold to related parties at terms and conditions similar to those offered to major clients.

Related party transactions and balances

Details of transactions and balances occurring between the group and related parties are presented below.

Intragroup transactions have been eliminated on consolidation and are not presented in the group figures.

The company and its subsidiaries, in the ordinary course of business, enter into various sales, purchase and service transactions with joint operations, associates and joint ventures and others in which the group has a material interest. These transactions are under terms that are no less favourable to the group than those arranged with third parties.

	Group 2024 TSh '000	Group 2023 TSh '000	Company 2024 TSh '000	Company 2023 TSh '000
Gross earned premium:				
Union Trust Investment Limited	18,000	12,000	18,000	12,000
MAC-UTI Properties Limited	82,000	103,000	81,000	103,000
The Heritage Insurance Company Tanzania Limited	664,000	1,062,000	664,000	1,062,000
Strategies Insurance (Tanzania) Limited	344,000	1,954,000	344,000	1,954,000
Alliance Life Assurance Limited	-	-	23,000	8,000
Exim Bank Tanzania Limited	1,473,000	1,227,000	1,473,000	1,227,000
Grand Re Tanzania	1,654,000	2,181,410	1,654,000	2,181,410
New Arusha Hotel	14,000	13,000	14,000	13,000
Nyanza Mines Limited	12,000	11,000	12,000	11,000
National Knitwear industries Limited	4,000	3,000	4,000	3,000
The Wilderness collections Limited	62,000	74,000	62,000	74,000
Avenue Centre Limited	9,000	8,000	9,000	8,000
Ace properties Limited	4,000	4,000	4,000	4,000
Exim Bank Tanzania Limited (Banca assurance business)	4,396,000	5,254,000	4,396,000	5,254,000
	8,736,000	**11,906,410**	**8,758,000**	**11,914,410**
Net claims incurred:				
The Heritage Insurance Company Tanzania Limited	11,000	15,000	11,000	15,000
Strategies Insurance (Tanzania) Limited	274,000	8,000	274,000	8,000
MAC-UTI Properties Limited	31,000	26,000	31,000	26,000
Exim Bank Tanzania Limited	2,000	2,000	2,000	2,000
Alliance Life Assurance Limited	-	-	11,000	7,000
	318,000	**51,000**	**329,000**	**58,000**
Reinsurance premium ceded to related part:				
The Heritage Insurance Company Tanzania Limited	1,105,000	1,100,000	1,105,000	1,100,000
Strategis Insurance (Tanzania) Limited	533,000	504,000	533,000	504,000
Grand Reinsurance (T) Limited	13,986,000	12,548,000	13,986,000	12,548,000
	15,624,000	**14,152,000**	**15,624,000**	**14,152,000**

Notes to the Consolidated Financial Statements

	Group		Company	
	2024 TSh '000	2023 TSh '000	2024 TSh '000	2023 TSh '000

25. Related parties (continued)

Commissions earned:

Grand Re Tanzania	1,267,000	922,000	1,267,000	922,000
The Heritage Insurance Company Tanzania Limited	349,000	348,000	349,000	348,000
Strategies Insurance (Tanzania) Limited	81,000	51,000	81,000	51,000
	1,697,000	**1,321,000**	**1,697,000**	**1,321,000**

Commission paid to:

The Heritage Insurance Company Tanzania Limited	192,000	175,000	192,000	175,000
Strategies Insurance (Tanzania) Limited	73,000	68,000	73,000	68,000
	265,000	**243,000**	**265,000**	**243,000**

Service from related party:

MAC-UTI Properties Limited	135,000	115,000	135,000	115,000
Union Trust Investment Limited	415,000	327,000	415,000	327,000
Alliance Life Assurance Limited	-	-	38,000	40,000
Dar es Salaam Properties Limited	-	-	286,000	245,000
	550,000	**442,000**	**874,000**	**727,000**

Key management personnel compensation:

Salaries	3,885,413	3,469,112	2,052,000	1,484,000
Social security benefit cost	289,139	219,597	205,000	138,000
	4,174,552	**3,688,709**	**2,257,000**	**1,622,000**

Loans to (from):

Dar es Salaam Properties Limited	-	-	3,050,384	3,050,384

Payables to related parties:

Alliance Life Assurance Limited	-	-	9,205	9,205

26. Events after the reporting period

The Members those charged with governance are not aware of any material event which occurred after the reporting date and up to the date of this report.

27. Statutory reserves

The statutory reserve represents capital reserve and contingency reserves transferred as required by Insurance Regulations whose distribution is subject to restrictions imposed by the Insurance Act, 2009. Movements in the statutory reserve are shown in the statement of changes in equity.

In accordance with regulation 27(3)(b) of the Insurance Regulations, 2009, a contingency reserve at the rate of 1% of the premium has been created for long term business and 3% of the premium for general business in accordance with regulation 27(2)(b).

28. Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

29. Currency

These financial statements are presented in Tanzanian Shillings (TSh '000).