



Subsidiary of the BGFIBank Group



RISK UNDER CONTROL, THE FUTURE GUARANTEED



2020 EXCELLENCE PUT INTO PERSPECTIVE

ANNUAL REPORT 2014

Contents Annual report 2014

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A word from the Chairman of the Board of Directors

2014 was a year of sharp contrasts for the company.

Internal control continued to be strengthened with the help of BGFH Holding Corporation and a new 2015-2017 strategic plan was approved by the Board in accordance with the BGFIBANK Group EXCELLENCE 2020 business plan.

In terms of governance, Madame Ndendé, who has held the post of Managing Director for 18 years, stepped down on 30 April 2015. During her mandate, the company's initial equity of 700 million CFA francs rose to over 10 billion CFA francs. And this was achieved while maintaining an annual return for the shareholders of at least 15%.

She will be replaced by Mr Wane, who has been Deputy General Manager since September 2014 and in charge of the company's underwriting management since 2010.

With regard to operations in relation to the 2014 financial year, we maintained the growth in turnover, which was up by 6% (17,637 million CFA francs in 2014 compared to 16,602 million in 2013), an increase driven by major risks that our financial soundness and network of international reinsurers enabled us to cover. There was slower growth in turnover, due to the expiry of the deadline agreed under circular No 00003/CIMA/CRCA/PDT, which set 31 December 2014 as the end date for the write-off of outstanding insurance company premiums; a total amount of 890 million CFA francs were written off due to non-payment.

At the same time, through incorporation of the reserves our share capital rose from 3 to 5 billion CFA francs at the end of the Extraordinary General Meeting of November 29th 2014, resulting in the nominal share value increasing from 150,000 to 250,000 CFA francs.

“ The strategic decision we took to target niches that are underexploited locally and the commercial synergies with the other subsidiaries of the BGFIBank Group which are gradually being established, enable us to contemplate an even greater opportunity for growth as part of our development abroad, driven by the strength of the Group. ”

In addition, the earning per share for 2014 is 20,000 CFA francs, down by 50% compared to 2013 consequently to the economical and regulatory environment.

Compliance with our prudential ratios and in particular the high level of the combined ratio (82.44% in 2014; 81.11% in 2013), attests to the good performance of our fundamentals.

Richard Auguste Onouvié

ASSINCO at a glance

A 60%-owned subsidiary of BGFH Holding Corporation, ASSINCO operates in Gabon in the damages branches: accident, general risk, transport and credit insurance.

The company targets three customer segments:

- Major industrial and commercial risks
- The SME/SMI market
- Private individuals

“ ASSINCO is the leading insurance company in Gabon in terms of capital (5 billion CFA francs). Its total equity exceeds 10 billion CFA francs. ”

Strengths and benefits

- Major real estate assets, with new acquisitions planned in 2015
- Young, experienced, high-quality loyal staff
- An excellent reputation in the profession, including FEGASA, FANAF, CIMA, international brokers and reinsurers
- The strength of a network of 10 brokers, two of which are of international standing: Ascoma Gabon and Gras Savoye Gabon
- Our integration into the GLOBUS network (see box) since 2007, enabling us to provide long-term cover for the major risks of multinational corporations
- Our international network of reinsurers, which gives us the capacity needed to handle major risks while at the same time observing prudential ratios
- The support of the BGFIBank international banking group, renowned for its financial soundness and the quality of its governance
- A powerful, influential and highly responsive Board of Directors
- Opportunities for growth through commercial synergies with the subsidiaries of the BGFIBank Group, promoting the development of Bancassurance techniques and products



GLOBUS is a network of over 30 African insurance companies. It offers a comprehensive package of insurance throughout Africa with standardised policies and quotations. GLOBUS is a centre of trans-national skills, the leading pan African insurance network, and is uniquely placed to deal with insurance for countries having different company law and legislation. (www.globus-network.com)

Key figures

(in XAF millions)

| | 2012 XAF | 2013 XAF | 2014 XAF |
|---|---------------|---------------|---------------|
| Premiums written | 12,551 | 16,602 | 17,637 |
| Premiums earned | 12,837 | 15,825 | 18,616 |
| Claims | 4,616 | 5,570 | 7,878 |
| Fees and commissions | 2,156 | 2,634 | 2,684 |
| Reinsurance income (in favour of reinsurers) | 2,727 | 4,243 | 4,428 |
| Underwriting income | 3,336 | 3,377 | 3,625 |
| Investment income | 686 | 784 | 952 |
| Overheads | 2,540 | 3,296 | 3,375 |
| Net profit | 1,208 | 1,153 | 808 |
| Investment assets | 20,624 | 22,056 | 21,079 |
| Overall claims ratio gross of reinsurance | 35.96% | 35.20% | 42.32% |
| Overall claims ratio net of reinsurance | 40.75% | 45.39% | 48.24% |
| Acquisition cost | 37.43% | 35.72% | 34.20% |
| Return on investment | 3.33% | 3.41% | 4.51% |
| Rate of commission | 17.17% | 15.86% | 15.22% |
| Combined ratio (net of reinsurance: C/P net + cost of acquisition) | 78.18% | 81.11% | 82.44% |

Solvency margin:

In accordance with the provisions of article 433 of the CIMA [Inter African Conference for the Insurance Market] code, the solvency margin amounts to (in XAF):

- On the premiums1,949 million
- On the claims826 million
- Required margin1,949 million
- Available margin5,878 million
- Safety margin3,928 million

The hedge ratio of the ASSINCO solvency margin is 201.47% before allocation (regulatory minimum 100%).

