28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Fire reinsurance

	2025					
	Liability for remaining coverage (LRC)		**Liability for incurred claims (LIC)**			**Total**
	Excluding loss component	**Loss component**	**Present value of future cash flows**	**Risk adjustment for non-financial risk**	**Assets for Insurance Acquisition cashflows**	
	TZS	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**
Opening balance	(1,860,812,681)	-	14,726,594,734	2,625,267,263	2,556,070,477	18,047,119,792
Reinsurance service revenue	(87,980,366,593)	-	-	-	-	(87,980,366,593)
Reinsurance service expense						-
Gross claims paid	-	-	37,699,837,374	-	-	37,699,837,374
Attributable operating and administration expenses	-	-	6,818,987,236	-	-	6,818,987,236
Changes that relate to past service - adjustments to the LIC	-	-	(1,617,032,118)	-	-	(2,416,682,270)
Losses on onerous contracts	-	-	-	(799,650,152)	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	24,450,751,717	-	-	-	-	24,450,751,717
Reinsurance service result	**(63,529,614,875)**	**-**	**42,901,792,492**	**(799,650,152)**	**-**	**(21,427,472,536)**
Finance costs from reinsurance contracts issued	-	-	(1,501,335,230)	(329,561,392)	-	(1,830,896,622)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	-	**(1,501,335,230)**	**(329,561,392)**	-	**(1,830,896,622)**
Total recognised in the statement if profit or loss and other comprehensive income	**(63,529,614,875)**	-	**44,403,127,722**	**(470,088,760)**	-	**(19,596,575,914)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Fire reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	86,416,216,675	-	-	-	-	86,416,216,675
Claims paid	-	-	(43,462,451,438)	-	-	(43,462,451,438)
Expenses paid	-	-	(6,818,987,236)	-	-	(6,818,987,236)
Reinsurance acquisition cash flows	(27,449,643,587)	-	-	-	2,998,891,870	(24,450,751,717)
Total cash flow	**58,966,573,088**	**-**	**(50,281,438,674)**	**-**	**2,998,891,870**	**11,684,026,284**
Balance at the end of the year	**(6,423,854,469)**	**-**	**8,848,283,782**	**2,155,178,502**	**5,554,962,347**	**10,134,570,162**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Fire reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	3,844,083,589	-	8,598,672,733	720,204,217	(251,642,910)	12,911,317,629
Reinsurance service revenue	(72,976,974,931)	-	-	-	-	(72,976,974,931)
Reinsurance service expense					-	
Gross claims paid	-	-	20,325,506,566	-	-	20,325,506,566
Attributable operating and administration expenses	-	-	6,114,602,497	-	-	6,114,602,497
Changes that relate to past service - adjustments to the LIC	-	-	5,113,649,414	1,562,617,996	-	6,676,267,410
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	23,945,271,860	-	-	-	-	23,945,271,860
Reinsurance service result	**(49,033,703,071)**	**-**	**31,553,758,478**	**1,562,617,996**	**-**	**(15,917,326,597)**
Finance costs from reinsurance contracts issued	-	-	(1,031,966,583)	(342,445,050)	-	(1,374,411,633)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(1,031,966,583)**	**(342,445,050)**	**-**	**(1,374,411,633)**
Total recognised in the statement if profit or loss and other comprehensive income	**(49,033,703,071)**	**-**	**32,585,725,061**	**1,905,063,046**	**-**	**(14,542,914,964)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Fire reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	70,081,792,047	-	-	-	-	70,081,792,047
Claims paid	-	-	(20,343,200,563)	-	-	(20,343,200,563)
Expenses paid		-	(6,114,602,497)	-	-	(6,114,602,497)
Reinsurance acquisition cash flows	(26,752,985,248)	-	-	-	2,807,713,387	(23,945,271,860)
Total cash flow	**43,328,806,800**	-	**(26,457,803,060)**		**2,807,713,387**	**19,678,717,127**
Balance at the end of the year	**(1,860,812,681)**	-	**14,726,594,734**	**2,625,267,263**	**2,556,070,477**	**18,047,119,792**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Engineering reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	278,107,897	-	5,678,403,477	266,457,424	1,448,232,681	7,671,201,480
Reinsurance service revenue	(19,557,919,077)	-	-	-	-	(19,557,919,077)
Reinsurance service expense						
Gross claims paid	-	-	4,358,527,804	-	-	4,358,527,804
Attributable operating and administration expenses	-	-	1,769,811,922	-	-	1,769,811,922
Changes that relate to past service - adjustments to the LIC	-	-	393,874,822	76,098,707	-	469,973,528
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	5,057,878,576	-	-	-	-	5,057,878,576
Reinsurance service result	**(14,500,040,501)**	**-**	**6,522,214,548**	**76,098,707**	**-**	**(7,901,727,246)**
Finance costs from reinsurance contracts issued	-	-	(395,512,157)	(86,819,742)	-	(482,331,899)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(395,512,157)**	**(86,819,742)**	**-**	**(482,331,899)**
Total recognised in the statement if profit or loss and other comprehensive income	**(14,500,040,501)**	**-**	**6,917,726,705**	**162,918,449**	**-**	**(7,419,395,347)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Engineering reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	22,420,918,115	-	-	-	-	22,420,918,115
Claims paid	-	-	(4,358,527,804)	-	-	(4,358,527,804)
Expenses paid		-	(1,769,811,922)	-	-	(1,769,811,922)
Reinsurance acquisition cash flows	(6,139,756,107)	-	-	-	1,081,877,530	(5,057,878,576)
Total cash flow	**16,281,162,008**	**-**	**(6,128,339,726)**	**-**	**1,081,877,530**	**11,234,699,813**
Balance at the end of the year	**2,059,229,405**	**-**	**6,467,790,455**	**429,375,873**	**2,530,110,212**	**11,486,505,945**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Engineering reinsurance

