



2024

Annual Report and Accounts

Hollard.
seguros



Management Report

Message from the Board of Directors

The Board of Directors is pleased to present this year's financial report, highlighting our commitment to fostering growth while ensuring sustainability and long-term commitment to Moçambique. As we navigate an evolving market, our focus remains on creating long-term value for our shareholders and stakeholders.

Hollard Seguros achieved notable financial performance in FY2024, with a significant 17% increase in gross written premiums, reaching MZN 4.17 billion. The company's solvency ratio remains robust at 309%, well above regulatory requirements, and liquidity levels are strong, ensuring the fulfillment of all obligations. Despite a challenging claims environment, Hollard Seguros has effectively managed its underwriting and operational expenses, maintaining a combined ratio of 92%.

Shared value

As a group, we believe in generating shared value by aligning business success with social progress. Over the past year, our efforts have led to the development of innovative risk solutions for the broad Mozambican market. These include weather index insurance to protect small-holder farmers from droughts and flooding, a sovereign insurance policy to cover potential losses in public infrastructure due to severe weather events, and the Paga-Leve product, designed to make mandatory third-party motor liability insurance more affordable. Additionally, we have focused on job creation for the youth population, as founders of the MozYouth Foundation.

These outcomes reflect our commitment to sustainable growth and ethical business practices, which the market has recognised through improved results in the latest customer satisfaction surveys.

Our purpose

We are privileged to genuinely be a purpose driven organisation.

In all aspects of our everyday functions, we strive to enable people and businesses in Moçambique to secure a better future by optimising opportunities for creating value and wealth.

Our vision is simply to be the favourite insurer of the Mozambican market.

How we strive to achieve our purpose and vision is underpinned by core values and strategic imperatives that define and differentiate all personnel that work as Hollardites.

Corporate Governance Model

Hollard's corporate governance framework is fundamental in ensuring transparency, accountability, and efficiency in management. It consists of various organs and roles that collaborate to uphold regulatory standards and protect the interests of shareholders, policyholders, and other stakeholders.

Hollard's governance model comprises the General Assembly, a Board of Directors (BD), and an Executive Committee, which manages Hollard's daily operations under delegated powers from the BD. There is also a supervisory structure, which includes an External Statutory Audit and a Fiscal Council, along with a secretarial structure of the organisation.

The Social Bodies play a vital role in upholding our commitment to transparency and ethics, with clear responsibilities to steer the company towards sustainable growth. Four formal committees report and assist the Board in audit, risk management and decision-making processes. These committees are:

- Audit and Risk Committee
- Underwriting and Reinsurance Risk Committee
- Remuneration Committee
- Investment Committee

Shareholder structure, social bodies and supervisory function

	Nº Shares	Amount MZN'000	% held
Hollard International (Pty) Limited	2,024,020	50,601	50.10%
Life Protect Africa Limited	1,430,160	35,754	35.40%
Hollard Moçambique Holdings S A	390,264	9,757	9.66%
Henri Mittermayer	195,536	4,888	4.84%
Total	4,040,000	101,000	100%

Shareholders general assembly

President: Hollard International (Pty) Limited
Secretary: Anzebet Allardyce

Board of directors

Chairman: Gideon Nkadimeng
Executive director: Henri Mittermayer
Executive director: Bukhosi Sibanda
Executive director: Israel Muchena (Since 1 January 2024)
Executive director: Óscar Faria
Independent non-executive director: Abdul Carimo (Since 1 January 2024)
Independent non-executive director: Jerry Mobbs
Non-executive director: Pravin Kalpage
Non-executive director: Tafadza Ziteya

Board of directors

PricewaterhouseCoopers

Fiscal Council

BDO

Main Financial Indicators

	FY2024	FY2023	% Var 2024/2023
Balance sheet			
Total equity	1,283,462	2,410,371	-47%
Total assets	5,804,425	6,282,835	-8%
Assets representing technical provisions	2,842,355	3,318,158	-14%
Technical provisions	2,878,503	2,548,957	13%
Technical provisions, net of reinsurance	1,263,696	1,239,406	2%
Income statement			
Gross written premiums	4,173,329	3,565,596	17%
Earned premiums, net of reinsurance	1,632,185	1,430,852	14%
Claims costs	1,744,501	907,624	92%
Claims costs, net of reinsurance	817,227	718,711	14%
Brokerage commissions	324,198	247,366	31%
Operating expenses	659,131	549,355	20%
Underwriting results	133,746	160,168	-16%
Investment earnings	226,383	372,260	-39%
Net earnings before tax	412,383	535,367	-23%
Profit after tax	284,723	433,025	-34%
Key ratios			
- Solvency ratio	309%	426%	-116%
- Return on Equity	15%	20%	-4%
- Retention Ratio	38%	35%	3%
- Gross Loss Ratio (%GPI)	107%	63%	43%
- Net Loss Ratio (%EP)	50%	50%	0%
- Commission Ratio (%GPI)	8%	7%	1%
- Underwriting margin	8%	11%	-3%
- Combined Ratio	92%	89%	3%
Loss Ratio (%Income)	50%	50%	0%
Aq. Ratio (%Income)	28%	26%	3%
OPEX Ratio (%Income)	13%	13%	1%

FY 2024 Highlights

1. Corporate developments

Acquisition: Agreement to purchase Global Alliance Seguros, S.A.