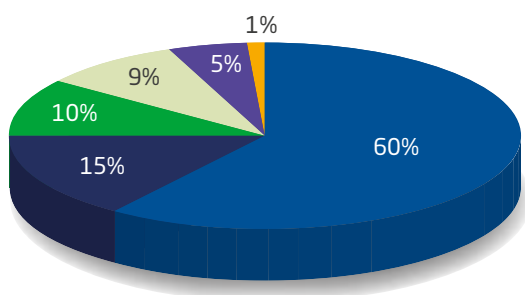
The hedging of regulated commitments:

In accordance with the provisions of the CIMA code, regulated commitments amount to 13,685 million CFA francs and acceptable assets amount to 21,078 million CFA francs, or a hedge ratio of 154.03% (min. 100%). After applying dispersion criteria, this ratio is reduced to 101.06%.

Breakdown of ASSINCO capital

The capital of 5 billion CFA francs is split among 6 shareholders:

- BGFH Holding Corporation S.A.
- Delta Synergie
- Bossissi Finances
- Nahor Capital Investments
- Lekabi Investissements
- Le Temps des Moissons



Governance bodies

GENERAL MANAGEMENT



Eugénie NDEDE

- Chief Executive Officer
Eugénie NDEDE
- Deputy General manager
Ibrahima WANE, appointed as CEO
on 7 April 2015 following the retirement
of Madame Eugénie NDEDE

THE BOARD OF DIRECTORS

- Richard Auguste ONOVIET (Chairman)
- Claude AYO IGUENDHA
- Bossissi Finances
- Alexandre CHOUZENOUX
- Delta Synergie
- Christian KERANGALL
- Lekabi Investissements
- Emma MAISONNEUF
- Patricia Danielle MANON
- NAHOR Capital
- Eugénie NDEDE
- Henri-Claude OYIMA

