Linkage Assurance Plc

RC:162306

Annual Report and Audited Financial Statements
For the year ended 31 December 2024

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Corporate Information

Company Registration Number	162306
Date of Incorporation	Tuesday, 26 March 1991
Tax Identification Number:	01334256-0001
Company Type	Public Limited Liability Company
Mission Statement	Linkage Assurance Plc. is in business to provide first class insurance and other financial services to the African Insurance market. To achieve this, it has deployed exemplary management, best in class information technology infrastructure and well trained and motivated work force as vehicle for achieving the superior returns expected by shareholders.

Board of Directors	**Directors**	**Designation**
Chairman	Chief Joshua Bernard Fumudoh	Chairman
Other Directors	Mr. Daniel Braie	Managing Director/CEO
	Mr. Okanlawon Adelagun	Executive Director
	Mr. Bernard Nicolaas Griesel	Non-executive Director (South African)
	Mrs. Funkazi Koroye-Crooks	Non-executive Director
	Mr. Maxwell Ebibai	Non-executive Director
	Mr. Pius Otia	Non-executive Director
	Mrs. Valentina Marinho	Independent Director

Managing Director	Mr. Daniel Braie
Company Secretary	Mr. Moses Omorogbe
Registered Office	Linkage Plaza Plot 20, Block 94, Providence Street Off Adewunmi Adebimpe Street Lekki-Epe Expressway, Lekki, Lagos
Registrars	Apel Capital Registrars Limited 8, Alhaji Bashorun, Ikoyi, Lagos.

Corporate Information

Auditor	Ernst & Young 10th & 13th Floors, UBA House 57, Marina Lagos Nigeria www.ey.com	
Reinsurers	African Reinsurance Corporation, Lagos, Nigeria Continental Reinsurance Plc, Lagos, Nigeria WAICA Reinsurance Corporation Plc, Lagos, Nigeria FBS Reinsurance Limited, Lagos, Nigeria Nigeria Reinsurance Corporation, Lagos, Nigeria Jordans Global Insurance Brokers	YOA Reinsurance Brokers Limited MarshFJC International Insurance Brokers Limited Zebra Insurance Brokers MNK Reinsurance Brokers Limited GRS Reinsurance Brokers Limited Insurance Brokers of Nigeria limited
Principal Bankers	Access Bank Limited Ecobank Nigeria Limited FCMB Limited Fidelity Bank Plc First Bank of Nigeria Limited Guaranty Trust Bank Limited Keystone Bank Limited Sterling Bank Limited Wema Bank Plc	Polaris Bank Limited Stanbic IBTC Bank Limited Union Bank of Nigeria Plc United Bank for Africa Plc Unity Bank Plc Zenith Bank Plc Providus Bank Abbey Mortgage Bank Plc
Actuary	O & A Hedge Actuarial Consulting	
FRC Registered No.	FRC/2012/0000000000339	

Financial Highlights

Financial performance	31 Dec 2024 ₦'000	31 Dec 2023 ₦'000	Changes (%)
Insurance revenue	22,229,099	14,835,202	50
Insurance service expenses	(14,971,588)	(10,795,403)	39
Insurance service result before reinsurance contracts held	7,257,511	4,039,799	80
Insurance service result	766,967	261,595	193
Investment and other income	9,479,026	9,067,151	5
Net insurance finance income/(expense)	152,516	(347,284)	(144)
Profit before taxation	5,282,084	5,463,747	(3)
Profit after taxation	5,551,631	5,281,594	5
Financial position			
Total assets	65,677,300	51,327,300	28
Insurance contract liabilities	17,386,988	15,340,788	13

Our Performance

Insurance revenue grew by 50% to ₦22.2billion as at December 2024 from ₦14.8billion recorded in prior year. The Company achieved an investment income of ₦9.5billion against an income of ₦9.1 in the prior year. Profit before tax stood at ₦5.3billion as at 31 December 2024 from ₦5.5billion recorded in prior year.

Outlook

As an organization, we shall continue to refine our strategy in line with our strategic focus for the year and theme. Our theme for 2024 is "Consolidation", and this informs our strategic intent along the four pillars of Business growth, Operational excellence, Financial excellence, and Customer & People. Consequently, during the year the identified strategic focus will guide as compass in our quest to navigate through the highly competitive insurance market to increase our market share in the most profitable sectors and offer excellent customer experience to all our clients.