Hollard Moçambique, in conjunction with the ABSA Group, reached an agreement to acquire 100% of Global Alliance Seguros, S.A. This is part of a regional deal whereby ABSA Group agreed to sell its insurance operations in Moçambique, Botswana, and Zambia to companies within the Hollard group.

This acquisition strengthens Hollard's footprint in the Southern African region, expanding our ability to offer comprehensive insurance solutions and improving our capacity to meet customer needs across multiple geographies.

This acquisition is pending regulatory approval and other agreed conditions.

1.1 Renovated headquarters

In an increasingly dynamic and competitive world, Hollard understands the vital importance of providing its employees with a working environment that goes beyond functionality, embracing excellence in design, modern furniture, and aesthetics that inspire.

On December 1st, Hollard Insurance officially inaugurated its renovated headquarters in the prestigious Hollard Building, located at the bustling Sociedade de Geografia Avenue, number 269, in the heart of Maputo city.

This renovation supports our broader commitment to innovation and operational efficiency, helping to ensure that our team operates in a conducive environment, which ultimately enhances employee well-being and ultimately customer service delivery.

1.2 Information security policy

In our ongoing commitment to enhancing our control environment and governance procedures, we have updated our Information Security Policy to align with industry standards.

With increasing cyber threats, ensuring confidentiality, integrity, and availability of our information assets remains a top priority. This policy update ensures our resilience in the face of growing digital risks.

1.3 IFRS17

As a significant subsidiary of Hollard International, Hollard Moçambique is required to consolidate its financial statements under the IFRS accounting framework. The introduction of IFRS17, which determines the accounting treatment of insurance and reinsurance contracts, posed a significant change to the insurance industry worldwide and in the way the results are generated and read.

The transition to IFRS17 enhances transparency in how we report insurance contract liabilities, making it easier for stakeholders to compare our financial performance across the global insurance landscape.

With the support of Hollard International, Hollard Moçambique took an active role in the transition process of its financial statements in accordance with the updated standards.

This project required investment in systems and people, with 93% of the staff trained in this new standard.

2. Service delivery

Insurance policy management system

The insurance policy management system migration process, which was started in the previous financial year, was completed, with Hollard's entire portfolio being managed on a single platform. By migrating to a unified platform, we've streamlined policy management, reducing processing times and improving customer experience through faster claims processing and better service coordination.

3. Innovation

Launch of HealthMov Application

In partnership with Hollard Health International and Henner, HealthMov App was launched, an exclusive platform for Hollard health insurance members.

The App incorporates health screening tools and risk assessments to identify potential health risks among employees, empowering workers to take proactive measures towards improving their health, thereby reducing healthcare costs for both employees and employers.

By gamifying health aims, rewarding healthy habits, and providing real-time feedback, the App encourages sustained engagement and adherence to healthy practices.

Since its launch, the HealthMov App has gained positive feedback from users for its ease of use and effectiveness in promoting healthier lifestyles. Early adoption rates among our corporate clients have exceeded expectations.

Our People

Our success in the insurance sector relies on attracting and retaining highly qualified talent aligned with Hollard's values. We offer employees a supportive work environment that fosters personal and professional development, recognising and rewarding their dedication and performance.

Our commitment to a diverse and qualified talent fosters an inclusive environment that brings together different perspectives, which, in turn, fuels innovation and better decision-making. Furthermore, high employee engagement directly correlates with improved customer satisfaction and business growth.

1. Diversity

51 Women and 49 Men, making a total of 100 Hollardites.

2. Engagement

- a. Following last year's engagement survey, we developed an action plan aimed at improving certain identified indicators. To date, we have completed 92% of the actions outlined in this plan for FY2024.
- b. For FY2025 we moved Group Engagement survey to Gallup. Gallup is globally recognised expert in employee engagement, and they've studied over 3.3 million workers across 100,000+ Teams.

3. Consistent remuneration practices

Our reward philosophy continues to deliver for the business, with no major retention or engagement issues to be reported on. The key points of our reward philosophy are:

- a. Ensuring equitable pay across the organisation, with transparency in salary bands.
- b. Regular benchmarking against industry standards to maintain competitive compensation.
- c. Compliance with local labour laws and international best practices to mitigate legal risks.
- d. Connection with individual and company performance.

4. Learning & development

- a. In the past few years, we have been heavily investing in Technical and non-technical development of our teams.
- b. Through the Insurance Institute of Zimbabwe, we achieved an overall pass rate of 70% (vs. 50% in 2023) in Insurance certification, with a 73% pass rate for COP and an impressive 88% for Diploma.
- c. We launched an e-learning program called Fundamental of Insurance, geared to all Hollardites.
- d. One of our senior managers has completed a comprehensive program for Board Members.

Our sustained investment in employee development not only strengthens our internal capabilities but also prepares Hollard Moçambique for long-term growth by nurturing future leaders.