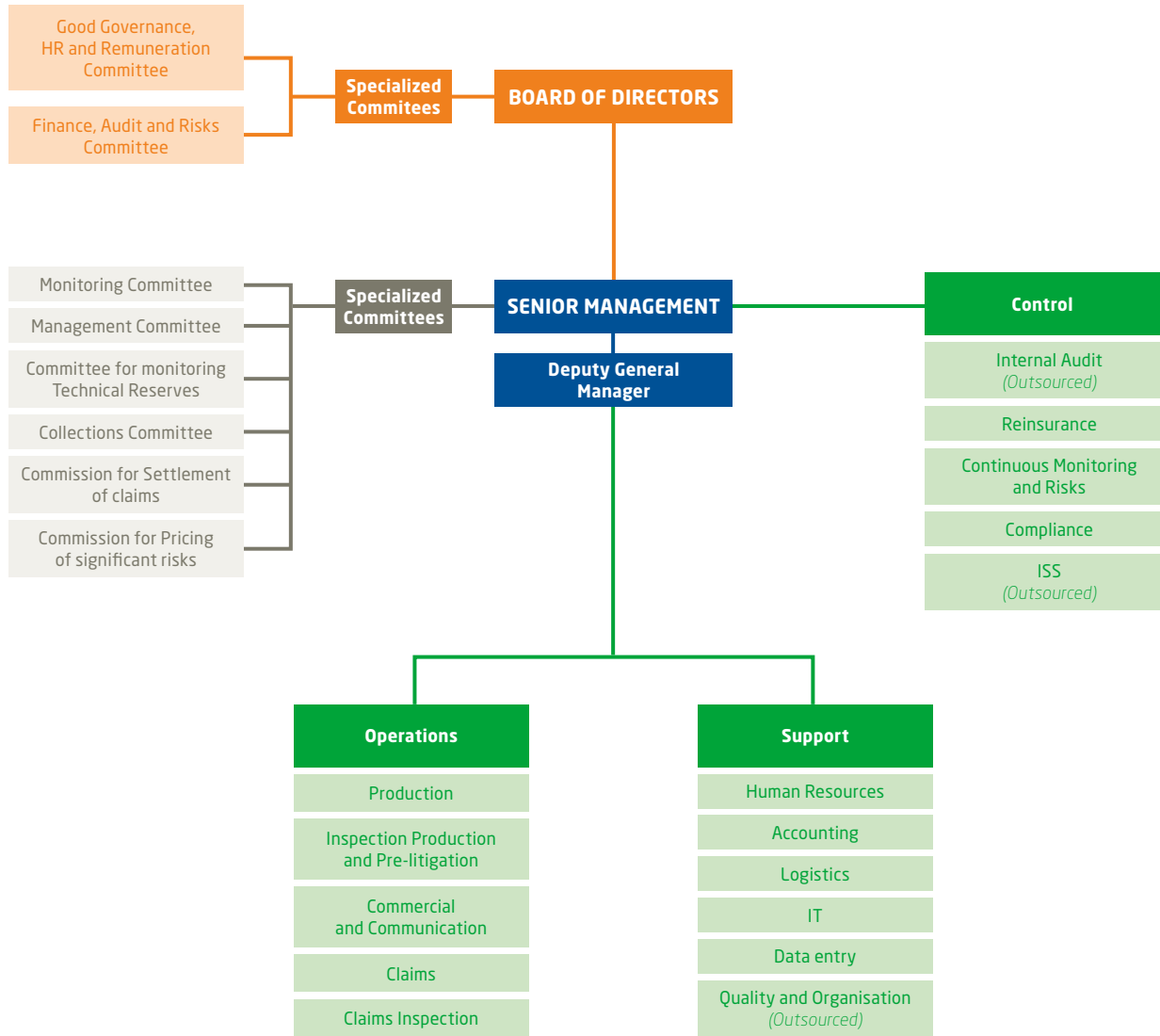


Management committee



Monitoring committee

ASSINCO organisation chart



Highlights of the previous financial year

Tax inspection

A tax inspection took place between February and April 2014, covering the financial years 2010 to 2012.

In October, the outcome of this inspection was that the amount to be paid was 200 million CFA, and payment was made in November 2014.

Premises

The lease of the Concorde building given up by BGFIBank enabled the pressure to be taken off the offices by outsourcing back office input and the commercial department. Provisional acceptance of the premises took place at the beginning of July 2014.

Staff

- The position of internal controller was filled by the former assistant to the chief accountant, who has been with the company since December 2008.
- The Underwriting Manager was promoted to Deputy General Manager with responsibility for underwriting at the Board of Directors meeting in August 2014.
- Staff retirement benefits (non-executive) were outsourced to the company Ogar Vie.
- The staff health insurance scheme was placed with Ogar through the broker Ascoma.

Training

In addition to group business seminars, certain staff took part in FANAF and COFACE seminars.

A programme of online training courses was set up with the Tunisian supplier ATS. The two modules chosen for the last quarter of 2014 for all staff were 'The fundamentals of insurance' and 'The insurance contract'. The initial results are encouraging.

Internal inspection

Two audit reviews were held over the period by BGFH Holding Corporation General Inspection: a review of governance in June and a review of the accounts in August. These reviews did not indicate any significant exceptions.

In accordance with the 2014 plan, the firm SOREC carried out its review of our provisions for outstanding claims. The aim of this external review was:

- To review and update the procedures for managing claims, after analysis
- To review and adjust the amount of provisions for outstanding claims
- To ensure that the management and the evaluations comply with the CIMA regulations
- To rationalise the management of the cost of claims by the line staff of this department taking account of best practices

The conclusions of this review will enable claims management to be optimised and to comply with regulatory requirements, providing greater satisfaction for the insured and injured third-parties as well as increased profitability and optimisation of underwriting income.

Rules and Regulations

The new CNAMGS (Gabon National Health and Social Insurance Fund) regulations came into force during the second half of the year. They resulted in an increase in personnel costs through the rise in employer contributions.

New provisions of the CIMA code on compensation for those injured in traffic accidents came into force. They have two objectives (regulation 002/CIMA/PCMA/PCE/2014):

- To increase the level of compensation for direct and/or indirect injured parties
- To speed up the settlement of compensation for injured parties

OVERVIEW Reform of the system of compensation for bodily injury

The new provisions on the reform of the system of compensation for bodily injury came into effect on 1st July 2014.

These new provisions of the CIMA code on compensation for parties injured in traffic accidents have two objectives:

- To increase the level of compensation for directly and/or indirectly injured parties
- To speed up the settlement of compensation for injured parties

1. Increase in the level of compensation

This increase is evident in two areas: the raising of the ceiling on compensation and the increase in the number of beneficiaries of compensation.

The economic loss of beneficiaries is characterised by the elimination of the conversion table whereby the age limiting the payment of the annuity is set at 21; capitalisation is raised to 25 for descendants undertaking courses of study. This increases the number of beneficiaries of the compensation due under economic loss and the compensation to be provided for minors under this head of loss, and has an impact on the inclusion of the employees of the owner of the vehicle responsible for the accident.

The former provision of article 206, paragraph 2, of the CIMA code excluded staff or employees of the assured from bodily injury compensation while performing their duties.

According to the amended article 206, the exclusion now only affects the heads of loss exceeding the compensation provided for by the CIMA code. They are therefore included in the list of eligible injured parties.

2. Changes to accelerate the rate of regulation of bodily injuries (see article 236).

- Penalties for the lack of an offer of compensation or for a late offer (5% of the overall compensation per month of delay counting from the expiry of the deadline and until the day of the definitive offer).
- Time limit for payment and interest for delay – to compel companies to pay the amounts agreed within the required timescale, it has been proposed that any amounts not paid shall automatically accrue interest for delayed payment equal to 5% per month, regardless of the claim by the injured party.
- This interest shall be paid directly to the injured party at the same time as the principal. It must be taken into account as part of the assessment of the provisions for outstanding claims.

