



Group and Company statement of financial position as at 31 December 2025

KShs Millions	Group			Company	
	2025	Restated ¹ 2024	Restated ¹ 01 Jan 2024	2025	2024
Assets					
Intangible assets	1 373	1 447	1 481	-	-
Owner-occupied properties	1 179	1 216	1 216	-	-
Investment properties	37	-	-	-	-
Equipment	165	146	200	-	-
Right-of-use-assets	43	52	87	-	-
Interest in subsidiaries	-	-	-	2 702	2 702
Deferred taxation	-	6	196	-	-
Intergroup balances with subsidiaries	-	-	-	631	11
Reinsurance contract assets	1 424	1 884	5 737	-	-
Financial instruments	33 173	28 143	20 980	-	-
Current taxation	93	66	125	-	-
Prepayments and other receivables	546	746	882	-	7
Assets classified as held for sale	-	5 334	-	-	-
Cash and cash equivalents	8 273	9 109	12 857	15	3
Total assets	46 306	48 149	43 761	3 348	2 723
Liabilities					
Deferred taxation	1 092	1 007	927	-	-
Insurance contract liabilities	20 792	18 937	23 863	-	-
Financial liabilities under investment contracts	12 441	11 021	7 088	-	-
Intergroup balances with subsidiaries	-	-	-	4	11
Financial liabilities	120	225	180	-	-
Lease liabilities	55	61	100	-	-
Employee benefits	210	207	195	23	25
Other payables	1 516	1 566	1 831	44	18
Liabilities relating to assets held for sale	-	4 480	-	-	-
Total liabilities	36 226	37 504	34 184	71	54
Equity					
Ordinary shareholders' equity	10 080	10 304	9 189	3 277	2 669
Share capital and share premium	2 026	2 026	2 026	2 026	2 026
Retained surplus	5 597	6 473	5 394	1 251	643
Other reserves	2 457	1 805	1 769	-	-
Non-controlling interests	-	341	388	-	-
Total equity	10 080	10 645	9 577	3 277	2 669
Total equity and liabilities	46 306	48 149	43 761	3 348	2 723

¹ The restatement of 2024 relates to the merging of financial investments and staff loans receivables into financial instruments and, the merging of share capital and share premium.

Group and Company statement of changes in equity

KShs Millions	Group						
	Share capital	Share premium	FCTR ⁽¹⁾	Statutory reserve and Owner occupied properties	Retained surplus	Non-Controlling interests	Total equity
Balance at 1 January 2024	536	1 490	(103)	1 872	5 394	388	9 577
Total comprehensive income	-	-	(74)	-	1 389	(37)	1 278
Dividends	-	-	-	-	(200)	(10)	(210)
Transfer between reserves	-	-	-	110	(110)	-	-
Balance at 31 December 2024	536	1 490	(177)	1 982	6 473	341	10 645
Total comprehensive income	-	-	(40)	-	456	6	422
Dividends	-	-	-	-	(857)	-	(857)
Disposal of subsidiary	-	-	-	-	-	(347)	(347)
Transfer of FCTR to profit or loss on disposal of a subsidiary	-	-	217	-	-	-	217
Transfer between reserves	-	-	-	475	(475)	-	-
Balance at 31 December 2025	536	1 490	-	2 457	5 597	-	10 080

⁽¹⁾FCTR - Foreign currency translation reserve

KShs Millions	Company			
	Share capital	Share premium	Retained surplus	Total equity
Balance at 1 January 2024	536	1 490	718	2 744
Total comprehensive income	-	-	125	125
Dividends	-	-	(200)	(200)
Balance at 31 December 2024	536	1 490	643	2 669
Total comprehensive income	-	-	1 465	1 465
Dividends	-	-	(857)	(857)
Balance at 31 December 2025	536	1 490	1 251	3 277

Abridged Group and Company statement of cashflows

KShs Millions	Group		Company	
	2025	2024	2025	Restated ³ 2024
Cashflows from operating activities	(304)	(1 795)	1 487	160
Cashflows from investing activities	339	(105)	(627)	24
Cashflows from financing activities	(871)	(299)	(848)	(200)
Net (decrease) increase in cash equivalents	(836)	(2 199)	12	(16)
Cash and cash equivalents at the beginning of the year	9 109	12 857	3	19
Classified as held for sale	-	(1 529)	-	-
Foreign currency translation	-	(20)	-	-
Cash and cash equivalents at the end of the year	8 273	9 109	15	3

³The restatement relates to reclassification of changes in intergroup balances from cash flows from operating activities to cash flows from investing activities.