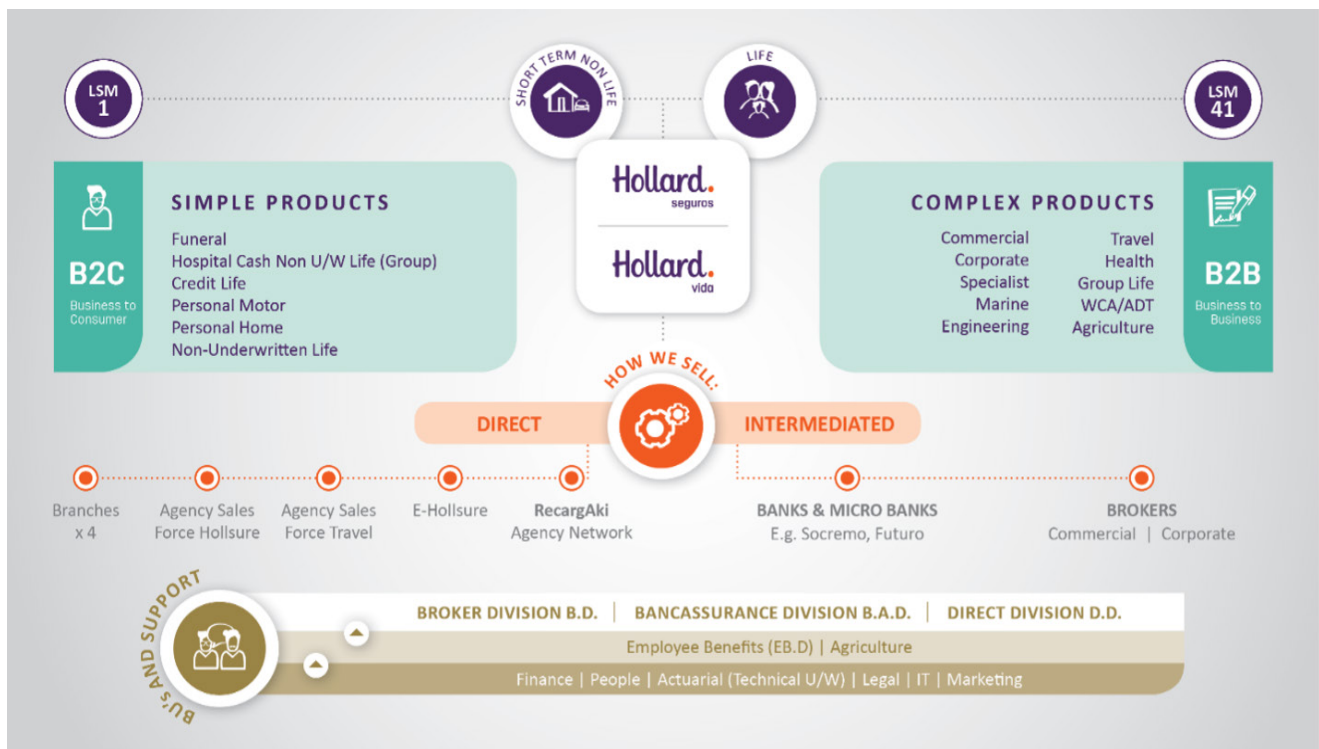
Customer Relations

1. Products and services

We are proud of our extensive full-service branch network that has been established in key provincial cities over the past 10 years. With the Hollard Moçambique head office in Maputo (South), branches in Nacala (North), Tete (West) and Beira (East), we can service our customers across the entire country.

Over the years, Hollard has developed extensive expertise in commercial insurance, liability, engineering, and employee benefits, setting us apart in the Mozambican market. Our long-standing expertise in commercial insurance has earned us the trust of leading businesses in Moçambique, helping them safeguard their operations with tailored insurance solutions.

Our successful business model:



In FY 2024, we reinforced Hollard’s mission to empower individuals and businesses to secure a better future, optimising opportunities for creating value and wealth in Moçambique, by refocusing and recognising the varied needs of SME and their employees, Hollard introduced employee benefits products specifically designed for small and medium enterprises. These tailored solutions allow SME employees the flexibility to choose insurance packages that best suit their individual circumstances, whether it’s adjusting coverage levels, adding optional benefits, or modifying payment plans. Through this scheme, Hollard offers comprehensive coverage that includes a death benefit, a disability benefit, and a funeral benefit.

In addition to SME-focused solutions, Hollard has proactively tackled cyber insurance, addressing the risks associated with fraudulent activities. Emphasising robust fraud detection controls, Hollard leverages technology for data analysis and collaborates with regulatory and law enforcement authorities.

2. Market research

Brand health tracker survey

Hollard Seguros, despite facing challenges in market share, possesses several significant strengths. With an impressive promoter score of 88, it stands out for high customer satisfaction and recommendation, surpassing all other insurers analysed in the brand study conducted nationally across 11 provincial capitals of Moçambique during the FY24.

In terms of Top of Mind or Brand Awareness, Hollard currently holds the 4th position in the market. This strong advocacy, however, still needs to be translated into greater brand awareness in the retail segment.

Moreover, Hollard has made notable progress in brand consideration, which rose from 7% to 11%, and has high spontaneous awareness among the most valuable consumers, such as men aged 35 to 44, full-time employees, and high-income individuals. This represents an opportunity to continue attracting and retaining these groups.