Prospects – Excellence 2020

The prospects for development are among the best in the well understood and shared framework of the BGFIBank Group 'Excellence 2020' business plan.

It specifies four fundamental strategic areas of excellence:

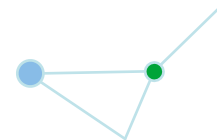
1. **Customer and business focused commercial excellence**
2. **The excellence of our staff** through the sharing of group values, building skills and the quality of talented staff
3. **The excellence of our organisation** with the aim of optimising governance
4. **Excellence in forecasting** focused on risk management and control

In addition to the major property investments authorised by the Board of Directors, the prospects for 2015 can be broken down as follows:

- Observance of the regulatory solvency ratios (CIMA C4 statements: hedging of regulated commitments and C11: solvency margin); a minimum rate of 100%
- The recovery of receivables
- The return on shareholder equity: 15% minimum
- The growth of underwriting and profits

How governance is organised at ASSINCO S.A.

Since becoming a subsidiary of the BGFIBANK Group, ASSINCO has adopted the principles of governance that comply with the best practices promoted by the group. The objective is to create value for the insured, staff, shareholders and all other stakeholders in its activities.



The bodies involved in governance at ASSINCO S.A.

The Board of Directors

The Board of Directors consists of twelve directors in accordance with the statutes. It meets at least three times during the financial year:

- One meeting during the first quarter to approve the accounts for the previous year
- One meeting at the end of the first half year to assess the mid-term results and the end of year forecasts
- One budgeting meeting at the year end

The Board of Directors ensures that the actions of senior management are consistent and that the legal and regulatory provisions are observed* and also that the decisions of the Board and the recommendations of the various audits are applied.

The supervisory body has created specialist committees, composed of directors, to strengthen its role. These are:

- The Finance, Audit and Risks Committee
- The Committee for good governance and human resources

* Regulatory body: CIMA – Inter-African Insurance Market Confederation / legal and accounting standards: OHADA

The ASSINCO executive organisation

► **SENIOR MANAGEMENT RELIES ON THE OPERATIONS, SUPPORT AND CONTROL FUNCTIONS.**

Operations support senior management, especially with regard to commercial and underwriting activities and practices, and provides services for the insured and injured third-parties.

Composition of the Operations function:

- The Underwriting Department
- The Production Department
- The Claims Department
- The Commercial and Development Department
- The Inspection Department

Support supplies the resources needed to provide the services for the insured and injured third-parties.

Composition of the Support function:

- The Administrative and Accounting Department
- The IT Department
- The Human Resources Department
- The Logistics Department

Control ensures that the business runs smoothly and that risks are controlled.

Composition of the Control function:

- The Reinsurance and Management Control Department
- The Continuous Monitoring Department
- The Compliance, Security and Internal Audit Departments

They report directly to senior management.



► **THE EXECUTIVE BODY OF ASSINCO FUNCTIONS BY COMPLYING WITH AND IMPLEMENTING THE DECISIONS OF THE SIX SENIOR MANAGEMENT COMMITTEES.**

1. **The Management Committee** consists of all the managers and the head of the Reinsurance and Management Control Department. It meets once a month and deals with all the activities and results of the insurance company. It follows in particular the formation of the underwriting income: compliance with the policy of underwriting and pricing, intermediaries' commission, claims by branch and reinsurance income. It also deals with financial issues with regard to investment, cash management and other legal, tax and regulatory risks.
2. **The Monitoring Committee** consists of all the managers and departmental heads. It meets once a week. This committee is a cross-functional review of the business that enables discussions to take place about implementing company policies, project management, underwriting problems and the commercial and financial results.
3. **The Collections Committee** consists of all the managers and the head of the Reinsurance and Management Control Department, the Chief Accountant, the Production Inspector, the full-time inspector and the accountant responsible for collection. It meets at least once a quarter. It makes decisions on collection, provisions and the cancellation of premiums and/or debts.
4. **The Outstanding Claims Committee** consists of all the managers, the head of the Reinsurance and Management Control Department and the claims department managers. It meets at least once a quarter. It analyses and manages all the major outstanding claims or those with high priority, as well as appeals which have an impact on the company's cost of claims.
5. **The Internal Control Committee** consists of all the managers and the head of the Reinsurance and Management Control Department, the full-time inspector, the IT Manager and the claims and production inspectors. It meets once a quarter under the supervision of the senior management.
6. **The Permanent Committee of Economic and Social Dialogue** is a combination of senior management, the human resources assistant and the staff representatives. It deals with questions relating to the development of human resources and the social climate in the company. It meets every 6 months.



