



ZAMBIA REINSURANCE PLC

(Incorporated in the Republic of Zambia under company registration number 63239)
Share Code: ZAMBIA RE
ISIN : ZMW00000000326
("Zambia Re" or "the Company")

SUMMARY OF AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

In compliance with the requirements of the Securities Act No.41 of 2016 and the Listing Rules of the Lusaka Securities Exchange (LuSE), Zambia Reinsurance PLC announces the audited results for the year ended 31 December 2024.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME AS AT 31 DECEMBER 2024

	2024 ZMW	2023 ZMW
Reinsurance revenue	140,341,210	90,023,096
Retrocession service expenses	(52,953,377)	(44,864,695)
Rensurance service result from reinsurance contracts issued	87,387,833	45,158,401
Reinsurance service expense	(98,441,430)	(58,827,410)
Retrocession service income	34,909,205	19,326,475
Net reinsurance service expense	(63,532,225)	(39,500,935)
Reinsurance finance (expense)/income	(2,965,223)	7,145,916
Retrocession finance income/(expense)	2,523,242	(5,280,935)
Other operating expenses	(8,857,677)	(8,990,162)
Total service and operating expenses	(72,831,883)	(46,626,116)
Other operating income	17,795,541	22,024,883
Profit before tax	32,351,491	20,557,168
Income tax expense	(3,888,997)	(5,042,875)
Profit for the year	28,462,494	15,514,293
Gain on investments at fair value	3,624,384	3,083,475
Total comprehensive income for the year	32,086,877	18,597,768
Basic and diluted earnings per share	0.63	0.34

Operating Environment

The overall economic outlook for the country is encouraging, although the drought in the 2023/2024 rainy season had a ripple effect on key macroeconomic indicators such as the Gross Domestic Product (GDP), inflation and the exchange rate.

The continued implementation of Insurance Act No. 38 of 2021, effective December 2022, is transforming the industry through the promotion of reinsurance placement in Zambia. This development has not only created favourable conditions for revenue growth but has also contributed to an expansion in the number of industry participants.

2024 marked the second year of implementing the new International Financial Reporting Standard (IFRS) 17, that replaced IFRS 4. The transition to IFRS 17 altered the principles for the recognition, measurement, presentation, and disclosure of insurance contracts. Reinsurance revenue is recognised as reinsurance premium is earned. Additionally, actuarial reserves include risk adjustments on non-financial risks and discounting considering the time value of money in the management of reinsurance contracts.

Financial Highlights

For the financial year ended 31 December 2024, the cumulative revenue was **ZMW140.34 million** compared to **ZMW90.02 million** achieved in the prior year, representing an increase in revenue of 56%. The increase in revenue was driven mainly by acquisition of new business across multiple classes of reinsurance.

The Company realised a profit before tax of **ZMW32.35 million** for the year compared to **ZMW20.56 million** in the prior year, attributed to revenue growth, investment income and exchange gains arising from the devaluation of the Kwacha against major currencies. The basic and diluted earnings per share increased from **ZMW0.34** to **ZMW0.63** at the end of the financial year.

The total comprehensive income for the year was **ZMW32.09 million**, an increase of 72% from **ZMW18.60 million** in the prior year.

The financial position strengthened, with total assets increasing from **ZMW151.65 million** in the prior year to **ZMW209.80 million** in 2024.

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	2024 ZMW	2023 ZMW
Assets		
Non current assets	18,831,857	18,412,596
Current assets	190,972,197	133,239,929
Total assets	209,804,054	151,652,525
Capital and reserves	135,454,334	105,392,457
Total liabilities	74,349,720	46,260,068
Total equity and liabilities	209,804,054	151,652,525

CONDENSED STATEMENT OF CASHFLOWS AS AT 31 DECEMBER 2024

	2024 ZMW	2023 ZMW
Net cash generated from operating activities	11,702,014	3,320,179
Net cash (outflow)/inflow on investment activities	(24,883,850)	13,941,829
Net cash outflow on financing activities	(1,999,884)	(2,017,745)
(Decrease)/Increase in cash and cash equivalents	(15,181,720)	15,244,263
Cash and cash equivalents at start of period	17,558,618	1,480,489
Impact on foreign currency exchange rate changes	-	833,866
Cash and cash equivalents at end of period	2,376,898	17,558,618

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2024

	2024 ZMW	2023 ZMW
Balance as at 1 January 2024	105,392,457	88,819,689
Profit for the year	28,462,493	15,514,293
Gain on investments at fair value	3,624,384	3,083,475
Dividends paid	(2,025,000)	(2,025,000)
Balance as at 31 December 2024	135,454,334	105,392,457

Shareholders are advised to exercise caution when dealing in the company's securities until publication of the results of the year-end audited financial statements.

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Sponsoring Broker



Stockbrokers Zambia Limited

[MEMBERS OF THE "LuSE" and
REGULATED BY THE SECURITIES AND
EXCHANGE COMMISSION OF ZAMBIA]

Outlook

The Company's outlook remains positive, with projected revenue growth driven by the ongoing implementation of the Insurance Act No. 38 of 2021, coupled with a favourable macroeconomic environment.

Dividend

The Directors will recommend a dividend payment to the shareholders of ZMW0.056 per share at the next Annual General Meeting.

By Order of the Board
Choice Corporate Services Limited - SECRETARY