While there are some discrepancies in the perception of non-customers, who view Hollard as trustworthy and accessible, and in the effectiveness of advertising campaigns, the brand clearly has a solid base of satisfied customers that can serve as leverage for future strategic initiatives.

The study encompassed a universe of 450 participants, including 300 current insurance users and 150 non-users, utilizing CATI (Computer Assisted Telephone Interviewing) and CAPI (Computer Assisted Personal Interviewing) methodologies.

Leveraging our strong advocacy and customer satisfaction, we aim to increase brand awareness in the retail segment through focused marketing campaigns and partnerships. By targeting high-value demographics and expanding digital engagement, we seek to improve our market share and brand recognition.

NPS Net promoter score

Each year, we assess the experience of brokers, bank-assurance partners, and direct customers through surveys focusing on three key areas: customer recommendations, service during claims processing, and customer care for administrative services.

Hollard Seguros saw a significant increase in NPS, with positive feedback regarding efficient service, quick response times, and effective communication. The team was recognised for its reliability and professionalism, and the products were viewed as comprehensive and well-aligned with market needs.

These results suggest opportunities to implement strategies that reinforce customer satisfaction and loyalty across both divisions, with particular attention to areas for improvement within the Life Insurance division.

Sustainable Value Promotion

We aim for a balanced and integrated value chain, founded on collaboration and the creation of value for all its participants. We strive to restore a culture and sense of belonging within each work area, with shared outcomes, fostering a virtuous cycle among employees, customers, partners, and communities.

We have positioned ourselves with a distinctive reach compared to competitors. We believe this is the path to deepening relationships with our stakeholders and generating long-term value.

1. Social impact

Hollard shared-value initiatives

- **Hollard Agri**

Hollard-Agri, an innovative micro-insurance initiative, is making a significant impact on the lives of 16,000 small-holder farmers affected by drought in Moçambique's central region of Manica, Tete and Sofala. Designed to be accessible and affordable, Hollard Moçambique's flagship parametric insurance product is bundled with the acquisition of seeds of our agricultural input supplying partner - Phoenix Seeds - as part of our strategy to enable access to a target population that has no access to traditional insurance distribution channels.

Insured climatic conditions are monitored in real time using highly advanced remote satellite sensing technology from which payouts can be automatically calculated when defined thresholds are triggered. This ensures timely financial support for affected farmers without having to wait for lengthy claims notification and on-site assessment procedures, as is done in traditional indemnity-based forms of insurance. For this product covering only the cost of seed, Hollard paid out Mts 10 million of claims, following severe drought caused by the El Niño phenomenon in the last season.

- **Wellness Day**

Wellness Day was held, bringing together more than 250 members, brokers, and selected guests to raise awareness about adopting a healthy lifestyle, in partnership with the Health Insurance provided by Hollard.

Hollard shared-value partnerships

- **MozYouth Foundation**

Founded by MozParks, Hollard and First National Bank (FNB), the Foundation has provided opportunities and resources supporting youth employment acceleration across Moçambique. To date, 1,000 young people have benefited from the Foundation's programs, with plans to increase that number to 5,000 over the next three years.

Through our collaboration with the MozYouth Foundation, we are not only addressing the issue of youth unemployment but also investing in the future workforce, ensuring that young people are equipped with the skills to thrive in the job market.

- **Xiquitsi Project**

Endorsed and supported by Hollard Seguros, Associação Kulungwana's initiative nurtures artistic talent among Mozambican focusing on classical music and orchestra training. Designed to provide young people with Moçambique's rich artistic potential brought eight aspiring musicians, who gained international recognition and prestigious awards for their outstanding accomplishments, into the global spotlight.

- **Colecção Crescente**

We recognise the profound impact that art has on our lives, our communities, and our culture. This year's theme of Associação Kulungwana's Colecção Crescente, "Dreams", served as a compelling backdrop for diverse artistic expressions inspired by dreams across various media, presented on MDF boards measuring 18 by 18 centimeters.

The exhibition, curated by Mieke Oldenburg, featured a curated selection of works from both established and emerging artists, showcasing a diverse range of mediums and styles. Three winners of the "Futures Melhores" Award, sponsored by Hollard Seguros, were selected from more than 100 artists from different provinces, based on interpretation of the theme and technical execution as judged by a panel of arts experts.

Both of these arts initiatives can be tied into Hollard's Social and Cultural Impact initiatives, with our view that in promoting local art and culture we help strengthen community bonds and enhance social capital.

Hollard Sponsorships

- **National Human Capital and Benefits Survey**

Hollard Health reaffirmed its commitment as Platinum sponsor for the fourth consecutive year. The survey covers areas such as Remuneration and Benefits, Work Environment, and Culture. The data, collected from Human Resources leaders and employees of participating organisations, provides a clear perspective on how companies operate in Moçambique and identifies opportunities for both companies and workers to thrive. In 2024, a newer pillar of the survey, Work-Life Balance, was introduced, complementing Hollard Health's dedication to worker well-being.