Group and Company statement of comprehensive income for the year ended 31 December 2025

KShs Millions	Group			Company	
	2025	Restated ² 2024	2025	2024	2024
Insurance revenue	11 883	10 950	-	-	-
Insurance service expense	(10 153)	(8 528)	-	-	-
Net insurance service result before reinsurance contracts held	1 730	2 422	-	-	-
Net expense from reinsurance contracts held	(1 252)	(1 358)	-	-	-
Insurance service result	478	1 064	-	-	-
Investment income	31	11	1 622	315	-
Interest income on financial assets held at amortised cost	808	1 074	-	-	-
Fair value adjustment to assets held at fair value through profit or loss	5 205	5 962	-	-	-
Fair value adjustment to financial liabilities under investment contracts	(2 024)	(2 154)	-	-	-
Net investment income	4 020	4 893	1 622	140	-
Net finance expenses from insurance contracts issued	(2 423)	(2 806)	-	-	-
Net finance income from reinsurance contracts held	53	55	-	-	-
Net insurance finance expenses	(2 370)	(2 751)	-	-	-
Net insurance and investment result	2 128	3 206	1 622	315	-
Revenue from contracts with customers	519	456	-	-	-
Other operating expenses	(1 362)	(1 351)	(157)	(190)	-
Finance costs	(8)	(8)	-	-	-
Bancassurance obligations	(186)	(212)	-	-	-
Profit before taxation from continuing operations	1 091	2 091	1 465	125	-
Taxation	(432)	(721)	-	-	-
Total earnings from continuing operations	659	1 370	1 465	125	-
Total earnings from discontinued operations	(172)	32	-	-	-
Total earnings	487	1 402	1 465	125	-
Items that may be reclassified subsequently to profit or loss	(65)	(124)	-	-	-
Foreign currency translation	(65)	(124)	-	-	-
Total comprehensive income	422	1 278	1 465	125	-
Total earnings attributable to:					
Shareholders' equity	456	1 389	1 465	125	-
Non-controlling interests	31	13	-	-	-
Total comprehensive income attributable to:	487	1 402	1 465	125	-
Shareholders' equity	416	1 315	1 465	125	-
Non-controlling interests	6	(37)	-	-	-
Total comprehensive income attributable to:	422	1 278	1 465	125	-

Basic and diluted earnings per share for earnings attributable to shareholders' equity from:

Continuing operations (KShs)	1.23	2.56
Discontinued operations (Kshs)	(0.38)	0.03
All operations (KShs)	0.85	2.59

²The restatement of 2024 relates to the reclassification of profit commission income from investment income to net expenses from reinsurance contracts held. Bancassurance obligations has been reclassified from fair value adjustment to financial liabilities and is now presented as a separate line item below the net insurance and investment result. Interest income from unit trust has been reclassified from interest income on financial assets held at amortised cost to fair value adjustment to assets held at fair value through profit or loss.

Message from the Directors

The Directors are pleased to present extracts of the Group and Company audited financial statements for the year ended 31 December 2025. These are extracts from the financial statements audited by PricewaterhouseCoopers LLP, which issued an unmodified audit opinion.

The global operating environment during 2025 remained uncertain, characterised by ongoing geopolitical tensions, USA trade policy actions and increasing climate-related risks. These factors contributed to volatility in global financial markets and uneven economic growth, with implications for capital flows, investment conditions, and operating environments in emerging markets, including Kenya.

Domestically, macroeconomic conditions were broadly stable. The Kenya Shilling remained stable against the US Dollar, but recorded some depreciation against other major currencies, while inflation remained within the Central Bank of Kenya's target range. Interest rates stabilised at single-digit levels, reducing from 2024. The Board continues to oversight prudent risk management, including appropriate reinsurance structures, and sustaining adequate capital buffers within risk appetite.

Results

The Group recorded growth momentum across both its short-term and long-term insurance businesses. However, both the general and Life insurance underwriting margins were negatively impacted by elevated motor, medical, fire and group life claims. In addition, the exceptional investment performance in 2024, as expected, did not recur but investment income did achieve targeted levels. Reducing interest rates had a particular adverse impact on the general insurance earnings. Expenses within the group remain well controlled. Basic earnings per share reduced 67% to KShs 0.85, while basic earnings per share from continuing operations reduced 52% to KShs 1.23.

The discontinued operations relate to the successful sale of the group's interest in Heritage Insurance Tanzania, which was reported in the half year results.

Across both businesses, capital adequacy levels remained strong and above regulatory and internal thresholds. This position supports the Group's ability to meet policyholder obligations, absorb volatility, and fund ongoing business activities in a prudent and sustainable manner. GCR Ratings (GCR) has affirmed the financial strength ratings of both companies at AA+(KE), with the outlook remaining stable.

Outlook

The Group is well positioned for continued growth, however, will continue to act prudently given the current uncertainties in the geopolitical environment.

Dividend

Reflecting the Group's strong capital position, the Directors have recommended a normal dividend of KShs 0.50 per ordinary share (2024: KShs 0.50), subject to approval at the Annual General Meeting.

Annual General Meeting

The Annual General Meeting will be held on **29 May 2026**. The annual financial statements and reports are available on www.libertykenya.co.ke and were approved by the Board on **11 March 2026** and signed on its behalf by:

R Etemesi
Chairman

K Godden
Group Chief Executive Officer