Financial report

Comparison of assets and liabilities to 31 December 2013 and 2014

(in CFA francs)

| ASSETS | net amounts 2013 | gross amounts | depreciations and provisions | net amounts 2014 |
|---|-----------------------|-----------------------|---------------------------------|-----------------------|
| Expenses and intangible fixed assets | 28,657,501 | 459,962,218 | 430,782,968 | 29,179,250 |
| Land | 308,550,000 | 308,550,000 | 0 | 308,550,000 |
| Buildings | 355,167,645 | 879,201,390 | 567,993,813 | 311,207,577 |
| Other tangible fixed assets | 221,896,880 | 713,670,950 | 509,345,361 | 204,325,589 |
| Fixed assets in progress and payments on account | 133,267,379 | 376,795,920 | 0 | 376,795,920 |
| Capitalised accounts receivable | 525,704,573 | 572,559,305 | 0 | 572,559,305 |
| Equity investments | 2,359,859,300 | 2,992,909,300 | 341,800,000 | 2,651,109,300 |
| Capital development bonds | 0 | 0 | 0 | 0 |
| Other financial investments | 9,540,454,583 | 8,148,780,000 | 0 | 8,148,780,000 |
| subtotal fixed assets | 13,473,557,861 | 14,452,429,083 | 1,849,922,142 | 12,602,506,941 |
| Provisions - subtotal premiums | 1,256,905,489 | 839,810,036 | 0 | 839,810,036 |
| Provisions - subtotal claims | 827,097,328 | 1,396,781,870 | 0 | 1,396,781,870 |
| Other provisions | 1,555,396,518 | 2,293,112,376 | 0 | 2,293,112,376 |
| technical provision - reinsurers share | 3,639,399,335 | 4,529,704,282 | 0 | 4,529,704,282 |
| Reinsurers current accounts | 808,070,812 | 1,571,267,746 | 0 | 1,571,267,746 |
| Brokers current accounts | 554,647,766 | 138,172,078 | 0 | 138,172,078 |
| Account receivables | 4,079,482,214 | 1,570,968,834 | 409,591,904 | 1,161,376,930 |
| Employees | 2,439,084 | 1,541,139 | 0 | 1,541,139 |
| Tax | 0 | 44,042,208 | 0 | 44,042,208 |
| Sundry debtors | 26,066,233 | 47,536,722 | 0 | 47,536,722 |
| Deferred income | 406,154,514 | 393,174,434 | 0 | 393,174,434 |
| Cheques and coupons for encashment | 0 | 0 | 0 | 0 |
| Bank and postal cheques | 9,493,151,731 | 9,111,106,440 | 0 | 9,111,106,440 |
| Cash | 3,677,041 | 2,528,999 | 0 | 2,528,999 |
| subtotal realisable available | 15,373,689,395 | 12,880,338,600 | 409,591,904 | 12,470,746,696 |
| TOTAL ASSETS | 32,486,646,591 | | | 29,602,957,919 |

| LIABILITIES | net amounts 2013 | net amounts 2014 |
|--|-----------------------------|-----------------------------|
| Paid-up capital | 3,000,000,000 | 5,000,000,000 |
| Non paid-up capital | 0 | 0 |
| Statutory Reserve | 400,000,000 | 0 |
| Reserves over capital gain to reinv. | 5,739,180,000 | 5,739,180,000 |
| General reserve | 1,180,000,000 | 0 |
| Carried forward | 165,187,118 | 98,961,320 |
| subtotal equity | 10,484,367,118 | 10,838,141,320 |
| Provisions for charges and losses | 5,786,379 | 0 |
| subtotal charges and losses | 5,786,379 | 0 |
| Reinsurers deposits | 1,169,507,369 | 1,615,404,955 |
| subtotal long and medium term loans | 1,169,507,369 | 1,615,404,955 |
| Premiums | 2,052,851,278 | 1,490,785,154 |
| Claims | 10,393,137,936 | 11,238,866,378 |
| Cancellation of premiums | 456,845,331 | 0 |
| s/total technical reserves | 12,902,834,545 | 12,729,651,532 |
| Reinsurers current A/c | 2,782,100,855 | 599,705,127 |
| Brokers current A/c | 2,479,073,036 | 1,457,210,388 |
| Provision for bad debt | 105,949,422 | 17,272,617 |
| Employees | 165,583,137 | 181,600,405 |
| Tax | 967,753,468 | 796,520,553 |
| Shareholders | 43,177,700 | 91,491,723 |
| Sundry creditors | 52,381,298 | 150,080,422 |
| Accruals | 174,358,062 | 317,623,558 |
| Cheques to be cashed | 0 | 0 |
| Bank | 0 | 0 |
| s/total due short and medium term | 6,770,376,978 | 3,611,504,793 |
| Profit/loss for the year | 1,153,774,202 | 808,255,319 |
| TOTAL LIABILITIES | 32,486,646,591 | 29,602,957,919 |