- **HR Forum**

Hollard, through its "Worker Benefits" division, sponsors the People Management Forum, an annual event that brings together Human Resources professionals, both local and international. This forum is an essential platform for those who believe in the positive impact they can have by contributing to the success of the organisations where they work. In this way, Hollard reaffirms its commitment to providing solutions adapted to the needs of each employee, promoting a better future for everyone.

- **Picanto Cup Race**

Hollard, with our portfolio of Auto insurance, has partnered with the Picanto Cup event as part of our strategy to support motorsport in Moçambique. This competition also includes participation from several other renowned brands, including Bancassurance partners, who join as sponsors or with their own teams and vehicles. Through this partnership, Hollard reaffirms its commitment to sports and to developing initiatives that enhance entertainment and strengthen the local economy.

- **FNB Run**

Hollard is proud to sponsor First National Bank (FNB) Run, an event that brings together over 5,000 participants, providing an excellent opportunity to promote our brand and strengthen our market presence. Through this sponsorship, we aim not only to support the community and encourage healthy habits but also to increase brand awareness and generate valuable leads.

2. Environmental impact

We stay current with the best market practices, investing in automated systems that help us comply with environmental laws. We continuously challenge ourselves to improve environmental performance in the areas of water, energy, resource management, and promoting a circular economy.

- **Water**

Although in our operation, the impact of water consumption is low, we work to achieve the maximum eco-efficiency of our operational structure.

With the rehabilitation of our headquarters, we made a great effort to reduce water consumed from the public network, with some initiatives such as: Replacement of traditional taps with timing taps; Double discharge toilets; Sensitisation of employees to communicate all detected anomalies.

- **Energy**

Our new offices employ energy-efficient lighting and equipment to reduce consumption, which has helped achieve positive results.

- **Waste Management**

We understand that the key to minimising the impact of waste from our operations is reducing waste generation, both in administrative processes and in our interactions with customers, as well as ensuring proper disposal, particularly of electronic equipment waste, which is a critical factor in our business.

- **Circular Economy**

Our new offices were fully decorated with art canvases, MDF boards measuring 18 by 18 centimeters and basketry lamps from local handicrafts. Annually, we order local handicraft gifts to offer to our customers and partners at festive times. We believe we thus promote an economic model focused on the coordination of production and consumption systems in closed circuits.

Compliance & Risk Management

1. Compliance & AML

- a. Hollard Moz EXCO has approved a Complaints Policy and Guidelines to allow customers and third parties to submit complaints. This ensures effective complaint handling and resolution, while also providing a process to collect and analyse complaint data for ongoing operational improvement. A designated Complaints Team, made up of Compliance, Claims, Risk, and Marketing departments, has been formed. The complaints process has also been integrated into the company website.
- b. In 2022, the AML (Anti-Money Laundering) & CTF (Counter-Terrorism Financing) Policy and Procedure were approved and implemented, aligning with regulatory requirements and mitigating the risk of potential fines.
- c. A platform was integrated into Hollard's Core system for enhanced screening and monitoring capabilities, to respond to the AML/CTF regulatory requirements.
- d. A compliance awareness campaign was launched, with weekly mailers containing key compliance information and definitions shared with staff during designated months.

2. Risk

- a. The local Risk Officer was appointed in October 2023, bringing greater clarity to processes and improving the segregation of duties. The work started with training held and on top-down risk reporting as well in incidents being documented / registered in HINT system.
- b. This started the Control Self Assessments (CSA) with support both from the group as well as other outsourced specialised service.
- c. In 2023 we managed to draft and approve the Moz ERM Escalation and Loss Management Policy (EXCO).
- d. The Risk Officer works with Compliance and Finance in monitoring issues raised by Internal Audit, External Audit and Regulator Inspections. The Risk Officer specifically monitors the management remediation plans on all issues raised.

3. Fraud

Hollard has been proactive in addressing fraudulent activities, valuing the importance of implementing robust fraud detection controls, using technology for data analysis, and collaborating with regulatory and law enforcement authorities. In FY24, Hollard identified around 20 fraudulent car claims, resulting in total savings of approximately 8 million Meticais.

A Fraud Policy and Guidelines are currently being reviewed. A fraud specialist has been engaged to support investigation process and manage all court cases related to fraud.

Hollard Seguros FY2024 Financial Results Highlights

Hollard Seguros is pleased to present its financial results for FY2024, which reflect robust growth in key business areas despite a challenging claims environment. This year's performance underscores the effectiveness of our strategic initiatives, cost discipline, and the underlying strength of our core operations.