Product offering & Fintech

As part of our agile strategy, we shall leverage on the technology to improve our products and services especially to our direct and personal clients. This is also part of digital transformation initiatives. Also, having recognized the impact of certain products lines like motor insurance on our portfolio, we are positioned to offer to our clients different options of motor insurance according to their risk exposure(s), willingness and ability to pay.

Brand Development

We shall continue to leverage on the positive impact of our ongoing brand rejuvenation and awareness campaign to the insuring public. This will be reinforced by our customer value propositions.

Corporate Social Responsibility (CSR)

As a corporate socially responsible organization, we shall continue to expand our activities in the bid to give back to the communities where we do business and the society as a whole. During the year 2024, we sponsored the down syndrome foundation of Nigeria, and many others.

Work Life Balance & Manpower Development

Linkage Assurance PLC is committed to ensuring a work-life balance for our employees and reduction in the cost of doing business. As a result of these, we embarked on Work-from-Home. (WFH) which allows us to adopt a hybrid work regime.

Report of the Directors

It is the pleasure of the Directors to submit their annual report on the affairs of Linkage Assurance Plc ('the Company') together with the audited financial statements and independent auditor's report for the year ended 31 December 2024.

1 Legal form

The Company was incorporated on the 26th of March 1991 as a private limited liability company - Linkage Assurance Company Limited. It was registered by the National Insurance Commission on the 7th of October, 1993 to transact general insurance business and commenced operations in January, 1994. The Company became a Public Limited Liability Company in 2003 and the Company's shares, which are quoted on the Nigerian Stock Exchange, were first listed on 18 November, 2003. In compliance with regulatory directives on re-capitalization in the Insurance Industry in 2007, the Company merged with the former Central Insurance Company Limited. The registered office of the Company is Plot 20 Block 94 Providence Street, Off Adewunmi Adebimpe Street, Lekki Phase 1, Lekki, Lagos, Nigeria.

2 Principal activity

The Company transact all classes of non-life insurance business.

3 Operating results

The following is a summary of the Company's operating results for the year:

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Insurance revenue	22,229,099	14,835,202
Profit before income tax	5,282,084	5,463,747
Minimum tax	(147,994)	(103,911)
Income tax expense	417,541	(78,242)
Profit after tax expense	**5,551,630**	**5,281,594**

4 Proposed dividend

The Directors have proposed a total dividend of ₦1.54 billion for the year (2023: ₦700 million) which represent a bonus share of ₦3.08 billion (2023: ₦1.4 billion) units at 1 for every 5 shares held.

5 Directors

The Directors who served during the year and held office at the date of this report were as follows:

Name	Status	Nationality
Chief Joshua Bernard Fumudoh*	Chairman	Nigerian
Mr. Daniel Braie	Managing Director	Nigerian
Mr. Okanlawon Adelagun	Executive Director	Nigerian
Mr. Bernard Nicolaas Griesel**	Non-executive Director	South African
Mrs. Funkazi Koroye-Crooks*	Non-executive Director	Nigerian
Mr. Maxwell Ebibai*	Non-executive Director	Nigerian
Mr. Pius Otia*	Non-executive Director	Nigerian
Mrs. Valentina Marinho	Independent Director	Nigerian

*Bayelsa State Ministry of Finance Incorporated (BSMFI) representatives
**Stanbic IBTC Nominees Nigeria Limited's representative

6 Directors interest in shares

The interests of the Directors in the issued share capital of the Company as recorded in the register of members as at 31 December 2024 and as notified by them for the purpose of fulfilling Section 301 of the Companies and Allied Matters Act (CAMA) 2020 are as follows:

	31 Dec 2024			
	Direct	Indirect	Total	
Mr. Bernard Nicolaas Griesel	-	1,944,716,810	1,944,716,810	
Chief Joshua Bernard Fumudoh	59,652,089	-	59,652,089	-

Report of the Directors- continued

6 Directors interest in shares - continued

	31 Dec 2023			
	Direct	Indirect	Total	
Mr. Bernard Nicolaas Griesel	-	1,858,165,841	1,858,165,841	
Chief Joshua Bernard Fumudoh	30,132,348	-	30,132,348	-

Directors with indirect interest in the issued share capital of the Company as recorded in the Register of members were as follows:

Name of shareholder	Institution represented	No. of Shares	
		31 Dec 2024	31 Dec 2023
Mr. Bernard Nicolaas Griesel	Stanbic IBTC Nominees Nigeria	1,944,716,810	1,858,165,841

7 Contracts

In accordance with Section 303 of the Companies and Allied Matters Act (CAMA) 2020, all contracts with related parties were conducted at arms length. Information relating to related parties transactions are contained in Note 41 to the financial statements.