Income statement at 31 December 2014

(in CFA francs)

| DEBIT | Operations gross | Cessions and retrocessions | Operations net |
|---|------------------|----------------------------|----------------------|
| Claims costs net of recourse | | | |
| Services and costs paid | 6,907,355,791 | 2,160,098,563 | 4,747,257,228 |
| Add: provisions for claims at year end | 11,704,007,009 | 4,323,503,497 | 7,380,503,512 |
| Deduct: provisions for claims at year start | 10,733,649,291 | 2,891,473,506 | 7,842,175,785 |
| Services and costs for the year | 7,877,713,509 | 3,592,128,554 | 4,285,584,955 |
| Commissions/fees | 2,684,379,624 | 1,710,777,399 | 973,602,225 |
| Other charges | | | |
| Staff costs | 1,155,816,751 | | |
| Duties and taxes | 411,717,211 | | |
| Works, supplies and external services | 1,014,820,192 | | |
| Transport and travel | 34,999,796 | | |
| Sundry management expenses | 395,085,831 | | |
| Depreciation | 156,953,990 | | |
| Allocations to provisions | 161,464,370 | | |
| Other charges for the year | 3,330,858,141 | | |
| Commission and other charges | 6,015,237,765 | 1,710,777,399 | 4,304,460,366 |
| Investment charges on securities | | | |
| Expenses on investment property | | | 29,130,043 |
| Other expenses | | | 44,496,580 |
| Provisions for investment securities | | | |
| Creditor balance | | | 1,201,721,859 |
| TOTAL | | | 9,865,393,803 |

| CREDIT | Operations gross | Cessions and retrocessions | Operations net |
|--|------------------|----------------------------|----------------------|
| Premiums | | | |
| Premium (less cancellations) | 17,637,069,810 | 9,353,946,144 | 8,283,123,666 |
| Add: premium provision at beginning of the year | 2,603,491,797 | 1,344,662,004 | 1,258,829,793 |
| Deduct : premium provision at year end | 1,624,969,761 | 967,767,664 | 657,202,097 |
| Earned premium | 18,615,591,846 | 9,730,840,486 | 8,884,751,363 |
| Revenue from investment securities | 197,906,430 | | 197,906,430 |
| Revenue from investment properties | 40,981,035 | | 40,981,035 |
| Other investment revenue | 714,104,954 | | 714,104,954 |
| Other investment revenue | | | |
| Operating subsidies | | | |
| Other revenue | 27,650,021 | | 27,650,021 |
| Work done by the company on its own behalf | | | |
| Charges not attributable to operations during the year | 0 | | 0 |
| TOTAL | | | 9,865,393,803 |

Profit and loss statement at 31 December 2014

(in CFA francs)

| DEBIT | |
|---|----------------------|
| Operating losses for the year | |
| Losses carried forward from previous financial years | 519,112,363 |
| Provisions for losses at the end of the year | |
| For guarantee of losses on securities managed | |
| For depreciation of fixed assets and securities | |
| Allocation for the year to various reserves abroad (details required) | |
| Allocation for the year to the regulatory reserves | |
| Reserve for repayment of the loan for initial capital | |
| Initial capital constituted | |
| Reserve for exchange rate fluctuations | |
| Provisions for losses | |
| Provisions for depreciation | |
| Extraordinary losses | |
| Losses on disposal of assets | |
| Exchange rate losses | |
| On disposals of foreign currencies | |
| On conversion of foreign currencies | |
| Extraordinary grants made | |
| Other losses | |
| Income tax | 176,370,698 |
| Profits or total net surplus (Credit balance) | 808,255,319 |
| TOTAL | 1,503,738,380 |

| CREDIT | |
|---|----------------------|
| Operating profit for the year | 1,201,721,859 |
| Profit from previous years | 291,232,642 |
| Provisions for losses at year start | |
| For guarantee of losses on securities managed | |
| For depreciation of fixed assets and securities | |
| Write-back of previous provisions | 5,786,379 |
| Use of previously constituted provisions to cover losses in previous years and exceptional losses | |
| Extraordinary profits | |
| Capital gain on disposal of assets | 0 |
| Exchange rate profits | |
| On disposals of foreign currencies | |
| On conversion of foreign currencies | |
| Profits resulting from equipment subsidies | |
| Balancing subsidies received | |
| Other profits | |
| Losses or total net shortfall (debit balance) | |
| TOTAL | 1,503,738,380 |

Hedging and amount of regulated commitments

(in CFA francs)

I - Amount of regulated commitments

| | |
|--------------------------------|----------------|
| 1. Unearned premium provision | 1,490,785,154 |
| 2. Outstanding claims | 11,238,866,378 |
| 3. [N/A] | 0 |
| 4. Other technical provisions | 0 |
| 5. Other regulated commitments | 955,087,492 |

