

ZAMBIA REINSURANCE PLC

MINUTES OF THE 16TH ANNUAL GENERAL MEETING OF MEMBERS OF ZAMBIA REINSURANCE PLC HELD VIA ZOOM TELECONFERENCING ON WEDNESDAY, 28TH APRIL 2021 AT 10:06 HOURS

PRESENT

Mrs. Joyce Muwo-Mwansa	Chairperson
Mrs. Exhilda Lumbwe	Managing Director and Member

SECRETARY

Mrs. Florence Kabati	Choice Corporate Services Ltd
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IN ATTENDANCE

Mr. Owen Munthali	Chief Operations Officer
Mr. Chama Chipulu	Finance Manager
Mrs. Alice Tembo	Messrs. Deloitte & Touche
Ms. Leya Simasiku	Securities and Exchange Commission
Mr. Jack Kanyanga	Stockbrokers Zambia Limited
Ms. Pamela Kando	Stockbrokers Zambia Limited
Ms. Natasha Nelson	Stockbrokers Zambia Limited
Mr. Boniface Mwamba	Stockbrokers Zambia Limited
Ms. Maide Muyambo	Sharetrack
Ms. Mwanto Mwape	Sharetrack

1. CHAIRPERSON

Mrs. Joyce Muwo-Mwansa, the Chairperson of the Board of Directors presided.

2. NOTICE

The Notice dated 1st April 2021 convening the meeting was taken as read by the Secretary.

3. PROXIES

The Secretary tabled the Proxies as per list attached.

4. QUORUM

The Secretary confirmed that a quorum was present and the Chairperson declared the meeting duly constituted and open.

5. MINUTES

Minutes of the 15th Extraordinary General Meeting held on 30th April 2020 were approved as true and correct record of the proceedings and signed by the Chairperson.

The motion was proposed by Mr. Elijah Kabaso and seconded by Ms. Zita Mukelabai.

6. AUDITED FINANCIAL STATEMENTS FOR 2020

- 6.1 The Finance Manager presented highlights of the audited Financial Statements for the year ended 31st December 2020. The salient points were:
- 6.1.1 That the Kwacha depreciated by over 50% against major foreign currencies and resulted in a net foreign exchange gain of ZMW 10.34 million.
 - 6.1.2 That the Covid-19 pandemic resulted in a weakening economy and this negatively affected the insurance industry. The Company experienced non-payment of premiums resulting in an increase in impairment of insurance receivables.
 - 6.1.3 That the Company recapitalized through a renounceable Rights Issue further strengthening its financial position. The authorised Share Capital is now ZMW 75 million and the paid-up capital stands at ZMW 45 million.
- 6.2 The Audit partner from Messrs. Deloitte & Touche presented the auditor's opinion and stated that the Financial Statements gave a true and fair view of the financial position of Zambia Reinsurance PLC, as at 31st December 2020.
- 6.3 The Shareholders commended the Board and Management for achieving a profit after tax in the amount of ZMW 6.71 million despite the Covid-19 pandemic.
- 6.3.1 In response to a query on how claims were being managed amidst the prevailing situation of the Covid-19 pandemic, it was stated that the cashflow was being managed so that claims continued to be paid timely and there was more scrutiny to ensure that only valid claims were paid.
 - 6.3.2 In response to a query on which classes were affected adversely by the pandemic, it was reported that Fire and Miscellaneous Accident classes of business were the most affected due to some companies opting not to insure or shutting down. Additionally, it was stated that the Company and the insurance industry generally had not suffered any claims directly due to the pandemic because pandemics were generally excluded from insurance covers, apart from Life covers.
 - 6.3.3 In response to a query on what triggered an increase in expenses, it was reported that this was mainly due to the provision for bad debts that had increased.
- 6.4 It was **RESOLVED:**
- THAT the Chairperson's Statement, the report of the Auditors and audited Financial Statements for the year ended 31st December 2020, be and are hereby received and adopted.
- The motion was proposed by Mrs. Leya Ngoma and seconded by Ms. Mubanga Lumbwe.

7. **DECLARATION OF DIVIDEND**

- 7.1 The Chairperson proposed that as recommended by the Board of Directors, there be no declaration of Dividends for the financial year 2020.

7.1.1 In response to a query on what plans were put in place regarding the proceeds from the recapitalization, it was reported that following the Company's recapitalization, the monies would be invested back in the Company in order to grow the business by accepting more risks on the back of a strengthened balance sheet and increased market confidence. Declaration of dividends would be considered in the ensuing year.

7.1.2 In response to a query on what the policy was regarding declaration of dividends, considering that the Company had performed well as indicated by the Financial Statements, it was stated that Management would avail the Dividend Policy to Members as requested.