8 Shareholding

The Company's issued share capital of ₦7.7 billion is made up of 15.4 billion ordinary shares of 50k each which are held by Nigerian individuals and institutional investors. According to the register of members, no shareholder other than the following held more than 5% of the issued share capital of the Company as at 31 December 2024.

Shareholders	Units Held	% of Holdings
Bayelsa State Ministry of Finance Incorporated (BSMFI)	8,228,866,302	53.43%
Stanbic IBTC Nominees Nigeria Limited	1,944,716,810	12.63%
Apel Asset Limited - Nominee	876,723,566	6%

b) Analysis of shareholding structure

i) As at 31 December 2024

Range	No of Holders	% of Holders	Units Held	% Units Held
1 - 1000	1,117	4.94	444,440	0.00
1001 - 5000	5,139	22.71	17,432,770	0.11
5,001 - 10,000	4,514	19.95	35,688,397	0.23
10,001 - 50,000	7,253	32.05	177,441,033	1.15
50,001 - 100,000	2,033	8.98	152,346,104	0.99
100,001 - 500,000	2,006	8.86	428,101,910	2.78
500,001 - 1,000,000	256	1.13	190,609,436	1.24
1,000,001 - 5,000,000	219	0.97	465,573,864	3.02
5,000,001 - 10,000,000	26	0.11	173,204,959	1.12
10,000,001 - 50,000,000	50	0.22	1,121,081,651	7.28
50000001 - 1,000,000,000	14	0.06	2,460,053,973	15.97
1,000,000,001 - 99,999,999,999	2	0.01	10,178,112,574	66.09
Grand Total	**22,629**	**100**	**15,400,091,111**	**100**

Report of the Directors- continued

8 Shareholding - continued

b) Analysis of shareholding structure - continued

ii) As at 31 December 2023

Range	No of Holders	% of Holders	Units Held	% Units Held
1 - 10,000	10,581	47.70	50,084,501	0.36
10,001 - 50,000	7,254	32.70	169,110,096	1.21
50,0001 - 100,000	1,950	8.79	139,329,348	1.01
100,001 - 500,000	1,886	8.50	377,124,066	2.77
500,001 - 1,000,000	235	1.06	163,401,183	1.21
1,000,001 - 5,000,000	196	0.88	404,663,486	3.00
5,000,001 - 10,000,000	23	0.10	170,808,672	1.22
10,000,001 - 50,000,000	41	0.18	974,049,235	6.45
50,000,001 - 100,000,000	5	0.02	460,985,746	2.62
100,000,001 - 500,000,000	7	0.03	954,551,683	7.75
500,000,001 - 5,000,000,000	3	0.01	10,135,974,813	72.40
Grand Total	**22,181**	**100**	**14,000,082,829**	**100**

9 Human Resources

i Employment of disabled persons

As a matter of policy, the Company does not discriminate against disabled persons. Full and fair consideration is given to applications for employment received from disabled persons, with due regard to their particular aptitudes and abilities. In the event of any employee becoming disabled in the course of employment, the Company is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. As at 31 December 2024, the Company had no disabled persons in its employment.

ii Employee's development and training

The Company is committed to staff training in order to keep them abreast with new developments in the industry and this cuts across all categories of staff. During the year under review, the Company utilized the professional training services of several organizations for the benefit of staff.

iii Health, safety at work and staff welfare

Health, safety and fire drills are regularly organized to keep employees alert at all times. The Company engages the services of health care providers towards meeting the medical needs of the employees and their immediate families at its expense.

The Company also provides adequate transportation and housing facilities for all levels of employees.

10 Property and equipment

Changes in property and equipment during the year under review are shown in Note 16 to the financial statements. In the opinion of the directors, the market value of the Company's assets is not lower than the value shown in the financial statements.

11 Acquisition of own shares

The Company did not purchase its own shares during the year under review.

12 Fines and penalties

The Company was fined ₦4.3 million during the year (2023: ₦7.4 million). See Note 43 for details.

13 Events after reporting date

There are no significant events after the reporting date which could have had a material effect on the financial affairs of the Company as at 31 December 2024 and on the profit or loss and other comprehensive income for the year ended.

Report of the Directors- Continued

14 Securities Trading Policy

The Company has a Securities Trading Policy which governs the trading of the Company's securities by insiders. The Policy has been circulated to all Directors and employees and also uploaded on the Company's website. The Company has contacted the Directors and they confirmed complying with the Policy during the year.