Total regulated commitments **13,684,739,024**

| II - Investments by category | Purchase or cost price | NRV | Hedged value |
|---|------------------------|-----------------------|-----------------------|
| Bonds and other Government securities | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| International organisation bonds | 628,780,000 | 628,780,000 | 628,780,000 |
| Financial institution bonds | 5,000,000,000 | 5,000,000,000 | 1,368,473,902 |
| Other bonds | 0 | 0 | 0 |
| Listed shares | 0 | 0 | 0 |
| Insurance company shares | 1,545,012,500 | 1,545,012,500 | 1,545,012,500 |
| Commercial company shares and bonds | 2,626,096,800 | 2,626,096,800 | 2,626,096,800 |
| Investment company shares | 0 | 0 | 0 |
| Land & buildings | 1,187,751,390 | 1,187,751,390 | 1,187,751,390 |
| [N/A] | 0 | 0 | 0 |
| Mortgage loans | 0 | 0 | 0 |
| Other loans | 0 | 0 | 0 |
| Bank deposits | 9,091,091,197 | 9,091,091,197 | 5,473,895,610 |
| Sub-total 1 | | | |
| All securities and capital assets combined | 21,078,731,887 | 21,078,731,887 | 13,830,010,202 |
| Advances on life companies contracts | | | 0 |
| Appeal accepted (regulation 0001/PCMA/CE/SG/CIMA/2003) | | | 0 |
| Premiums or contributions of less than three months from life companies | | | 0 |
| Premiums or contributions of less than one year from accident companies excluding transport | | | 0 |
| Premiums or contributions of less than one year from the transport branches | | | 0 |
| Debts owed by reinsurers secured by a lien | | | 0 |
| Other receivables due from reinsurers for the transport branch | | | 0 |
| Debts owed by ceding insurers | | | 0 |
| Sub-total 2 | | | |
| Other investment assets | | | 0 |
| Total assets acceptable as cover for technical provisions | | | 13,830,010,202 |
| Coverage ratio before dispersion | | | 154.03% |
| Coverage ratio after dispersion | | | 101.06% |

Solvency margin calculation – solvency position

(in CFA francs)

| CONSTITUENT PARTS (ART 337-1) | year 2012 | year 2013 | year 2014 |
|--|----------------------|----------------------|----------------------|
| 1. Paid-up share capital or initial capital constituted | 2,000,000,000 | 3,000,000,000 | 5,000,000,000 |
| 2. The half of the fraction of the capital not paid up or of the part still to be reimbursed for initial capital | 0 | 0 | 0 |
| 3. Loan for additional social fund | 0 | 0 | 0 |
| 4. Reserves | 2,580,000,000 | 1,980,000,000 | 0 |
| 5. Profit brought forward and for the year | 165,187,118 | 118,961,321 | 907,216,639 |
| 6. Capital gains on assets | 0 | 0 | 0 |
| 7. Share premium | 0 | 0 | 0 |
| 8. N/A | 0 | 0 | 0 |
| 9. Total (1+2+3+4+5+6+7+8) | 4,745,187,118 | 5,098,961,321 | 5,907,216,639 |
| 10. Losses deferred and for the year | 0 | 0 | 0 |
| 11. Depreciation still to be made on set-up and development costs | 0 | 28,320,000 | 28,890,151 |
| 12. Depreciation still to be made on intangible assets | 1,012,501 | 337,501 | 289,099 |
| 13. Total (10+11+12) | 1,012,501 | 28,657,501 | 29,179,250 |
| 14. Available margin (9-13) | 4,744,174,617 | 5,070,303,820 | 5,878,037,389 |

| REGULATORY CALCULATIONS | year 2012 | year 2013 | year 2014 |
|--|----------------------|----------------------|----------------------|
| Method of premiums (article 337-2 a) | | | |
| a. Premiums less cancellations | 12,551,511,523 | 16,602,958,750 | 17,637,069,390 |
| b. Claims net of reinsurance | 3,205,365,247 | 4,231,879,202 | 4,285,585,190 |
| c. Claims gross of reinsurance | 4,616,759,568 | 5,569,478,213 | 7,753,084,153 |
| d. Retention rate of claims (b/c gr. ou equal to 50%) | 69,43% | 75,98% | 55,28% |
| e. Amount of premiums retained (a x 20%) | 2,510,302,305 | 3,320,591,750 | 3,527,413,878 |
| f. Minimum margin (e x d) | 1,742,875,202 | 2,523,098,687 | 1,949,808,925 |
| Method of claims (article 337-2 b) | | | |
| g. Gross claims in last 3 years | 10,410,857,863 | 14,695,683,741 | 17,939,321,934 |
| h. Average claim (g/3) | 3,470,285,954 | 4,898,561,247 | 5,979,773,978 |
| i. Retention rate of claims (b/c gr. ou equal to 50%) | 69,43% | 75,98% | 55,28% |
| j. Amount of claims retained (h x 25%) | 867,571,489 | 1,224,640,312 | 1,494,943,495 |
| k. Minimum margin (j x i) | 602,345,316 | 930,523,411 | 826,343,114 |
| l. Retained margin (if k>f then k otherwise f) | 1,742,875,202 | 2,523,098,687 | 1,949,808,925 |

| DETERMINATION OF MARGIN | year 2012 | year 2013 | year 2014 |
|---------------------------------|----------------------|----------------------|----------------------|
| m. Margin surplus (12-l) | 3,001,299,415 | 2,547,205,133 | 3,928,228,464 |
| n. Margin deficit (l-12) | 0 | 0 | 0 |

Auditor's report

to the shareholders of ASSINCO S.A., Libreville

Auditor's General Report on the annual accounts for the financial year ended 31 December 2014

In accordance with the assignment entrusted to us by your General Meeting, we present our report relating to the financial year ending 31 December 2014 on:

- The audit of the company's annual accounts as attached to this report
- The specific checks and data provided for by law.