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(4,208,923,650)	-	2,594,209,840	163,222,540	420,806,216	**(1,030,685,054)**
Reinsurance service revenue	(23,190,797,410)	-		-	-	(23,190,797,410)
Reinsurance service expense						
Gross claims paid	-	-	5,786,635,549	-	-	**5,786,635,549**
Attributable operating and administration expenses	-	-	2,351,580,645	-	-	**2,351,580,645**
Changes that relate to past service - adjustments to the LIC	-	-	2,764,832,795	-	-	**2,764,832,795**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	3,872,359,072	-	-	-	-	**3,872,359,072**
Reinsurance service result	**(19,318,438,338)**	-	**10,904,913,890**	-	-	**(8,413,524,448)**
Finance costs from reinsurance contracts issued	-	-	(319,360,842)	(103,234,884)	-	**(422,595,726)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	**(319,360,842)**	**(103,234,884)**	-	**(422,595,726)**
Total recognised in the statement if profit or loss and other comprehensive income	**(19,318,438,338)**	-	**11,224,274,731**	**103,234,884**	-	**(7,990,928,722)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Engineering reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	28,705,255,422	-	-	-	-	28,705,255,422
Claims paid	-	-	(5,786,635,549)	-	-	(5,786,635,549)
Expenses paid	-	-	(2,353,445,546)	-	-	(2,353,445,546)
Reinsurance acquisition cash flows	(4,899,785,537)	-	-	-	1,027,426,465	(3,872,359,072)
Total cash flow	**23,805,469,885**	**-**	**(8,140,081,095)**	**-**	**1,027,426,465**	**16,692,815,255**
Balance at the end of the year	**278,107,897**	**-**	**5,678,403,477**	**266,457,424**	**1,448,232,681**	**7,671,201,480**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Energy reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(1,015,438,012)	-	(104,310,662)	17,937,555	74,592,175	(1,027,218,945)
Reinsurance service revenue	(508,960,869)	-		-	-	(508,960,869)
Reinsurance service expense						
Gross claims paid	-	-	-	-	-	-
Attributable operating and administration expenses	-	-	42,402,075	-	-	42,402,075
Changes that relate to past service - adjustments to the LIC	-	-	(122,377,873)	(17,848,300)	-	(140,226,173)
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	81,301,828	-	-	-	-	81,301,828
Reinsurance service result	**(427,659,040)**	**-**	**(79,975,797)**	**(17,848,300)**	**-**	**(525,483,138)**
Finance costs from reinsurance contracts issued	-	-	(10,601,770)	(2,327,218)	-	(12,928,988)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(10,601,770)**	**(2,327,218)**	**-**	**(12,928,988)**
Total recognised in the statement if profit or loss and other comprehensive income	**(427,659,040)**	**-**	**(69,374,028)**	**(15,521,083)**	**-**	**(512,554,150)**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Energy reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	537,172,029	-	-	-	-	**537,172,029**
Claims paid	-	-	-	-	-	**-**
Expenses paid	-	-	(42,402,075)	-	-	**(42,402,075)**
Reinsurance acquisition cash flows	(78,715,072)	-	-	-	(2,586,757)	**(81,301,828)**
Total cash flow	**458,456,957**	**-**	**(42,402,075)**	**-**	**(2,586,757)**	**413,468,125**
Balance at the end of the year	**(984,640,096)**	**-**	**(216,086,765)**	**2,416,473**	**72,005,418**	**(1,126,304,970)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Energy reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(210,262,706)	-	228,709,161	11,028,338	45,424,849	**74,899,642**
Reinsurance service revenue	(804,291,113)	-	-	-	-	**(804,291,113)**
Reinsurance service expense						
Gross claims paid	-	-	6,993,674	-	-	**6,993,674**
Attributable operating and administration expenses	-	-	81,368,265	-	-	**81,368,265**
Changes that relate to past service - adjustments to the LIC	-	-	(354,393,738)	-	-	**(354,393,738)**
Losses on onerous contracts	-	-	-	-	-	**-**
Amortisation of loss component	-	-	-	-	-	**-**
Amortisation of reinsurance acquisition cash flows	117,218,182	-	-	-	-	**117,218,182**
Reinsurance service result	**(687,072,931)**	**-**	**(266,031,798)**	**-**	**-**	**(953,104,729)**
Finance costs from reinsurance contracts issued	-	-	(21,373,914)	(6,909,218)	-	**(28,283,132)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(21,373,914)**	**(6,909,218)**	**-**	**(28,283,132)**
Total recognised in the statement if profit or loss and other comprehensive income	**(687,072,931)**	**-**	**(244,657,884)**	**(6,909,218)**	**-**	**(924,821,597)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Energy reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	28,283,132	-	-	-	-	**28,283,132**
Claims paid	-	-	(6,993,674)	-	-	**(6,993,674)**
Expenses paid	-	-	(81,368,265)	-	-	**(81,368,265)**
Reinsurance acquisition cash flows	(146,385,508)	-	-	-	29,167,326	**(117,218,182)**
Total cash flow	**(118,102,376)**	-	**(88,361,939)**	-	**29,167,326**	**(177,296,989)**
Balance at the end of the year	**(1,015,438,012)**	-	**(104,310,662)**	**17,937,555**	**74,592,175**	**(1,027,218,945)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Accident reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	462,435,834	-	3,429,183,001	336,543,327	1,408,980,013	**5,637,142,175**
Reinsurance service revenue	(47,939,969,611)	-	-	-	-	**(47,939,969,611)**
Reinsurance service expense						
Gross claims paid	-	-	9,065,374,781	-	-	**9,065,374,781**
Attributable operating and administration expenses	-	-	4,264,518,962	-	-	**4,264,518,962**
Changes that relate to past service - adjustments to the LIC	-	-	1,189,261,761	178,692,200	-	**1,367,953,961**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	10,663,742,251	-	-	-	-	**10,663,742,251**
Reinsurance service result	**(37,276,227,360)**	-	**14,519,155,504**	**178,692,200**	-	**(22,578,379,656)**
Finance costs from reinsurance contracts issued	-	-	(254,744,297)	(55,919,480)	-	**(310,663,777)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	**(254,744,297)**	**(55,919,480)**	-	**(310,663,777)**
Total recognised in the statement if profit or loss and other comprehensive income	**(37,276,227,360)**	-	**14,773,899,801**	**234,611,680**	-	**(22,267,715,879)**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Accident reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	49,574,741,992	-	-	-	-	49,574,741,992
Claims paid	-	-	(3,302,760,717)	-	-	(3,302,760,717)
Expenses paid	-	-	(4,264,518,962)	-	-	(4,264,518,962)
Reinsurance acquisition cash flows	(15,086,495,493)	-	-	-	4,422,753,242	(10,663,742,251)
Total cash flow	**34,488,246,499**	**-**	**(7,567,279,679)**	**-**	**4,422,753,242**	**31,343,720,062**
Balance at the end of the year	**(2,325,545,028)**	**-**	**10,635,803,123**	**571,155,007**	**5,831,733,255**	**14,713,146,358**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Accident reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(381,938,929)	-	1,812,327,943	284,784,864	585,025,644	2,300,199,521
Reinsurance service revenue	(29,320,502,619)	-		-		(29,320,502,619)
Reinsurance service expense						
Gross claims paid	-	-	2,967,868,560	-		2,967,868,560
Attributable operating and administration expenses	-	-	1,981,324,871	-		1,981,324,871
Changes that relate to past service - adjustments to the LIC	-	-	1,337,464,037	-		1,337,464,037
Losses on onerous contracts	-	-	-	-		-
Amortisation of loss component	-	-	-	-		-
Amortisation of reinsurance acquisition cash flows	6,670,304,352	-	-	-	-	6,670,304,352
Reinsurance service result	(22,650,198,266)	-	6,286,657,467	-	-	(16,363,540,799)
Finance costs from reinsurance contracts issued	-	-	(160,116,674)	(51,758,463)	-	(211,875,137)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	(160,116,674)	(51,758,463)	-	(211,875,137)
Total recognised in the statement if profit or loss and other comprehensive income	(22,650,198,266)	-	6,446,774,141	51,758,463	-	(16,151,665,662)