15 Audit committee

The following persons served as members of the committee during the year:

Name	Designation	Status
Mr. Balogun Shamusideen Olalekan	Chairman	Shareholder
Mr. Sunday Orji	Member	Shareholder
Mrs. Esther O. Osijo	Member	Shareholder
Mr. Pius Otia	Member	Non-Executive Director
Mr. Maxwell Ebibai	Member	Non-Executive Director

16 Auditor

Messrs. Ernst & Young (EY) acted as the Company's independent auditor during the financial year ended 31 December 2024. The independent auditor's report was signed by Babayomi Ajijola, a partner in the firm, with Financial Reporting Council (FRC) membership number FRC/2013/PRO/ICAN/004/00000001196.

Messrs. Ernst & Young (EY) has indicated willingness to continue in office as auditor in accordance with S.401(2) of the Companies and Allied Matters Act 2020, Laws of the Federation of Nigeria.

17 Donations

Donations during the year ended 31 December 2024 was ₦1million (2023: ₦1.5million). The beneficiaries are as follows:

2024

Description	Organization	Amount (₦)
Sponsorship for Down Syndrome Foundation of Nigeria awareness month (August, 2024)	Down Syndrome Foundation of Nigeria	1,000,000

The Company did not make any donation to a political party or political association (2023:Nil).

BY ORDER OF THE BOARD

Company Secretary
Mr. Moses Omorogbe
FRC/2017/NBA/00000017141
26 March 2025

Corporate Governance Report

Linkage Assurance Plc ("Linkage") is committed to implementing the best practice standards of Corporate Governance.

The Board of Linkage is mindful of its obligations under the National Insurance Commission Corporate Governance Code (NAICOM Code), the Securities & Exchange Commission Corporate Governance Code (SEC Code) as well as the Post Listing Rules & Requirements of the Nigerian Stock Exchange.

The Company's high standard in Corporate Policies and Governance are designed to encourage transparency in all its activities as well as ensure the protection of the long term interest of all Stakeholders. The business of the Company is conducted with high level of Integrity.

The Board of Directors of Linkage Assurance Plc. has overall responsibility for ensuring the highest standards of corporate governance is maintained and adhered to by the Company. In order to promote effective governance of the Company, the following structures have been put in place for the execution of Linkage Assurance Plc's Corporate Governance strategy:

1 Board of Directors;
2 Board Committees; and
3 Executive Management Committees

Corporate Governance Structure

The Board

The Board of Directors of Linkage, comprising of Nine (9) members is accountable to the shareholders and also responsible for the control, management and periodic review of the Company's business strategy. The Board of Directors is also committed to ensuring that the Company adheres strictly to the regulations guiding the operations of the Insurance Industry and other financial services sector in Nigeria.

The Board of Directors performs its functions either as a full Board or through the under listed established statutory committee and Committees of the Board:

Statutory Audit Committee

The Committee is composed of 5 members as follows:

S/N	Name	Designation	Status
1	Mr. Balogun Shamusideen Olalekan	Chairman	Shareholder
2	Mr. Sunday Orji	Member	Shareholder
3	Mrs. Esther O. Osijo	Member	Shareholder
4	Mr. Pius Otia	Member	Non-Executive Director
5	Mr. Maxwell Ebibai	Member	Non-Executive Director

This Committee, which is chaired by a shareholder, has the responsibility of ensuring that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices. The Committee reviews the scope & planning of audit requirements and it is also responsible for other matters reserved for the Audit Committee by Section 404 of Companies and Allied Matters Act (CAMA) 2020 and the Company's Articles of Association.

Finance, Investment & General purpose Committee

The Committee is composed of 5 members as follows:

S/N	Name	Designation	Status
1	Mr. Bernard Nicolaas Griesel	Chairman	Non-Executive Director
2	Mr. Maxwell Ebibai	Member	Non-Executive Director
3	Mr. Daniel Braie	Member	Managing Director
4	Mrs. Valentina Marinho	Member	Independent Director
5	Mr. Pius Otia	Member	Non-Executive Director

This Committee reviews matters relating to the investment of the Company's funds, management of all other assets and makes recommendation to the Board for approval. It also ensures maximum returns on investments and protection of the Company's assets. The Committee periodically evaluates the Company's risk policies and also provides appropriate advice and recommendations on matters relevant to risk management.