7.2 It was **RESOLVED:**

THAT as recommended by the Board of Directors, no Dividends be declared for the year ended 31st December 2020.

The motion was proposed by Mrs Joyce Muwo-Mwansa and seconded by Ms. Musopelo Mwamba.

8. RE-APPOINTMENT OF AUDITORS

It was **RESOLVED:**

THAT Messrs. Deloitte and Touche, having expressed their willingness to continue in office, be re-appointed Auditors of the company to hold office until the conclusion of the next Annual General Meeting of the Company and that their remuneration be fixed by the Directors.

The motion was proposed by Mrs. Leya Mtonga-Ngoma and seconded by Mr. Mudenda Sibulambe.

9. APPOINTMENT OF DIRECTORS

9.1 The Members were informed that Industrial Development Corporation had nominated Mr. Mateyo Kaluba and Mr. Muchindu Kasongola as its representatives on the Company's Board of Directors.

9.2 It was **RESOLVED:**

THAT Mr. Mateyo Kaluba and Mr. Muchindu Kasongola be appointed as Directors on the Board of the Company.

The motion was proposed by Mrs. Joyce Muwo-Mwansa and seconded by Ms. Zita Mukelabai.

10. DIRECTORS' REMUNERATION

10.1 Members were informed that Directors were recommending that Directors' fees be increased by 10% for the year 2021.

10.2 It was **RESOLVED:**

THAT Directors remuneration be increased by 10% for the year ending 31st December 2020 with effect from 1st January 2021.

The motion was proposed by Ms. Mubanga Lumbwe and seconded by Mr. Lukundo Simfukwe.

11. DATE OF NEXT MEETING

There being no further business to transact, the Chairperson thanked the Members for their attendance and declared the meeting closed at 11:09 hours.

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CHAIRPERSON

DATE.....

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For the **COMPANY SECRETARY**
Choice Corporate Services Ltd

DATE.....

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1. Mrs. Leya Mtonga-Ngoma Proxy for Industrial Development Corporation Ltd
2. Ms. Musopelo Mwanda Proxy for National Pensions Schemes Authority
3. Mr. Victor Ndulinga Proxy for Mulundu Holdings Ltd
4. Mrs. Claire Lungwe Proxy for Madison Asset Management Corporation
5. Mr. Mundia Mundia Proxy for Madison General Insurance Company Zambia Ltd
6. Mrs. Exhilda Lumbwe Member
7. Mr. Elijah Kabaso:
 - a. Proxy for Standard Chartered Bank Zambia Pension Trust Scheme
 - b. Proxy for Airtel Zambia Staff Pension Fund
 - c. Proxy for Cavmont Capital Pension Trust Scheme
 - d. Proxy for National Breweries Pension Trust Scheme
 - e. Proxy for Indeni Pension Trust Scheme
 - f. Proxy for Zambia Sugar Pension Trust Scheme
 - g. Proxy for Sandvik Mining Pension Trust Scheme
 - h. Proxy for Stanbic Bank Pension Trust Scheme
 - i. Proxy for Konkola Copper Mine Pension Trust Scheme
 - j. Proxy for Barclays bank Zambia Plc Pension Trust Scheme
 - k. Proxy for CEC Pension Trust Scheme
 - l. Proxy for Lafarge Cement Zambia Pension Trust Scheme
 - m. Proxy for Saturnia Regna Pension Trust Scheme
 - n. Proxy for UTI Pension Trust Scheme
 - o. Proxy for Diamond Insurance Pension Trust Scheme
 - p. Proxy for Sanlam Life Insurance
 - q. Proxy for Ecobank Pension Trust Scheme
 - r. Proxy for Deloitte and Touche Pension Trust Scheme
 - s. Proxy for Lubambe Copper Mine Pension Trust Scheme
 - t. Proxy for ZANACO Plc Pension Trust Scheme
 - u. Proxy for Buyantanshi Pension Trust Scheme
 - v. Proxy for Sun International Pension Trust Scheme
 - w. Proxy for Sandvik Mining Pension Trust Scheme
 - x. Proxy for SCZ International Pension Trust Scheme
8. Mr. Chibamba Nyangu Proxy for Kwacha Pension Trust Fund
9. Ms. Bridget Mwape Lumbwe Proxy for Dr Chishimba Lumbwe
10. Mrs. Joyce Muwo Mwansa Member
11. Mrs. Mubanga Lumbwe Chonta Member
12. Ms. Zita Mukelabai Member
13. Mr. Peter Kunda Member
14. Mr. Mudenda Sibulambe Member