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Accident reinsurance

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	30,988,831,752	-				30,988,831,752
Claims paid	-	-	(2,950,174,563)	-	-	(2,950,174,563)
Expenses paid		-	(1,879,744,520)	-	-	(1,879,744,520)
Reinsurance acquisition cash flows	(7,494,258,722)	-	-	-	823,954,370	(6,670,304,352)
Total cash flow	23,494,573,030		(4,829,919,083)	-	823,954,370	19,488,608,316
Balance at the end of the year	462,435,834	-	3,429,183,001	336,543,327	1,408,980,013	5,637,142,175

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Agriculture reinsurance

	2025					
	Liability for remaining coverage (LRC)		**Liability for incurred claims (LIC)**			**Total**
	Excluding loss component	**Loss component**	**Present value of future cash flows**	**Risk adjustment for non-financial risk**	**Assets for Insurance Acquisition cashflows**	
	TZS	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**
Opening balance	11,296,740	-	1,812,327,943	8,529,169	26,897,866	**157,501,126**
Reinsurance service revenue	(814,416,279)	-		-	-	**(814,416,279)**
Reinsurance service expense					-	
Gross claims paid	-	-	781,911,340	-		**781,911,340**
Attributable operating and administration expenses	-	-	87,169,360	-	-	**87,169,360**
Changes that relate to past service - adjustments to the LIC	-	-	44,349,570	6,429,847	-	**50,779,417**
Losses on onerous contracts	-	216,074,060	-	-	-	**216,074,060**
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	206,479,004	-	-	-	-	-
Reinsurance service result	**(607,937,274)**	**216,074,060**	**913,430,270**	**6,429,847**	**-**	**527,996,903**
Finance costs from reinsurance contracts issued	-	-	(1,660,132)	(364,419)	-	**(2,024,552)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(1,660,132)**	**(364,419)**	-	**(2,024,552)**
Total recognised in the statement if profit or loss and other comprehensive income	**(607,937,274)**	**216,074,060**	**915,090,403**	**6,794,266**	-	**530,021,454**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Agriculture reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows		-				
Premiums received	1,104,307,788	-	-	-	-	**1,104,307,788**
Claims paid	-	-	(781,911,340)	-	-	**(781,911,340)**
Expenses paid	-	-	(87,169,360)	-		**(87,169,360)**
Reinsurance acquisition cash flows	(311,918,754)	-		-	105,439,750	**(206,479,004)**
Total cash flow	**792,389,034**		**(869,080,700)**		**105,439,750**	**28,748,084**
		-				
Balance at the end of the year	**195,748,500**	**216,074,060**	**156,787,055**	**15,323,435**	**132,337,615**	**716,270,664**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Agriculture reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(14,020,286)	-	64,723,466	7,978,241	8,773,447	67,454,867
Reinsurance service revenue	(395,671,346)	-		-	-	(395,671,346)
Reinsurance service expense						
Gross claims paid	-	-	170,391,249	-	-	170,391,249
Attributable operating and administration expenses	-	-	55,246,287	-	-	55,246,287
Changes that relate to past service - adjustments to the LIC	-	-	7,228,458	-	-	7,228,458
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	76,259,404	-	-	-	-	76,259,404
Reinsurance service result	(319,411,942)	-	269,897,306	-	-	(49,514,635)
Finance costs from reinsurance contracts issued	-	-	(1,704,316)	(550,928)	-	(2,255,244)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	(1,704,316)	(550,928)	-	(2,255,244)
Total recognised in the statement if profit or loss and other comprehensive income	(319,411,942)	-	271,601,622	550,928	-	(47,259,391)

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Agriculture reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	439,112,791	-	-	-	-	**439,112,791**
Claims paid	-	-	(170,391,249)	-	-	**(170,391,249)**
Expenses paid	-	-	(55,156,487)	-	-	**(55,156,487)**
Reinsurance acquisition cash flows	(94,383,824)	-	-	-	18,124,419	**(76,259,404)**
Total cash flow	**344,728,967**	-	**(225,547,736)**	-	**18,124,419**	**137,305,650**
Balance at the end of the year	**11,296,740**	-	**110,777,352**	**8,529,169**	**26,897,866**	**157,501,126**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

PVT reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	177,844,246	-	69,014,609	4,604,992	52,746,338	304,210,185
Reinsurance service revenue	(1,943,152,318)	-		-	-	(1,943,152,318)
Reinsurance service expense						
Gross claims paid	-	-	3,907,922	-	-	3,907,922
Attributable operating and administration expenses	-	-	157,715,126	-	-	157,715,126
Changes that relate to past service - adjustments to the LIC	-	-	(5,306,015)	1,227,827	-	(4,078,188)
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	208,850,138	-	-	-	-	208,850,138
Reinsurance service result	(1,734,302,180)	-	156,317,033	1,227,827	-	(1,576,757,320)
Finance costs from reinsurance contracts issued	-	-	(7,371,133)	(1,618,054)	-	(8,989,187)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	(7,371,133)	(1,618,054)	-	(8,989,187)
Total recognised in the statement if profit or loss and other comprehensive income	(1,734,302,180)	-	163,688,166	2,845,881	-	(1,567,768,133)

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

PVT reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows		-				
Premiums received	1,998,019,039	-	-	-	-	**1,998,019,039**
Claims paid	-	-	(3,907,922)	-	-	**(3,907,922)**
Expenses paid	-	-	(157,715,126)	-		**(157,715,126)**
Reinsurance acquisition cash flows	(213,101,682)	-		-	4,251,544	**(208,850,138)**
Total cash flow	**1,784,917,358**		**(161,623,048)**		**4,251,544**	**1,627,545,854**
Balance at the end of the year	**228,459,424**	**-**	**71,079,728**	**7,450,873**	**56,997,882**	**363,987,906**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

