



# General Reinsurance Africa Ltd.

*Registration Number 1966/003833/06*

## Financial Statement 2023

# Statement of Financial Position as at 31 December 2023

				<b>LIFE</b>		
	<u>Notes</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>		
		R'000	Restated R'000	Restated R'000		
<b>Assets</b>						
Property and equipment	4	3 668	3 201	2 300		
Deferred taxation	6	478 732	424 109	537 836		
Insurance contract assets	8.1	981 691	1 045 480	316 323		
Reinsurance contract assets	8.1	397 995	784 646	1 250 046		
Financial investments	5	6 049 622	5 189 618	5 459 029		
Net amounts due from group	9	3 483	760	-		
Right of use asset	10	20 859	2 306	4 820		
Other receivables		26 517	47 296	195 837		
Taxation		1 122	-	25 482		
Inter-divisional clearing account		-27 415	-69 914	1 528		
Cash and cash equivalents	19.3	365 009	387 030	1 420 183		
<b>Total assets</b>		<b>8 301 283</b>	<b>7 814 532</b>	<b>9 213 383</b>		
<b>Equity and liabilities</b>						
<b>Capital and reserves</b>		<b>1 429 101</b>	<b>1 131 055</b>	<b>1 536 488</b>		
Issued capital	7	1 001 000	1 001 000	1 001 000		
Investment reserve		49 715	29 133	88 193		
Accumulated profit		378 386	100 922	447 295		
<b>Liabilities</b>		<b>6 872 182</b>	<b>6 683 477</b>	<b>7 676 896</b>		
Insurance contract liabilities	8.1	6 753 246	6 583 039	7 002 821		
Reinsurance contract liabilities	8.1	4 530	6 658	-		
Deferred tax	6	-	-	4 823		
Taxation		-	21 891	-		
Net amounts due to group	9	49 593	32 705	641 138		
Other provisions	11	41 363	30 388	18 988		
Lease liability	10	21 002	3 877	7 402		
Other payables		2 448	4 919	1 724		
<b>Total equity and liabilities</b>		<b>8 301 283</b>	<b>7 814 532</b>	<b>9 213 383</b>		

# Statement of Financial Position as at 31 December 2023

		<b>NON-LIFE</b>		
	<u>Notes</u>	<u>2023</u> R'000	<u>2022</u> Restated R'000	<u>2021</u> Restated R'000
<b>Assets</b>				
Property and equipment	4	2 699	395	392
Deferred taxation	6	12 854	16 543	16 632
Insurance contract assets	8.1	3 123	2 215	5 503
Reinsurance contract assets	8.1	1 899	1	-
Financial investments	5	1 897 863	2 007 353	1 615 408
Net amounts due from group	9	-	-	479
Right of use asset	10	1 487	1 867	224
Other receivables		10 780	23 328	40 846
Taxation		48	-	3 703
Inter-divisional clearing account		27 415	69 914	-1 528
Cash and cash equivalents	19.3	171 403	306 709	360 235
<b>Total assets</b>		<b>2 129 571</b>	<b>2 428 325</b>	<b>2 041 895</b>
<b>Equity and liabilities</b>				
<b>Capital and reserves</b>		<b>251 667</b>	<b>247 218</b>	<b>213 372</b>
Issued capital	7	3 000	3 000	3 000
Investment reserve		-180	-242	7 127
Accumulated profit		248 847	244 460	203 245
<b>Liabilities</b>		<b>1 877 904</b>	<b>2 181 107</b>	<b>1 828 522</b>
Insurance contract liabilities	8.1	1 287 394	1 699 098	1 485 466
Reinsurance contract liabilities	8.1	558 006	443 103	305 898
Deferred tax	6	-	-	2 057
Taxation		-	5 572	-
Net amounts due to group	9	565	2 293	-
Other provisions	11	956	484	-
Lease liability	10	1 630	1 879	344
Other payables		29 353	28 678	34 757
<b>Total equity and liabilities</b>		<b>2 129 571</b>	<b>2 428 325</b>	<b>2 041 895</b>

# Statement of Financial Position as at 31 December 2023

<b>LIFE AND NON-LIFE</b>				
	<u>Notes</u>	<u>2023</u> R'000	<u>2022</u> Restated R'000	<u>2021</u> Restated R'000
<b>Assets</b>				
Property and equipment	4	6 367	3 596	2 692
Deferred taxation	6	491 586	440 652	554 468
Insurance contract assets	8.1	984 814	1 047 695	321 826
Reinsurance contract assets	8.1	399 894	784 647	1 250 046
Financial investments	5	7 947 485	7 196 971	7 074 437
Net amounts due from group	9	3 483	760	479
Right of use asset	10	22 346	4 173	5 044
Other receivables		37 297	70 624	236 683
Taxation		1 170	-	29 185
Inter-divisional clearing account		-	-	-
Cash and cash equivalents	19.3	536 412	693 739	1 780 418
<b>Total assets</b>		<b>10 430 854</b>	<b>10 242 857</b>	<b>11 255 278</b>
<b>Equity and liabilities</b>				
<b>Capital and reserves</b>				
Issued capital	7	1 004 000	1 004 000	1 004 000
Investment reserve		49 535	28 891	95 320
Accumulated profit		627 233	345 382	650 540
<b>Liabilities</b>		<b>8 750 086</b>	<b>8 864 584</b>	<b>9 505 419</b>
Insurance contract liabilities	8.1	8 040 640	8 282 137	8 488 286
Reinsurance contract liabilities	8.1	562 536	449 761	305 898
Deferred tax	6	-	-	6 880
Taxation		-	27 463	-
Net amounts due to group	9	50 158	34 998	641 138
Other provisions	11	42 319	30 872	18 988
Lease liability	10	22 632	5 756	7 746
Other payables		31 801	33 597	36 482
<b>Total equity and liabilities</b>		<b>10 430 854</b>	<b>10 242 857</b>	<b>11 255 278</b>