Corporate Governance Report

Enterprise Risk Management & Governance Committee

The Committee is composed of 3 members as follows:

S/N	Name	Designation	Status
1	Mrs. Funkazi Koroye-Crooks	Member	Non-Executive Director
2	Mrs. Valentina Marinho	Member	Independent Director
3	Mr. Pius Otia	Member	Non-Executive Director

This Committee reviews and recommends for approval to the Board, matters bordering on Board Appointments, Staff Recruitment, Staff Compensation, Welfare and Promotions. Matters relating to the strategy for growth and advancement of the Company are also the responsibility of this Committee.

Audit & Compliance Committee

The Committee is composed of 3 members as follows:

S/N	Name	Designation	Status
1	Mrs. Valentina Marinho	Acting Chairperson	Independent Director
2	Mr. Bernard Nicolaas Griesel	Member	Non-Executive Director
3	Mrs. Funkazi Koroye-Crooks	Member	Non-Executive Director

This Committee assists the Board in fulfilling its oversight responsibilities in ensuring the integrity of the Company's financial statements, compliance with legal and regulatory requirements, the performance of the internal audit function, the identification, assessment, management of the Company's risks and adherence to internal risk management policies and procedures.

Executive Management Committees

These are Committees comprising senior management of the Company. They are set to ensure that all risk limits as contained in Board and regulatory policies are complied with at all times. They provide inputs for the respective Board Committees and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. The Committees are risk driven as they are set up to identify, analyze, synthesize and make recommendations on risks arising from within the Company's operating environment. The Committees meet as frequently as risk issues occur to immediately take actions and decisions within the confines of their powers. The Committees include the Executive Management Committee, Management Investment Committee, Business Strategy Committee and the Management Enterprise Risk Committee.

Internal Audit Function

In consonance with the commitment of the Company to be a dynamic world class Company fully accountable to the Board of Directors and shareholders, the Internal Audit Unit has been further strengthened with the recruitment of additional staff to broaden its scope and thus enhance the control and oversight service rendered at Management level.

The Internal Audit is a Control Unit established within the Management to independently examine and evaluate the activities of the Company. The Company's Internal Audit Unit reports to the Audit Committee.

Shareholders' Relationship

The Company is accountable and committed to the shareholders and uses various fora to advise shareholders on the performance of the Company. This includes annual report and accounts, access to the Company Secretary by shareholders for all enquiries and free interactions with the members of the Board during Annual General Meetings.

Corporate Governance Report

Company Secretary

All stakeholders have access to the services of the Company Secretary. The Company Secretary is responsible for facilitating the induction and professional development of Board Members as well as ensuring information flow within the Board, its Committees and Management of the Company. Attendance at the Board and committee meetings during the year ended 31 December 2024 is as follows:

Key:
N/A
X Absent at meetings

S/N	Names of Directors	23-Feb-24	03-May-24	27-May-24	27-Aug-24	13-Dec-24
1	Chief Joshua Bernard Fumudoh	1	1	1	1	1
2	Mr. Okanlawon Adelagun	1	1	1	1	1
3	Mr. Bernard Nicolaas Griesel	1	1	1	1	1
4	Mr. Daniel Braie	1	1	1	1	1
5	Mrs. Funkazi Koroye-Crooks	1	1	1	1	1
6	Mr. Maxwell Ebibai	1	1	1	x	x
7	Mrs. Valentina Marinho	1	1	1	1	1
8	Mr. Pius Otia	1	1	1	1	1

Attendance at The Finance, Investment & Strategy Committee Meetings held during the year ended 31 December 2024

S/N	Names of Directors	21-Feb-24	30-Apr-24	23-Aug-24	12-Dec-24
1	Mr. Bernard Nicolaas Griesel	1	1	1	1
2	Mr. Daniel Braie	1	1	1	1
3	Mr. Maxwell Ebibai	1	X	X	1
4	Mrs. Valentina Marinho	1	1	1	1
5	Mr. Pius Otia	1	1	1	1

Attendance at the Statutory Audit Committee Meetings held during the year ended 31 December 2024

S/N	Names of Directors	20-Feb-24	02-May-24	27-May-24	22-Aug-24	19-Nov-24
1	Mr. Shamusideen O. Balogun	1	1	1	1	1
2	Engr. S. A. Orji	1	1	1	1	1
3	Mrs. Esther O. Osijo	1	1	1	1	1
4	Mr. Maxwell Ebibai	1	1	1	1	1
5	Mr. Pius Otia	1	1	1	1	1

Attendance at the ERM & Governance Committee Meetings held during the year ended 31 December 2024