PVT reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(11,868,543)	-	22,522,151	3,347,221	2,230,496	**16,231,324**
Reinsurance service revenue	(1,766,064,387)	-		-	-	**(1,766,064,387)**
Reinsurance service expense						
Gross claims paid	-	-	293,183	-	-	**293,183**
Attributable operating and administration expenses	-	-	60,171,386	-	-	**60,171,386**
Changes that relate to past service - adjustments to the LIC	-	-	42,601,498	-	-	**42,601,498**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	170,540,262	-	-	-	-	**170,540,262**
Reinsurance service result	**(1,595,524,125)**	**-**	**103,066,066**	**-**	**-**	**(1,492,458,058)**
Finance costs from reinsurance contracts issued	-	-	(3,890,961)	(1,257,771)	-	**(5,148,732)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(3,890,961)**	**(1,257,771)**	**-**	**(5,148,732)**
Total recognised in the statement if profit or loss and other comprehensive income	**(1,595,524,125)**	**-**	**106,957,027**	**(1,257,771)**	**-**	**(1,487,309,326)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

PVT reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	2,006,293,019	-	-	-	-	**2,006,293,019**
Claims paid	-	-	(293,183)	-	-	**(293,183)**
Expenses paid	-	-	(60,171,386)	-	-	**(60,171,386)**
Reinsurance acquisition cash flows	(221,056,104)	-	-	-	50,515,842	**(170,540,262)**
Total cash flow	**1,785,236,915**	**-**	**(61,091,152)**	**-**	**50,515,842**	**1,775,288,188**
Balance at the end of the year	**177,844,246**	**-**	**69,014,609**	**4,604,992**	**52,746,338**	**304,210,185**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Motor reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(37,758,423)	-	7,704,382,410	838,696,057	1,019,069,803	**9,524,389,847**
Reinsurance service revenue	(41,273,738,399)	-		-	-	**(41,273,738,399)**
Reinsurance service expense						
Gross claims paid	-	-	21,846,286,013	-	-	**21,846,286,013**
Attributable operating and administration expenses	-	-	3,335,419,324	-	-	**3,335,419,324**
Changes that relate to past service - adjustments to the LIC	-	-	(336,167,914)	(15,133,377)	-	**(351,301,291)**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	6,153,018,275	-	-	-	-	**6,153,018,275**
Reinsurance service result	**(35,120,720,124)**	**-**	**24,845,537,423**	**(15,133,377)**	**-**	**(10,290,316,078)**
Finance costs from reinsurance contracts issued	-	-	(253,767,988)	(55,705,168)	-	**(309,473,156)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(253,767,988)**	**(55,705,168)**	**-**	**(309,473,156)**
Total recognised in the statement if profit or loss and other comprehensive income	**(35,120,720,124)**	**-**	**25,099,305,411**	**40,571,791**	**-**	**(9,980,842,922)**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Motor reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	42,254,864,838	-	-	-	-	**42,254,864,838**
Claims paid	-	-	(21,846,286,013)	-	-	**(21,846,286,013)**
Expenses paid	-	-	(3,335,419,324)	-	-	**(3,335,419,324)**
Reinsurance acquisition cash flows	(6,571,005,291)	-	-	-	417,987,016	**(6,153,018,275)**
Total cash flow	**35,683,859,547**	**-**	**(25,181,705,337)**	**-**	**417,987,016**	**10,920,141,226**
Balance at the end of the year	**525,381,000**	**-**	**7,621,982,485**	**879,267,848**	**1,437,056,819**	**10,463,688,152**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Motor reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	1,519,386,995	-	8,576,252,930	788,476,692	368,365,244	9,232,481,861
Reinsurance service revenue	(35,778,599,985)	-		-	-	(35,778,599,985)
Reinsurance service expense						
Gross claims paid	-	-	20,081,848,128	-	-	20,081,848,128
Attributable operating and administration expenses	-	-	5,594,430,671	-	-	5,594,430,671
Changes that relate to past service - adjustments to the LIC	-	-	910,903,340	-	-	910,903,340
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	6,315,534,278	-	-	-	-	6,315,534,278
Reinsurance service result	**(29,463,065,707)**	-	**26,587,182,140**	-	-	**(2,875,883,567)**
Finance costs from reinsurance contracts issued	-	-	(217,226,140)	(70,219,365)	-	(287,445,505)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	**(217,226,140)**	**(70,219,365)**	-	**(287,445,505)**
Total recognised in the statement if profit or loss and other comprehensive income	**(29,463,065,707)**	-	**26,804,408,280**	**70,219,365**	-	**(2,588,438,062)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Motor reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	34,872,159,125	-	-	-	-	**34,872,159,125**
Claims paid	-	-	(20,081,848,128)	-	-	**(20,081,848,128)**
Expenses paid	-	-	(5,594,430,671)	-	-	**(5,594,430,671)**
Reinsurance acquisition cash flows	(6,966,238,836)	-	-	-	650,704,559	**(6,315,534,278)**
Total cash flow	**27,905,920,289**	**-**	**(25,676,278,800)**	**-**	650,704,559	**2,880,346,047**
Balance at the end of the year	**(37,758,423)**	**-**	**7,704,382,410**	**838,696,057**	**1,019,069,803**	**9,524,389,847**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Marine reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(596,665,944)	-	2,643,862,533	110,564,702	(534,416,179)	**1,623,345,111**
Reinsurance service revenue	(11,602,153,684)	-		-	-	**(11,602,153,684)**
Reinsurance service expense						
Gross claims paid	-	-	4,111,589,712	-	-	**4,111,589,712**
Attributable operating and administration expenses	-	-	944,496,726	-	-	**944,496,726**
Changes that relate to past service - adjustments to the LIC	-	-	(24,869,534)	606,594	-	**(24,262,940)**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	3,102,673,579	-	-	-	-	**3,102,673,579**
Reinsurance service result	**(8,499,480,105)**	**-**	**5,031,216,903**	**606,594**	**-**	**(3,467,656,608)**
Finance costs from reinsurance contracts issued	-	-	(114,428,540)	(25,118,460)	-	**(139,547,000)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(114,428,540)**	**(25,118,460)**	**-**	**(139,547,000)**
Total recognised in the statement if profit or loss and other comprehensive income	**(8,499,480,105)**	**-**	**5,145,645,443**	**25,725,054**	**-**	**(3,328,109,608)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Marine reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	11,965,386,540	-	-	-	-	**11,965,386,540**
Claims paid	-	-	(4,111,589,712)	-	-	**(4,111,589,712)**
Expenses paid	-	-	(944,496,726)	-	-	**(944,496,726)**
Reinsurance acquisition cash flows	(3,515,685,593)	-	-	-	413,012,014	**(3,102,673,579)**
Total cash flow	**8,449,700,948**	**-**	**(5,056,086,438)**	**-**	**413,012,014**	**3,806,626,524**
Balance at the end of the year	**(646,445,102)**	**-**	**2,733,421,539**	**136,289,756**	**(121,404,165)**	**2,101,862,027**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Marine reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	(573,623,431)	-	1,832,642,709	71,737,197	(261,676,228)	**1,069,080,247**
Reinsurance service revenue	(10,174,984,759)	-		-	-	**(10,174,984,759)**
Reinsurance service expense						
Gross claims paid	-	-	2,441,836,897	-	-	**2,441,836,897**
Attributable operating and administration expenses	-	-	940,882,401	-	-	**940,882,401**
Changes that relate to past service - adjustments to the LIC	-	-	691,105,535	-	-	**691,105,535**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	3,282,634,790	-	-	-	-	**3,282,634,790**
Reinsurance service result	**(6,892,349,970)**	**-**	**4,073,824,834**	**-**	**-**	**(2,818,525,136)**
Finance costs from reinsurance contracts issued	-	-	(120,114,288)	(38,827,505)	-	**(158,941,793)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(120,114,288)**	**(38,827,505)**	**-**	**(158,941,793)**
Total recognised in the statement if profit or loss and other comprehensive income	**(6,892,349,970)**	**-**	**4,193,939,122**	**(38,827,505)**	**-**	**(2,659,583,343)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Marine reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	9,879,202,295	-	-	-	-	9,879,202,295
Claims paid	-	-	(2,441,836,897)	-	-	(2,441,836,897)
Expenses paid	-	-	(940,882,401)	-	-	(940,882,401)
Reinsurance acquisition cash flows	(3,009,894,839)	-	-	-	(272,739,951)	(3,282,634,790)
Total cash flow	**6,869,307,456**	**-**	**(3,382,719,298)**	**-**	**(272,739,951)**	**3,213,848,207**
Balance at the end of the year	**(596,665,944)**	**-**	**2,643,862,533**	**110,564,702**	**(534,416,179)**	**1,623,345,111**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Aviation reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	1,943,864,165	-	1,614,416,936	94,487,074	(4,758,237,568)	**(1,105,469,394)**
Reinsurance service revenue	(49,173,181,761)	-		-	-	**(49,173,181,761)**
Reinsurance service expense						
Gross claims paid	-	-	852,077,818	-	-	**852,077,818**
Attributable operating and administration expenses	-	-	4,395,200,031	-	-	**4,395,200,031**
Changes that relate to past service - adjustments to the LIC	-	-	4,626,255,369	558,677,720	-	**5,184,933,089**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	6,084,445,486	-	-	-	-	**6,084,445,486**
Reinsurance service result	**(43,088,736,274)**	**-**	**9,873,533,218**	**558,677,720**	**-**	**(32,656,525,336)**
Finance costs from reinsurance contracts issued	-	-	(198,139,405)	(43,494,016)	-	**(241,633,421)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	**(198,139,405)**	**(43,494,016)**	**-**	**(241,633,421)**
Total recognised in the statement if profit or loss and other comprehensive income	**(43,088,736,274)**	**-**	**10,071,672,623**	**602,171,736**	**-**	**(32,414,891,915)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Aviation reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	55,680,730,126	-	-	-	-	55,680,730,126
Claims paid	-	-	(852,077,818)	-	-	(852,077,818)
Expenses paid		-	(4,395,200,031)	-	-	(4,395,200,031)
Reinsurance acquisition cash flows	(6,568,284,721)	-	-	-	483,839,234	(6,084,445,486)
Total cash flow	**49,112,445,405**	**-**	**(5,247,277,849)**	**-**	**483,839,234**	**44,349,006,790**
Balance at the end of the year	**7,967,573,295**	**-**	**6,438,811,710**	**696,658,810**	**(4,274,398,334)**	**10,828,645,481**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Aviation reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	9,473,385,713	-	1,717,285,729	36,419,501	(3,135,316,805)	8,091,774,138
Reinsurance service revenue	(58,690,153,503)	-		-	-	(58,690,153,503)
Reinsurance service expense						
Gross claims paid	-	-	13,136,108,018	-	-	13,136,108,018
Attributable operating and administration expenses	-	-	2,208,774,666	-	-	2,208,774,666
Changes that relate to past service - adjustments to the LIC	-	-	(282,502,926)	-	-	(282,502,926)
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	7,231,457,009	-	-	-	-	7,231,457,009
Reinsurance service result	(51,458,696,495)	-	15,062,379,759	-	-	(36,396,316,736)
Finance costs from reinsurance contracts issued	-	-	(179,634,133)	(58,067,573)	-	(237,701,706)
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	-	-	(179,634,133)	(58,067,573)	-	(237,701,706)
Total recognised in the statement of profit or loss and other comprehensive income	(51,458,696,495)	-	15,242,013,892	58,067,573	-	(36,158,615,030)