- **Gross Written Premiums (GWP)** rose by 17% to MZN 4.17 billion, demonstrating sustained growth in our core non-life insurance business and increased demand across most product lines. Premiums in the Health class, however, saw a reduction due to strategic changes in policy administration service partners, repositioning our health products in the market.
- **Claims Costs** increased by 93%, reflecting both market dynamics, global inflationary pressures, and exposure to severe weather events. Net claims costs, after reinsurance, grew by a more modest 14%, indicating effective reinsurance strategies.
- **Brokerage Commissions and Operating Expenses** increased by 31% and 20%, respectively, reflecting expanded distribution channels and investments in operational capabilities. These expenses include costs associated with the exploratory and due diligence process related to the potential acquisition of Global Alliance Moçambique Seguros, SA.
- **Underwriting Results** decreased by 16% but remain positive at MZN 133,746 thousand, underscoring disciplined underwriting practices. We expect to improve these results in the next fiscal year by offsetting acquisition costs with reinsurance commissions and eliminating one-off operating expenses incurred in FY2024.
- **Investment Earnings** totaled MZN 232,692 thousand, down from MZN 372,260 thousand in the previous year. The reduction is mainly due to MZN 135 million dividends received from Hollard Vida, a wholly-owned subsidiary, in the prior year. Additionally, lower market interest rates and a conservative asset allocation contributed to the decline in investment income.
- **Net Income** for the year reached MZN 284,723 thousand, a 34% decrease from the prior year but still a testament to consistent profitability amidst challenging conditions.

Despite a total dividend payout of MZN 1.41 billion this year, Hollard Seguros maintains a robust solvency ratio of 309%, comfortably exceeding regulatory requirements. Our liquidity position remains strong, ensuring our ability to meet all obligations.

Hollard Seguros meets asset-liability matching requirements when reinsurance assets are included as per international standards. We consider reinsurance an essential component of our insurance portfolio management. However, due to Mozambican insurance regulations excluding reinsurance assets from admissible assets, our Mozambican reported admissible assets currently cover 99% of our insurance liabilities, leaving a marginal shortfall of MZN 36 million. We continue to advocate for regulatory acceptance of rated reinsurance assets, believing this change would provide a more accurate view of insurance company stability in line with international standards.

Dividend Proposal

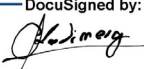
The Board of Directors will present to the company's shareholders the following allocation of the results and dividend distribution proposal for approval (amounts presented in MZN):

HOLLARD VIDA COMPANHIA DE SEGUROS	
2024 Profit after tax	284,722,781
to Retained earnings	284,722,781


After the allocation of the results, the company's equity will be as follows (amounts presented in MZN):

TOTAL EQUITY	
Share capital	101,000,000
Legal reserve	101,000,000
Supplementary capital	595,000
Revaluation reserve	15,818,036
Retained earnings	1,080,866,963
Total equity	1,299,279,999

Maputo, 30 October 2024

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Gideon Nkadameng
Chairman

Signed by:

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Henri Mittermayer
CEO and Executive Director

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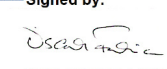
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Bukhosi Sibanda
Managing Director

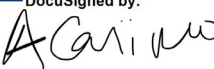
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Israel Muchena
Managing Director

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Óscar Faria
CFO and Executive Director

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Abdul Carimo
Independent Non-Executive Director

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Jerry Mobbs
Independent Non-Executive Director

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Pravin Kalpage
Non-Executive Director

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Tafadza Ziteya
Non-Executive Director



Financial Statements

STATEMENT OF FINANCIAL POSITION	Notes	2024		2023	
		Gross MZN'000	Impairment, depreciations/ amortizations or adjustments MZN'000	Net MZN'000	MZN'000
Assets					
Cash and equivalents	4,1	582 192	-	582 192	1 281 714
Investments in subsidiaries	4,2	142 631	-	142 631	131 679
Financial assets available for sale	4,3	73 913	-	73 913	68 490
Loans and receivables					
Term deposits	4,4	998 397	-	998 397	1 273 221
Loans	4,4	-	-	-	117
Accounts receivable	4,4	-	-	-	-
Financial assets held to maturity	4,3	1 118 208	-	1 118 208	1 278 992
Property plant and equipment	4,5	114 050	78 453	35 596	21 520
Salvages	4,9	17 015	-	17 015	14 474
Intangible assets	4,6	69 706	64 948	4 758	6 757
Technical reserves, ceded reinsurance					
Unearned premium reserve	4,7	796 650	-	796 650	811 157
Outstanding claim reserve	4,7	818 158	-	818 158	498 394
Insurance and reinsurance receivables					
Receivables from insurance operations	4,8	603 748	132 926	470 822	367 972
Receivables from reinsurance operations	4,8	555 419	95 881	459 538	240 560
Accounts receivable from other operations	4,4	103 567	-	103 567	73,432
Current income taxation	4,14	91 343	-	91 343	111 104
Deferred taxation	4,14	45 425	-	45 425	92 545
Accruals and deferrals	4,9	46 213	-	46 213	9 775
Total assets		6 176 633	372 209	5 804 425	6 281 903
Liabilities and Equity					
Technical reserves					
Unearned premium reserve	4,7	1 192 896	-	1 192 896	1 254 150
Outstanding claim reserve	4,7	1 619 461	-	1 619 461	1 219 242
Other technical reserves	4,7	13 982	-	13 982	33 245
Claims deviation Reserves	4,7	52 164	-	52 164	43 251
Insurance, reinsurance and other payables					
Insurance payables	4,10	62 892	-	62 892	109 625
Reinsurance payables	4,10	1 134 459	-	1 134 459	835 258
Trade and other payables	4,11	169 268	-	169 268	27 294
Accruals and deferrals	4,12	199 103	-	199 103	124 297
Current tax liabilities	4,14	52 709	-	52 709	188 078
Deferred taxation	4,14	6 208	-	6 208	4 526
Provisions	4,13	5 055	-	5 055	32 566
Accruals and deferrals	4,13	-	-	-	-
Total liabilities		4 508 196	-	4 508 196	3 871 533
Capital	4,15	101 000	-	101 000	101 000
Supplementary capital		595	-	595	595
Revaluation reserve		18 774	-	18 774	-
Fair value adjustment of financial assets		(6 008)	-	(6 008)	1 631
Other reserves	4,15	101 000	-	101 000	101 000
Retained earnings		796 144	-	796 144	1 773 120
Net profit for the year		284 723	-	284 723	433 025
Total equity		1 296 228	-	1 296 228	2 410 371
Total liabilities and equity		5 804 425	-	5 804 425	6 281 903