S/N	Names of Directors	21-Feb-24	29-Apr-24	23-Aug-24	20-Nov-24
1	Mrs. Funkazi Koroye-Crooks	1	1	1	1
2	Mrs. Valentina Marinho	1	1	1	1
3	Mr. Pius Otia	1	1	1	1

Attendance at the Board Audit & Compliance Committee Meetings held during the year 31 December 2024

S/N	Names of Directors	20-Feb-24	29-Apr-24	22-Aug-24	19-Nov-24
1	Mrs. Valentina Marinho	1	1	1	1
2	Mrs. Funkazi Koroye-Crooks	1	1	1	1
3	Mr. Bernard Nicolaas Griesel	1	1	1	1

Report of the Audit Committee to the members of Linkage Assurance Plc

In compliance with the Provisions of Section 404(4) of the Companies and Allied Matters Act (CAMA) 2020, we the members of the Audit Committee of Linkage Assurance Plc received the Audited Financial Statements for the year ended 31 December 2024 together with the Management Letter from the external auditors and management responses thereto at a duly convened meeting of the committee and hereby report as follows:

We confirm that;

1 We have received the scope and planning of the audit for the year ended 31 December 2024;

2 We reviewed the external auditor's Management Letter together with management responses; and

3 We ascertained that the accounting and reporting policies of the Company for the year ended 31 December 2024 are in accordance with legal requirement and agreed with ethical practices.

In our opinion, the scope and planning of the audit for the year ended 31 December 2024 were adequate and management responses to the auditor's findings were satisfactory.

We confirm that the internal control system was consistently and effectively monitored through effective internal audit.

The external auditors confirm that they received full cooperation from the management during the course of the statutory audit. The Committee therefore recommends that the audited financial statements for the year ended 31 December 2024 and the Auditor's report thereon be presented for adoption by the Company at the Annual General Meeting.

The following persons served as members of the audit committee during the year:

Name	Designation	Status
Mr. Balogun Shamusideen Olalekan	Chairman	Shareholder
Mr. Sunday Orji	Member	Shareholder
Mrs. Esther O. Osijo	Member	Shareholder
Mr. Pius Otia	Member	Non-Executive Director
Mr. Maxwell Ebibai	Member	Non-Executive Director

Mr. Shamusideen O. Balogun
FRC/2015/NIM/00000013086
Chairman, Audit Committee
26 March 2025

Statement of Directors' Responsibilities in Relation to the Preparation of the Financial Statements

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria (''NAICOM'') Circulars.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2023 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Chief Joshua B. Fumudoh	**Mr. Daniel Braie**
Chairman	**Managing Director/CEO**
FRC/2018/IODN/00000017911	**FRC/2018/CIIN/00000018082**
26 March 2025	26 March 2025

Statement of Corporate Responsibility for the Financial Statements

Certification Pursuant to Section 60(2) of Investment and Securities Act, 2025

In accordance with section 405 of the Companies and Allied Matters Act 2020, the Managing Director and Chief Financial Officer undersigned, hereby certify the following with regards to our audited financial statements for the year ended 31 December 2024 that:

(i) We have reviewed the report and to the best of our knowledge, the report does not contain:

- any untrue statement of a material fact, or
- omission to state a material fact, which would make the financial statements misleading in the light of circumstances under which such statements were made;
- to the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Company as of, and for the periods presented in the report.

(ii) We:

- are responsible for establishing and maintaining internal controls;
- have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
- have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
- have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;

(iii) We have disclosed to the auditors of the Company and audit committee:

- all significant deficiencies in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls, and
- any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls;

We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Daniel Braie
Managing Director/CEO
FRC/2018/CIIN/00000018082
26 March 2025

Emmanuel Otitolaiye
Chief Financial Officer
FRC/2014/ICAN/00000008524
26 March 2025

Enterprise Risk Management Declaration Statement

In accordance with the requirements of Section 2.10 of NAICOM's guidelines for developing risk management framework of 2012, the Board of Directors of Linkage Assurance Plc. hereby declares that, to the best of its knowledge and belief, and having made appropriate enquiries:

a) the Company has systems in place for the purpose of ensuring compliance with the guideline;

b) the Board is satisfied with the efficacy of the processes and systems surrounding the production of financial information of the Company;

c) the Company has in place a risk management strategy, developed in accordance with the requirements of this guideline, setting out its approach to risk management; and

d) the systems that are in place for managing and monitoring risks, and the risk management framework, are appropriate to the Company, having regard to such factors as the size, business mix and complexity of the Company's operations.