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Aviation reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	49,537,711,191	-	-	-	-	**49,537,711,191**
Claims paid	-	-	(13,136,108,018)	-	-	**(13,136,108,018)**
Expenses paid	-	-	(2,208,774,666)	-	-	**(2,208,774,666)**
Reinsurance acquisition cash flows	(5,608,536,245)	-	-	-	(1,622,920,764)	**(7,231,457,009)**
Total cash flow	**43,929,174,946**	**-**	**(15,344,882,685)**	**-**	**(1,622,920,764)**	**26,961,371,498**
Balance at the end of the year	**1,943,864,165**	**-**	**1,614,416,936**	**94,487,074**	**(4,758,237,568)**	**(1,105,469,394)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Medical reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	651,664,230	101,580,351	1,011,549,711	123,852,778	(181,320,614)	**1,707,326,456**
Reinsurance service revenue	(3,819,055,306)	-		-	-	**(3,819,055,306)**
Reinsurance service expense						
Gross claims paid	-	-	3,086,002,663	-	-	**3,086,002,663**
Attributable operating and administration expenses	-	-	383,298,784	-	-	**383,298,784**
Changes that relate to past service - adjustments to the LIC	-	-	(17,977,664)	(17,547)	-	**(17,995,212)**
Losses on onerous contracts	-	310,184,590	-	-	-	**310,184,590**
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	897,314,364	-	-	-	-	**897,314,364**
Reinsurance service result	**(2,921,740,942)**	**310,184,590**	**3,451,323,783**	**(17,547)**	**-**	**839,749,884**
Finance costs from reinsurance contracts issued	-	-	(13,937,462)	(3,059,443)	-	**(16,996,904)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(13,937,462)**	**(3,059,443)**	**-**	**(16,996,904)**
Total recognised in the statement of profit or loss and other comprehensive income	**(2,921,740,942)**	**310,184,590**	**3,465,261,244**	**3,041,895**	**-**	**856,746,788**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Medical reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	4,855,832,730	-	-	-	-	**4,855,832,730**
Claims paid	-	-	(3,086,002,663)	-	-	**(3,086,002,663)**
Expenses paid	-	-	(383,298,784)	-	-	**(383,298,784)**
Reinsurance acquisition cash flows	(1,073,182,042)	-	-	-	175,867,678	**(897,314,364)**
Total cash flow	**3,782,650,688**	**-**	**(3,469,301,447)**	**-**	**175,867,678**	**489,216,919**
Balance at the end of the year	**1,912,573,977**	**411,764,941**	**1,007,509,509**	**126,894,673**	**(5,452,936)**	**3,053,290,163**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Medical reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	819,315,600	-	1,094,668,906	122,595,006	(157,811,221)	**1,878,768,291**
Reinsurance service revenue	(3,697,694,490)	-		-	-	**(3,697,694,490)**
Reinsurance service expense						
Gross claims paid	-	-	2,239,978,811	-	-	**2,239,978,811**
Attributable operating and administration expenses	-	-	579,163,904	-	-	**579,163,904**
Changes that relate to past service - adjustments to the LIC	-	-	14,570,196	-	-	**14,570,196**
Losses on onerous contracts	-	(101,580,351)	-	-	-	**(101,580,351)**
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	855,633,995	-	-	-	-	**855,633,995**
Reinsurance service result	**(2,842,060,494)**	**101,580,351**	**2,833,712,911**	**-**	**-**	**(109,927,934)**
Finance costs from reinsurance contracts issued	-	-	(3,890,961)	(1,257,771)	-	**(5,148,732)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(3,890,961)**	**(1,257,771)**	**-**	**(5,148,732)**
Total recognised in the statement of profit or loss and other comprehensive income	**(2,842,060,494)**	**101,580,351**	**2,837,603,872**	**1,257,771**	-	**(104,779,202)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Medical reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	3,506,533,727	-	-	-	-	3,506,533,727
Claims paid	-	-	(2,239,978,811)	-	-	(2,239,978,811)
Expenses paid	-	-	(680,744,255)	-	-	(680,744,255)
Reinsurance acquisition cash flows	(832,124,602)	-	-	-	(23,509,394)	(855,633,995)
Total cash flow	**2,674,409,125**	**-**	**(2,920,723,066)**	**-**	**(23,509,394)**	**(269,823,335)**
Balance at the end of the year	**651,664,230**	**101,580,351**	**1,011,549,711**	**123,852,778**	**(181,320,614)**	**1,504,165,754**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Life reinsurance