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Gideon Nkadameng
Chairman

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Israel Muchena
Managing Director

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Jerry Mobbs
Independent Non-Executive Director

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Henri Mittermayer
CEO and Executive Director

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CFO and Executive Director

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Non-Executive Director

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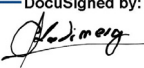
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Independent Non-Executive Director

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Tafadza Ziteya
Non-Executive Director

INCOME STATEMENT		Technical account	Non-Technical account	Total	2023
	Notes	MZN'000	MZN'000	MZN'000	MZN'000
Earnings					
Gross premium income	4.16	4 173 329	-	4 173 329	3 565 596
Reinsurance premiums outwards	4.16	(2 590 336)	-	(2 590 336)	(2 310 399)
Net written premium income		1 582 993	-	1 582 993	1 255 197
Change in unearned premium reserve (Gross)	4.16	63 712	-	63 712	257 292
Change in unearned premium reserve (Reinsurer's share)	4.16	(14 520)	-	(14 520)	(81 637)
Net premium income		1 632 185	-	1 632 185	1 430 852
Total operating earnings		1 632 185	-	1 632 185	1 430 852
Expenses					
Gross claims and loss adjustment expense	4.17	(1 744 501)	-	(1 744 501)	(907 624)
Reinsurer's share	4.17	927 323	-	927 323	188 913
Net claims		(817 177)	-	(817 177)	(718 711)
Change in other technical provisions, net of reinsurance	4.18	10 351	-	10 351	(112)
Acquisition costs (Gross)	4.19	(654 771)	-	(654 771)	(522 884)
Change in deferred acquisition costs	4.19	(2 444)	-	(2 444)	(39 478)
Administration expenses	4.20	(217 987)	-	(217 987)	(181 682)
Acquisition costs (Reinsurer's share)	4.19	183 590	-	183 590	192 183
Activity costs		(691 612)	-	(691 612)	(551 861)
Total operating expenses		(1 498 439)	-	(1 498 439)	(1 270 684)
Result of operating activities		133 746	-	133 746	160 168
Interests	4.21	-	232 692	232 692	372 260
Exchange differences		-	14 018	14 018	138 508
Net impairment losses reversals	4.22	-	24 678	24 678	(79 510)
Other income/expenses	4.22	-	7 248	7 248	(56 060)
Net profit before taxation		133 746	278 637	412 383	535 367
Taxation - current income tax	4.14	-	(84 099)	(84 099)	(146 065)
Taxation - deferred income tax	4.14	-	(43 561)	(43 561)	43 723
Profit after taxation		133 746	150 977	284 723	433 025

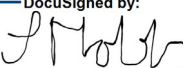
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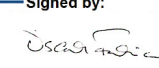
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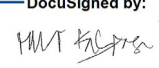
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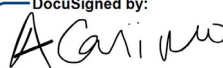
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Pravin Kalpage
Non-Executive Director

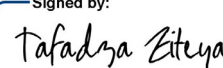
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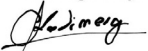
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Tafadza Ziteya
Non-Executive Director

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2024 MZN'000	2023 MZN'000
Net profit for the year		284 723	433 025
Comprehensive income for the year			
Unrealised gains on financial assets at fair value through other comprehensive income	4.3	16 376	1 366
Revaluation reserve deferred tax		(5 240)	(437)
Other comprehensive income		11 136	929
Total comprehensive income for the year, net of income tax		295 859	433 954

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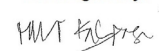
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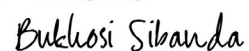
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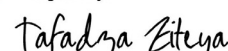
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Non-Executive Director