# Statement of Profit or Loss for the year ended 31 December 2023

		LIFE		NON-LIFE		TOTAL	
	Notes	2022		2022		2022	
		2023	Restated	2023	Restated	2023	Restated
		R'000	R'000	R'000	R'000	R'000	R'000
<b>Gross insurance contract result</b>	8.2	335 079	95 531	522 154	-119 715	857 233	-24 184
Insurance service revenue		3 710 576	3 887 665	479 578	402 870	4 190 154	4 290 535
Insurance service cost		-3 375 497	-3 792 134	42 576	-522 585	-3 332 921	-4 314 719
<b>Net expenses from reinsurance</b>	8.2	-167 604	-398 621	-520 619	147 109	-688 223	-251 512
Reinsurance premiums expensed		-902 823	-1 410 968	-414 051	-368 307	-1 316 874	-1 779 275
Recovered from reinsurers		735 219	1 012 347	-106 568	515 416	628 651	1 527 763
<b>Insurance service result</b>		<b>167 475</b>	<b>-303 090</b>	<b>1 535</b>	<b>27 394</b>	<b>169 010</b>	<b>-275 696</b>
Interest revenue on financial assets not measured through fair value through profit or loss	12	403 679	365 805	153 153	98 832	556 832	464 637
Other investment revenue	12	43 157	18 532	19 331	13 384	62 488	31 916
<b>Investment return</b>		<b>446 836</b>	<b>384 337</b>	<b>172 484</b>	<b>112 216</b>	<b>619 320</b>	<b>496 553</b>
Gross finance income and expenses from insurance contracts	8.2	-247 851	-201 005	-119 305	-66 110	-367 156	-267 115
Reinsurance finance income and expenses	8.2	37 061	40 632	-37 670	-5 620	-609	35 012
<b>Net financial result</b>		<b>236 046</b>	<b>223 964</b>	<b>15 509</b>	<b>40 486</b>	<b>251 555</b>	<b>264 450</b>
Other operating expenses	13	-99 895	-70 907	-11 035	-10 467	-110 930	-81 374
Other finance costs		-	494	-	-	-	494
<b>Profit / (loss) before taxation</b>		<b>303 626</b>	<b>-149 539</b>	<b>6 009</b>	<b>57 413</b>	<b>309 635</b>	<b>-92 126</b>
Taxation	14	-26 162	-196 834	-1 622	-16 197	-27 784	-213 031
<b>Net profit / (loss) after taxation</b>		<b>277 464</b>	<b>-346 373</b>	<b>4 387</b>	<b>41 216</b>	<b>281 851</b>	<b>-305 157</b>

# Statement of Comprehensive Income for the year ended 31 December 2023

	LIFE		NON-LIFE		TOTAL	
Notes	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	R'000	Restated R'000	R'000	Restated R'000	R'000	Restated R'000
<b>Net profit / (loss) after taxation</b>	277 464	-346 373	4 387	41 216	281 851	-305 157
<b>Other comprehensive income</b>						
<b>Financial assets measured at FVTOCI</b>						
Net gain/ (loss) arising on revaluation of financial assets measured at FVTOCI during the year	33 159	-84 301	79	-9 493	33 238	-93 794
Income tax relating to components of other comprehensive income	14 -12 577	25 241	-17	2 124	-12 594	27 365
<b>Total comprehensive profit / (loss) for the year</b>	<b>298 046</b>	<b>-405 433</b>	<b>4 449</b>	<b>33 847</b>	<b>302 495</b>	<b>-371 586</b>

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of General Reinsurance Africa Limited

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### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of General Reinsurance Africa Limited (the Company) set out on pages 14 to 85, which comprise the statement of financial position as at 31 December 2023, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of General Reinsurance Africa Limited as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statements* section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' (IESBA) *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The directors are responsible for the other information. The other information comprises the certificate of the company secretary, the report of the audit committee and the report of the directors as required by the Companies Act of South Africa, as well as the directors' responsibilities statement for financial reporting and the report on corporate governance. The other information does not include the financial statements and our auditor's report thereon.



National Executive: \*R Redfearn Chief Executive Officer \*GM Berry Chief Operating Officer JW Eshun Managing Director Businesses LN Mahluza Chief People Officer \*N Sing Chief Risk Officer AP Theophanides Chief Sustainability Officer \*NA le Riche Chief Growth Officer \*ML Tshabalala Audit & Assurance AM Babu Consulting TA Odukoya Financial Advisory G Rammego Risk Advisory DI Kubeka Tax & Legal DP Ndlovu Chair of the Board

Regional Leader: MN Alberts

A full list of partners and directors is available on request

\* Partner and Registered Auditor

**B-BBEE rating: Level 1 contribution in terms of the DTI Generic Scorecard as per the amended Codes of Good Practice**

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

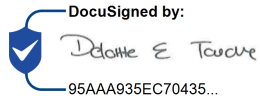
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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.

### **Report on Other Legal and Regulatory Requirements**

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of General Reinsurance Africa Limited for 26 years.



**Deloitte & Touche**  
Registered Auditor  
**Per: Gerdus Dixon**  
Partner

06 June 2024



*The people behind the promise®*

**General Reinsurance Africa Ltd.**

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