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	11,409,307,743	-	3,737,368,902	404,839,004	(9,547,163,689)	**6,004,351,960**
Reinsurance service revenue	(35,643,043,318)	-		-	-	**(35,643,043,318)**
Reinsurance service expense						
Gross claims paid	-	-	16,248,755,070	-	-	**16,248,755,070**
Attributable operating and administration expenses	-	-	2,943,299,656	-	-	**2,943,299,656**
Changes that relate to past service - adjustments to the LIC	-	-	43,637,558	32,307,297	-	**75,944,855**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	9,174,222,457	-	-	-	-	**9,174,222,457**
Reinsurance service result	**(26,468,820,861)**	**-**	**19,235,692,284**	**32,307,297**	**-**	**(7,200,821,280)**
Finance costs from reinsurance contracts issued	-	-	(126,907,477)	(27,857,739)	-	**(154,765,215)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	**(126,907,477)**	**(27,857,739)**	**-**	**(154,765,215)**
Total recognised in the statement of profit or loss and other comprehensive income	**(26,468,820,861)**	**-**	**19,362,599,761**	**60,165,036**	**-**	**(7,046,056,064)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Life reinsurance (Continued)

	2025					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	37,287,284,468	-	-	-	-	**37,287,284,468**
Claims paid	-	-	(16,248,755,070)	-	-	**(16,248,755,070)**
Expenses paid	-	-	(2,943,299,656)	-	-	**(2,943,299,656)**
Reinsurance acquisition cash flows	(7,961,518,225)	-	-	-	(1,212,704,232)	**(9,174,222,457)**
Total cash flow	**29,325,766,243**	-	**(19,192,054,726)**	-	(1,212,704,232)	**8,921,007,285**
Balance at the end of the year	**14,266,253,125**	-	**3,907,913,937**	**465,004,039**	**(10,759,867,921)**	**7,879,303,180**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Life reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Opening balance	1,557,333,061	-	3,182,052,809	380,202,803	453,081,011	**5,572,669,684**
Reinsurance service revenue	(30,867,945,636)	-		-	-	**(30,867,945,636)**
Reinsurance service expense						
Gross claims paid	-	-	9,965,215,240	-	-	**9,965,215,240**
Attributable operating and administration expenses	-	-	3,392,828,099	-	-	**3,392,828,099**
Changes that relate to past service - adjustments to the LIC	-	-	479,103,118	-	-	**479,103,118**
Losses on onerous contracts	-	-	-	-	-	-
Amortisation of loss component	-	-	-	-	-	-
Amortisation of reinsurance acquisition cash flows	8,984,309,870	-	-	-	-	**8,984,309,870**
Reinsurance service result	**(21,883,635,766)**	**-**	**13,837,146,456**	**-**	**-**	**(8,046,489,310)**
Finance costs from reinsurance contracts issued	-	-	(76,212,975)	(24,636,200)	-	**(100,849,175)**
Finance expenses from reinsurance contracts issued, including foreign exchange gain or loss	**-**	**-**	(76,212,975)	**(24,636,200)**	**-**	**(100,849,175)**
Total recognised in the statement of profit or loss and other comprehensive income	**(21,883,635,766)**	**-**	**13,913,359,431**	**24,636,200**	**-**	**(7,945,640,135)**

28. REINSURANCE CONTRACT BALANCES (CONTINUED)

Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (Continued)

Life reinsurance (Continued)

	2024					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)			Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Assets for Insurance Acquisition cashflows	
	TZS	TZS	TZS	TZS	TZS	TZS
Cash flows						
Premiums received	31,735,610,448	-	-	-	-	31,735,610,448
Claims paid	-	-	(9,965,215,240)	-	-	(9,965,215,240)
Expenses paid	-	-	(3,392,828,099)	-	-	(3,392,828,099)
Reinsurance acquisition cash flows	(10,000,244,700)	-	-	-	1,015,934,830	(8,984,309,870)
Total cash flow	**21,735,365,748**	-	**(13,358,043,338)**	-	**1,015,934,830**	**9,393,257,241**
Balance at the end of the year	**1,409,063,043**	-	**3,737,368,902**	**404,839,004**	**1,469,015,841**	**7,020,286,790**

29. SHARE CAPITAL

The authorized share capital is TZS 500,000,000,000 divided into 500,000,000 shares. Par value of Company's shares is TZS 1,000 per shares.

As of 31 December 2025, the number of called-up shares was 250,000,000 shares (2024: 60,000,000 shares) and the number of paid-up shares was 61,187,189 shares (2024: 59,271,785 shares).