STATEMENT OF CHANGES IN EQUITY	Share capital MZN'000	Supplementary capital MZN'000	Revaluation reserve MZN'000	Deferred tax reserve MZN'000	Legal reserve MZN'000	Retained earnings MZN'000	Net Profit MZN'000	Total MZN'000
Hollard Seguros								
Balance as at 30 June 2022	101,000	595	1,032	(330)	101,000	1,491,985	281,135	1,976,417
Profit after taxation	(1)	-	-	-	-	-	433,025	433,025
Transfer to retained earnings						281,135	(281,135)	-
Other comprehensive income	(2)	-	1,366	(437)	-	-	-	929
Changes in fair value through other comprehensive income			1,366	(437)	-	-	-	929
Total comprehensive income	(3)=(1)+(2)	-	1,366	(437)	-	281,135	433,025	433,954
Balance as at 30 June 2023	101,000	595	2,398	(767)	101,000	1,773,120	433,025	2,410,370
Profit after taxation	(1)	-	-	-	-	-	284,723	284,723
Transfer to retained earnings						433,025	(433,025)	-
Other comprehensive income	(2)	-	16,376	(5,240)	-	-	-	11,136
Changes in fair value through other comprehensive income			16,376	(5,240)	-	-	-	11,136
Transactions with shareholders	(3)	-	-	-	-	(1,410,000)	-	(1,410,000)
Dividends distributions						(1,410,000)	-	(1,410,000)
Total changes in equity	(4)=(1)+(2)+(3)	-	16,376	(5,240)	-	(976,975)	(148,302)	(1,114,142)
Balance as at 30 June 2024	101,000	595	18,774	(6,007)	101,000	796,144	284,723	1,296,228

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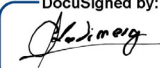
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Non-Executive Director

STATEMENT OF CASH FLOW		Notes	2024 MZN'000	2023 MZN'000
Cash flows from operating activities				
Profit after taxation			284,723	433,025
Non cash items included in profit before tax:				
Depreciation and amortization charges for the year	4.5; 4.6		15,297	9,579
Income and expense interests	4.21; 4.22		(204,318)	(378,596)
Unrealized exchange gains / (losses)			(397)	202
Changes in other provisions	4.13		(27,512)	10,859
Changes in technical provisions, net of reinsurance	4.18		23,359	(47,588)
Changes in bad debtors provisions	4.8		-	79,510
Adjustments for:				
(Increase) / decrease on other debtors and creditors from insurance and other operations	4.8; 4.10		193,207	263,867
(Increase) / decrease on other current assets and other current liabilities	4.9; 4.13		(187,050)	21,818
Increase / (decrease) on liabilities for taxes			56,550	98,627
Income tax paid			(113,106)	(62,402)
Net cash outflow / inflow from operating activities			40,754	428,901
Cash flows from investing activities				
Changes in fair value on available-for-sale financial assets			-	929
Dividends received			5,680	140,671
Interests from loans	4.22		150	150
Interests from deposits	4.22		118,711	118,711
Interests from bonds	4.22		79,777	79,777
(Increase) / decrease on available-for-sale financial assets	4.3		(16,376)	(1,246)
(Increase) / decrease on property plan and equipment and intangible assets	4.5; 4.6		(27,374)	(16,173)
(Increase) / decrease on loans and receivables	4.4		348,374	25,030
(Increase) / decrease on financial assets held to maturity	4.3		160,784	(462,022)
Net cash flow from investing activities			669,726	(114,173)
Cash flows from financing activities				
Dividends distribution			(1,410,000)	-
Net cash flow from financing activities			(1,410,000)	-
Increase/(decrease) on cash and cash equivalents			(699,521)	314,728
Cash and cash equivalents in the beginning of the year			1,281,713	966,985
Cash and cash equivalents in the end of the year	4.1		582,192	1,281,713

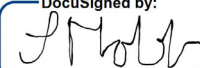
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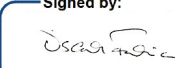
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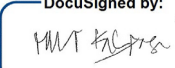
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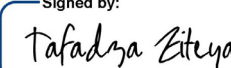
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Independent Auditor's Report



Independent auditor's report

To the Shareholders of Hollard Moçambique Companhia de Seguros, S.A.R.L.

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Hollard Companhia de Seguros, S.A.R.L. (the Company) as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with the regulations issued by the Mozambique Insurance Supervision Institute for the Insurance Sector – Ministerial Diploma No. 222/2020, of 17 December.

What we have audited

Hollard Companhia de Seguros, S.A.R.L. financial statements set out on pages 16 to 61, comprise:

- the balance sheet as at 30 June 2024;
- the statement of income for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants and other independence requirements applicable to performing audits of financial statements in Mozambique. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements applicable to performing audits of financial statements in Mozambique.

Other information

Management is responsible for the other information. The other information comprises the information included in the document titled “2024 Relatório e Contas”. Other information does not include the financial statements and our auditor’s report thereon.

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 identified above 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

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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.

Emphasis

As disclosed in note 4.25 of the notes to the financial statements, as of 30 June 2024, the assets held by the Company related to the representation of technical provisions, in accordance with Article 26 of Decree-Law 1/2020, of December 31st, together with Article 46 of Decree 20/2011, of August 11th, are insufficient in the amount of 36,148 thousand MZN.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the regulations issued by the Mozambique Insurance Supervision Institute for the Insurance Sector – Ministerial Diploma No. 222/2020, of 17 December, and for such internal control as management determines 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, management is 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 management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 management.
- Conclude on the appropriateness of management's 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 management 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.

PricewaterhouseCoopers - Sociedade de Auditores e Contabilistas Certificados, Lda.
Registered Audit Firm 11/SAC/OCAM/2014, represented by:

(Original signed)

João Veiga
Registered Auditor 70/CA/OCAM/2014
Maputo, 30 October 2024



HOLLARD MOÇAMBIQUE COMPANHIA DE SEGUROS S.A.R.L.
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