The annual accounts have been drawn up by the Board of Directors. It is our responsibility, based on our audit, to express an opinion on these accounts.

OPINION ON THE ANNUAL ACCOUNTS

We have conducted our audit in accordance with the professional standards applicable in Gabon. These standards require the audit to be carried out in such a way that reasonable assurance may be given that the annual accounts do not contain any significant misstatements.

An audit consists of examining the evidence in support of the data contained in these annual accounts by sampling them. It also consists of assessing the accounting principles followed and the key estimates used for drawing up the annual accounts and assessing their presentation as a whole. We consider that the audit we have undertaken provides a reasonable basis for the opinion expressed below.

We certify that the annual accounts are fair and true with respect to the accounting rules and principles applicable in Gabon, and give a faithful picture of the result of the operations for the year ended, and of the bank's financial position and assets at the end of this financial year.

SPECIFIC CHECKS AND DATA

In accordance with the professional standards applicable in Gabon we have also carried out the specific checks provided for by law.

We have no observations to make on whether the annual accounts are a true reflection of and concur with the information given in the Board of Directors' report and in the documents sent to shareholders on the financial position and the annual accounts.

Auditor's Special Report on the regulated agreements for the financial year ended 31 December 2014

In our capacity as your company's auditors, we hereby present our report on the regulated agreements. It is not our responsibility to look for the existence of any agreements but to advise you, based on the information given to us, of the characteristics and basic terms and conditions of those about which we have been advised, without having to give an opinion on their usefulness and their merit. It is your responsibility, in accordance with the terms of article 440 of the aforementioned Ohada Uniform Act, to assess the benefit of concluding this agreement with a view to approving them.

AGREEMENTS AUTHORISED DURING THE YEAR

We would advise you that we have not been notified of any agreement concluded during the financial year referred to in article 438 of the Ohada Uniform Act.

AGREEMENTS APPROVED DURING PREVIOUS YEARS WHICH WERE APPLIED DURING THE CURRENT YEAR

Moreover, pursuant to article 440 of the Ohada Uniform Act, we have been advised that the following agreement, approved during previous years, was executed during the previous financial year.

TECHNICAL ASSISTANCE AGREEMENT WITH BGFH HOLDING CORPORATION (BHC)

During the 2014 financial year, BHC invoiced Assinco S.A. a total of CFAF 206 million exclusive of taxes in respect of technical assistance.

We have carried out our work in accordance with the professional standards applicable in Gabon; these standards require audits to be carried out with the aim of verifying that the data which we have been given is consistent with the base documents from which they have come.

Libreville, 24 April 2015

The Auditor

PricewaterhouseCoopers

Anaclet Ngoua, Cémac authorised Chartered Accountant

The ASSINCO networks

Reinsurers and international partners

Compulsory cessions



AFRICA RE
AFRICAN REINSURANCE CORPORATION



International reinsurers



Munich RE



Swiss Re

GLOBUS RÉ

SCOR

Partners



Brokers in Gabon

Alliance
Aria GA
ARL
Ascoma Gabon
Assureurs Conseils Réunis (A.C.R.)
Contact Assurance
Gabonaise de Courtage d'Assurance (G.C.A.)
GECAR
Gras Savoye Gabon
La Ruche Assureur Conseil
SACAR
SOLICAR

Members of the network

Algeria SALAMA ASSURANCES
Angola A MUNDIAL SEGUROS
Benin L'AFRICAIN DES ASSURANCES
Botswana PHOENIX
Burkina Faso SONAR IARD
Burundi BICOR S.A.
Cameroon ACTIVA ASSURANCES
Congo Brazzaville ASSURANCES GENERALES DU CONGO
Côte-d'Ivoire LA LOYALE ASSURANCES
Egypt ORIENT TAKAFUL INSURANCE
Erythree NATIONAL INSURANCE CORPORATION
OF ERITREA
Gabon ASSINCO
Gambia ROYAL INSURANCE
Ghana ACTIVA INTERNATIONAL INSURANCE
Equatorial Guinea L'AFRICAIN DES ASSURANCES
Guinea UGAR - ACTIVA ASSURANCES
Mauritius MAURITIUS UNION ASSURANCE
Kenya JUBILEE
Liberia ACTIVA INTERNATIONAL INSURANCE
Madagascar ARO
Malawi GENERAL ALLIANCE INSURANCE LIMITED
Mali LAFIA
Morocco ATLANTA
Mauritania N.A.S.R
Mozambique GLOBAL ALLIANCE SEGUROS INSURANCE
Niger N.I.A
Nigeria LEADWAY
Uganda JUBILEE
Rwanda RADIANT
Sao Tomé-and-Principe .. SAT
Senegal SALAMA ASSURANCES
Sierra Leone ACTIVA INTERNATIONAL INSURANCE
Sudan UNITED INSURANCE COMPANY
South Sudan NEW SUDAN INSURANCE COMPANY
Tanzania JUBILEE
Tchad STAR
Togo FIDELIA ASSURANCES
Tunisia COMAR
Zambia PHOENIX
Zimbabwe NICOZ DIAMOND



Subsidiary of the BGFIBank Group