The paid-up capital is made up as follows:	2025 TZS	2024 TZS
Share capital at 1 January	51,967,902,658	48,319,321,389
Shares in lieu of cash dividend	1,915,404,342	1,574,235,269
Transfer from advance share capital	7,303,882,000	2,074,346,000
	61,187,189,000	**51,967,902,658**
Advance towards share capital - 1 January	7,303,882,000	9,378,228,000
Transfer to share capital	(7,303,882,000)	(2,074,346,000)
	-	**7,303,882,000**
	61,187,189,000	**59,271,784,658**

The Company's capital management policy is disclosed in note 6 (b).

The Company has three forms of reserves in addition to share capital, foreign currency translation, share buyback, and contingency reserves. Note 32 provides an explanation of the contingency reserve, and the following explains the other two reserves:

****The share buyback reserve*** *is a special reserve created to cater for the occasions when shareholder might need to dispose of the shares held in the Company. The reserve is maintained by providing for 10% of the profits available for distribution annually.*

****The foreign currency translation*** *reserve relates to the exchange differences arising from translation of TAN-RE's share of operating results and assets and liabilities of the associate Company, Ezulwini Reinsurance Company Limited.*

****Share premium*** *is the amount of money that the Company received for the issued shares over and above the nominal value.*

Also, the Company issued shares in lieu of cash dividend in a bid to increase the paid-up capital for business expansion.

30. OTHER PAYABLES

	2025 TZS	2024 TZS
Accrued audit fees	124,623,747	123,499,803
Accrued expenses	1,617,931,101	1,237,270,559
VAT Payable	-	175,053,778
Provision for gratuity*	1,090,151,284	725,774,579
Premium Levy Payable	2,707,549,738	1,598,225,220
Accrued Directors Fee	176,099,308	151,393,426
	5,716,355,178	**4,011,217,365**

***Provision for gratuity**

Balance as at 1 January	725,774,579	434,630,579
Additional provision (Note 16)	424,376,705	291,144,000
Paid during the year	(60,000,000)	-
Balance as at 31 December	**1,090,151,284**	**725,774,579**

31. RELATED PARTY DISCLOSURES

The Company is owned by Tanzanian Pension funds, local Insurance companies, one foreign investor (ZEP-RE), local Insurance brokers and individual Tanzanians.

A large portion of Company's underwriting business is transacted with local ceding companies that are also shareholders of the Company. The transactions carried out with related parties during the year and balances due from or to them at the year-end are:

	2025 TZS	2024 TZS
a) Transaction with related parties		
Gross earned premiums	259,583,237,857	153,917,301,228
Claims paid	57,926,656,156	63,199,010,277
Management Fee	973,318,425	796,549,316
	318,483,212,438	**217,912,860,821**
b) Outstanding balances with related parties		
Premium receivables from related parties	**39,712,001,272**	**35,745,312,934**
c) Directors' remuneration		
Directors' fees	123,529,412	123,529,412
Directors' gratuity	30,882,353	27,864,014
Other emoluments (sitting allowances)	244,665,715	296,635,714
	399,077,480	**448,029,140**
d) Key Management Remuneration		
Salaries and other short-term employment benefits	1,545,270,000	1,470,730,000
Long-term benefits	309,054,000	294,146,000
	1,854,324,000	**1,764,876,000**

32. CONTINGENCY RESERVES

This is based on 3% and 1% for general and long-term business respectively in conformity with the Insurance regulation 27 (2)(b), 3(b).

	2025 TZS	2024 TZS
Movement		
As at 1 January	51,665,663,288	43,832,483,173
Increase in the year	9,196,573,885	7,833,180,115
As at 31 December	**60,862,237,173**	51,665,663,288

31 December 2025

Details	Opening TZS	Charge TZS	Closing TZS
Fire	13,324,475,567	2,705,392,443	16,029,868,010
PVT	333,436,754	62,572,534	396,009,288
Engineering	3,503,061,406	702,162,306	4,205,223,712
Energy	390,660,005	16,822,770	407,482,775
Accident	8,634,024,953	1,691,922,418	10,325,947,371
Agriculture	89,782,065	34,583,923	124,365,988
Motor	11,802,610,143	1,323,307,688	13,125,917,831
Marine	2,726,673,245	374,723,433	3,101,396,678
Aviation	5,221,873,430	1,743,769,351	6,965,642,781
Medical	3,377,635,550	152,071,502	3,529,707,052
Life	2,261,430,170	389,245,494	2,650,675,664
	51,665,663,288	**9,196,573,862**	**60,862,237,150**

31 December 2024

Details	**Opening TZS**	**Charge TZS**	**Closing TZS**
Fire	10,930,812,556	2,393,663,011	13,324,475,567
PVT	271,516,246	61,920,508	333,436,754
Engineering	2,694,874,743	808,186,663	3,503,061,406
Energy	374,791,236	15,868,769	390,660,005
Accident	7,647,337,965	986,686,988	8,634,024,953
Agriculture	75,021,291	14,760,774	89,782,065
Motor	10,595,439,049	1,207,171,094	11,802,610,143
Marine	2,403,218,815	323,454,430	2,726,673,245
Aviation	3,672,174,110	1,549,699,320	5,221,873,430
Medical	3,255,771,345	121,864,205	3,377,635,550
Life	1,911,525,817	349,904,353	2,261,430,170
	43,832,483,173	**7,833,180,115**	**51,665,663,288**

33. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Set out below is the associate of the Company as at 31 December 2025 which, in the opinion of the directors, is material to the Company. The entity listed below has share capital consisting solely of ordinary shares, which are held directly by the Company. The country of incorporation of registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Country of Incorporation	% of ownership 2025	% of ownership 2024	Nature of relationship	Carrying amount 2025 TZS	Carrying amount 2024 TZS
Ezulwini Reinsurance Company Limited	Eswatini	**49%**	49%	Associate	**6,008,355,147**	5,250,888,422

Summarised financial information for associates

a) Summarised balance sheet

	2025 TZS	2024 TZS
Total assets	22,142,580,654	19,222,732,595
Total liabilities	(9,880,631,375)	(8,506,633,775)
Net assets	**12,261,949,279**	**10,716,098,820**
Reconciliation to carrying amounts		
Opening net assets	10,716,098,820	9,630,722,244
Profit for the period	823,183,014	963,956,543
Exchange differences on translation of investment in foreign associate*	722,667,445	121,420,033
Closing net assets	**12,261,949,279**	**10,716,098,820**
Company's share in %	49%	49%
Carrying amount	**6,008,355,147**	**5,250,888,422**
The reconciliation of the share in the associates		
Opening balance	5,250,888,422	4,719,053,900
Share of associates during the year	403,359,677	472,338,706
Exchange differences	354,107,048	59,495,816
	6,008,355,147	**5,250,888,422**