Chief Joshua B. Fumudoh
Chairman
FRC/2018/IODN/00000017911
26 March 2025

Mr. Daniel Braie
Managing Director/CEO
FRC/2018/CIIN/00000018082
26 March 2025

Linkage Assurance Plc
RC:162306
...protection that counts

Head Office: Plot 20, Block 94, Providence Street
Off Adewunmi Adebimpe Street
Lekki Phase 1, Lagos
07054492984, 0700LINKAGE
01334256-0001
info@linkageassurance.com
www.linkageassurance.com

CERTIFICATION

I, **Daniel Braie** , certify that:

a. I have reviewed this management's assessment on internal control over financial reporting of Linkage Assurance Plc.

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d. The entity's other certifying officer and I:

1. are responsible for establishing and maintaining internal controls;
2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to Linkage Assurance Plc, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);
4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the Board Audit and Compliance Committee:

1. All significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f. The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: **Daniel Braie**

Designation: Managing Director/CEO

FRC No: FRC/2018/CIIN/00000018082

Signature:

Date: 26 March 2025

Linkage Assurance Plc
RC:162306
...protection that counts

Head Office: Plot 20, Block 94, Providence Street
Off Adewunmi Adebimpe Street
Lekki Phase 1, Lagos
07054492984, 0700LINKAGE
01334256-0001
info@linkageassurance.com
www.linkageassurance.com

CERTIFICATION

I, **Dr. Emmanuel Otitolaiye**, certify that:

a. I have reviewed this management's assessment on internal control over financial reporting of Linkage Assurance Plc.

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d. The entity's other certifying officer and I:

1. are responsible for establishing and maintaining internal controls;
2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to Linkage Assurance Plc, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);
4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the Board Audit and Compliance Committee:

1. All significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f. The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: **Dr. Emmanuel Otitolaiye** Designation: **Chief Financial Officer**

FRC No: FRC/2014/ICAN/00000008524 Signature:

Date: 26 March 2025

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MANAGEMENT ASSESSMENT REPORT

Management's Report on the Assessment of Internal Control Over Financial Reporting as at 31st December 2024

To comply with the provisions of Sections 1.3 of SEC Guidance on Implementation of Sections 60-63 of the Investment and Securities Act 2007 now Section 89(1) of Investments and Securities Act 2025, we hereby make the following statements regarding the Internal Controls of Linkage Assurance Plc for the year ended 31 December 2024:

Management of Linkage Assurance Plc ("the Company") is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and the board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Linkage Assurance Plc's system of internal control over financial reporting is supported with written policies and procedures, contains self-monitoring mechanisms, and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

Management has assessed the effectiveness of its internal control over financial reporting as of 31 December 2024. In making this assessment, management used the COSO 2013 "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management believes that, as of 31 December 2024, the Company's internal control over financial reporting is designed and operating effectively. Additionally, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as of 31 December 2024.

The effectiveness of the Company's internal control over financial reporting as of 31 December 2024, has been reviewed by Ernst and Young, an independent registered public accounting firm.

Dated this 26th day of March 2025

Daniel Braie	**Dr. Emmanuel Otitolaiye**
Managing Director	Chief Financial Officer
FRC/2018/CIIN/00000018082	FRC/2014/ICAN/00000008524

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the members of Linkage Assurance Plc

Scope

We have been engaged by Linkage Assurance Plc to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Linkage Assurance Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in Linkage Assurance Plc's (the "Company's") Management's Assessment on Internal Control over Financial Reporting as of 31 December 2024 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Criteria applied by* Linkage Assurance Plc**

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Linkage Assurance Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

Linkage Assurance Plc's responsibilities

Linkage Assurance Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Linkage Assurance Plc's *management's assessment of the Internal Control over Financial reporting as of 31 December 2024* in accordance with the criteria.

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed.

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Conclusion

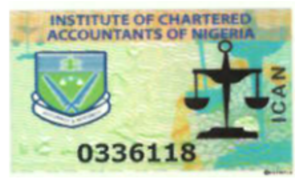
In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2024, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements for the year ended 31 December 2024 of Linkage Assurance Plc and we expressed an un-modified opinion in our report dated 20 May 2025. Our conclusion is not modified is respect of this matter.

Babayomi Ajijola
FRC/2013/004/PRO/ICAN/00000001196
For: Ernst & Young
Lagos, Nigeria.