* Exchange differences on translation of investment in foreign associate attributable to:

	2025	2024
TAN-RE (49%)	354,107,048	59,495,816
Other shareholders (51%)	368,560,397	61,924,217
Total	**722,667,445**	**121,420,033**

33. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for associates (Continued)

b) Summarised statement of profit and loss and other comprehensive income

	2025	2024
	TZS	TZS
Net earned Premiums	7,178,434,006	6,789,292,163
Other revenue	526,214,186	1,624,064,094
Total revenue	**7,704,648,192**	**8,413,356,257**
Net benefits and claims	2,123,628,194	1,952,736,479
Total other expenses	4,445,595,151	5,131,024,546
Total claims and other expenses	**6,569,223,345**	**7,083,761,025**
Profit before tax	**1,135,424,847**	**1,329,595,232**
Income tax expense (27.5%)	(312,241,833)	(365,638,689)
Profit for the year	**823,183,014**	**963,956,543**
Share of profit of an associate - 49% (2024: 49%)	**403,359,677**	**472,338,706**

TANZANIA REINSURANCE COMPANY LIMITED (TAN-RE)

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED)*
FOR THE YEAR ENDED 31 DECEMBER 2025

34 (a). MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities presented according to when they are expected to be recovered or settled. Trading assets and liabilities have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour that was used for estimating the EIR. Issued debt reflects the contractual coupon amortisation.

2025	Matured within 12 months	Maturing after 12 months	Total
Property and equipment	-	3,949,905,548	3,949,905,548
Intangible assets	-	17,648,738	17,648,738
Investment Property	-	25,126,406,000	25,126,406,000
Deferred tax asset	-	1,479,736,868	1,479,736,868
Other receivables	8,218,160,190	-	8,218,160,190
Investment in Government securities at amortised cost	7,792,376,705	1,000,000,000	8,792,376,705
Financial assets - through profit or loss	-	12,649,443,418	12,649,443,418
Investments accounted for using the equity method	-	6,008,355,147	6,008,355,147
Reinsurance contract assets	108,613,662,839		108,613,662,839
Deposits with Financial institutions	52,348,522,364	-	52,348,522,364
Cash and cash equivalent	4,294,722,872	-	4,294,722,872
Total Assets	**181,267,444,970**	**50,231,495,719**	**231,498,940,689**
2025			
Liabilities			
Insurance contract liabilities	71,681,408,351	-	71,681,408,351
Other payables	5,716,355,178	-	5,716,355,178
Tax payable	2,815,518,900		2,815,518,900
Total liabilities	**80,213,282,429**	-	**80,213,282,429**

2024	Matured within 12 months	Maturing after 12 months	Total
Property and equipment	-	4,091,960,383	4,091,960,383
Intangible assets	-	47,585,082	47,585,082
Investment Property	-	24,169,450,000	24,169,450,000
Deferred tax asset	-	4,461,930,045	4,461,930,045
Other receivables	7,265,728,579	-	7,265,728,579
Investment in Government securities at amortised cost	6,178,408,232	1,000,000,000	7,178,408,232
Financial assets - through profit or loss	-	11,176,366,445	11,176,366,445
Investments accounted for using the equity method	-	5,250,868,422	5,250,868,422
Reinsurance contract assets	73,869,522,436	-	73,869,522,436
Deposits with Financial institutions	55,306,003,503	-	55,306,003,503
Cash and cash equivalent	2,761,554,675	-	2,761,554,675
Total Assets	**145,381,217,425**	**50,198,180,377**	**195,579,397,802**
Liabilities			
Insurance contract liabilities	49,615,606,225	-	49,615,606,225
Other payables	4,011,217,364	-	4,011,217,364
Tax payable	8,828,667,793	-	8,828,667,793
Total liabilities	**62,455,491,382**	-	**62,455,491,382**

35. EVENTS AFTER THE REPORTING PERIOD

There are no subsequent events that have occurred which are either to be disclosed or to be adjusted in the financial statements that could materially affect the financial statements.

36.FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Financial instruments not measured at fair value

The fair value of financial assets and liabilities not measured at fair value approximates the carrying amounts as explained below:

(i) Cash and bank balances, deposits with financial institutions, reinsurance assets, other receivables and other financial assets and liabilities.

Cash and bank balances, reinsurance assets, and other financial assets and liabilities, these have short term maturities and/or are at market interest rates. The estimated fair value of these instruments is based on discounted cash flows using prevailing market interest rate which is approximately the same as the carrying amount.

(ii) ***Government securities***

The fair value for Government securities is based on market prices. Where this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics. The Company invests in treasury bills with maturities of 91 days and 364 days. The carrying amounts of these investment securities are a reasonable approximation of fair value due to the short-term nature of the instruments and the interest rates are close to market rates.

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on stock exchanges.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

36. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

The table below provides the fair value measurement hierarchy of the Company's assets and liabilities.

Fair value measurement hierarchy as at 31 December 2025:

At 31 December 2025	Amounts in TZS			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment property	-	-	25,404,450,000	25,404,450,000
Financial assets at fair value through profit or loss	5,603,411,820	7,046,031,598	-	12,649,443,418
	5,603,411,820	**7,046,031,598**	**25,404,450,000**	**38,053,893,418**

Fair value measurement hierarchy as at 31 December 2024:

At 31 December 2024	Amounts in TZS			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment property	-	-	24,169,450,000	24,169,450,000
Financial assets at fair value through profit or loss	2,576,950,940	8,599,415,505	-	11,176,366,445
	2,576,950,940	**8,599,415,505**	**24,169,450,000**	**35,345,816,445**

There were no transfers between levels during the year under review.

36. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Financial assets	At 31 December 2025		At 31 December 2024	
	At amortised cost	Fair value through profit or loss	At amortised cost	Fair value through profit or loss
	TZS	TZS	TZS	TZS
Investment in Government securities	8,792,376,705	-	7,178,408,232	-
Financial assets at fair value through profit or loss	-	12,649,443,418	-	11,176,366,445
Other receivables (excluding withholding taxes and prepayments)	8,168,997,590	-	7,447,800,045	-
Deposits with Financial institutions	52,348,522,364	-	55,306,003,503	-
Cash and cash equivalent	4,294,722,872	-	2,761,554,675	-
	73,604,619,531	**12,649,443,418**	**72,693,766,455**	**11,176,366,445**

Financial liabilities	Financial liabilities at amortised cost	
	At 31 December 2025	At 31 December 2024
Other payables (excluding VAT payable and Premium Levy payable)	918,154,156	1,512,163,787
	918,154,156	**1,512,163,787**