20 May 2025



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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LINKAGE ASSURANCE PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Linkage Assurance Plc ('the Company'), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Linkage Assurance Plc as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, and relevant circulars issued by the National Insurance Commission of Nigeria ("NAICOM") and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters	How the matter was addressed in the audit
Actuarial valuation of insurance contract liabilities The Company has material insurance contract liabilities of ₦17.4 billion (2023: ₦15.3 billion) representing 78.87% (2023: 77.35%) of the Company's total liabilities. Actuarial valuation of these insurance contract liabilities, including reinsurance contract assets is an area that involves significant assumptions and judgment over uncertain future outcomes and therefore was an area that required extensive audit time and expertise. Economic assumptions such as discount rates, time value of money, risk adjustment for non-financial risk involve significant judgement which are applied in setting these assumptions and small changes in a number of these key assumptions could have a material impact on the calculation of the liabilities. Insurance contract liabilities, related accounting policies and significant judgments and assumptions are disclosed in Notes 10 (Reinsurance contract assets and Insurance contract liabilities), 3.1 (Insurance and reinsurance contracts classification) and 3.2 (Insurance and reinsurance contracts accounting treatment).	Our audit procedures included the following: ▪ We gained an understanding of the Company's IFRS 17 implementation process including the approach for classification of insurance contracts for the purpose of measuring insurance contract liabilities. ▪ Tested underlying support documentation for the inputs into the valuation of insurance contract liabilities. ▪ We assessed the competence and objectivity of the Company's independent actuary, confirming they are qualified and affiliated with the appropriate industry bodies. With the assistance of our in-house actuarial specialists, we performed the following audit procedures on the Company's actuarial reports: ▪ We considered the appropriateness of the methodology and assumptions used in the valuation of the insurance contracts liabilities with reference to the Company's policies and the requirements of the relevant accounting standard. ▪ We considered the appropriateness of the non-economic assumptions used in the valuation of the insurance contract liabilities by making reference to Company-specific and industry data. We reviewed the qualitative and quantitative disclosures for appropriateness and reasonableness to ensure conformity with required guidelines of National Insurance Commission (NAICOM) and IFRS 17.

Valuation of investment in unquoted equity instrument	With the assistance of our in-house valuation specialists, we performed the following audit procedures:
The Company has a material investment of ₦24.88 billion (2023: ₦18.02 billion) in unquoted equity instrument measured at fair value through other comprehensive income (FVOCI). The fair value of the investment is estimated using the Discounted Cash-Flows (DCF) method which requires significant estimates and assumptions including a financial forecast of the investee, growth rates, and discount factors. The significant judgment involved and uncertainty in relation to estimation of future cash flows and other assumptions make this an area that required extensive audit time and expertise. Investment in unquoted equity instruments (including significant assumptions and judgments) and related accounting policies are disclosed in Notes 8.2 (Equity Instruments measured at fair value through other comprehensive income), and 3.3 (Financial Instruments) respectively to the financial statements.	▪ We evaluated the appropriateness of the valuation methodology employed by the external expert and assessed the reasonableness of underlying assumptions used in determining the fair value of the investment in an unquoted equity instrument. ▪ We assessed the competence, capabilities, and objectivity of the external expert engaged by the directors. We also verified and assessed the expert's qualifications and experience. We discussed the scope of work and confirmed that no scope limitations were imposed upon the expert by the Directors. ▪ We reviewed the qualitative and quantitative disclosures for appropriateness and reasonableness to ensure conformity with disclosure requirements of relevant accounting standards.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Linkage Assurance Plc Annual Report for the year ended 31 December 2024", which includes the Corporate Information, the Financial Highlights, Report of the Directors, Report of the Audit Committee, Enterprise Risk Management Declaration Statement, Statement of Directors' Responsibilities in Relation to the preparation of the Financial Statements, Statement of Corporate Responsibility for the Financial Statements, and Other National Disclosures, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LINKAGE ASSURANCE PLC - Continued

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act, 2003, and relevant circulars issued by the National Insurance Commission of Nigeria ("NAICOM") and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LINKAGE ASSURANCE PLC - Continued

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Company, in so far as it appears from our examination of those books;
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LINKAGE ASSURANCE PLC - Continued

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report.

Babayomi Ajijola
FRC/2013/PRO/ICAN/004/00000001196

For: Ernst & Young
Lagos, Nigeria
20 May 2025

Material Accounting Policies

1 Corporate information

Linkage Assurance Plc. ("Linkage" or "the Company") was incorporated in Nigeria on 26th of March 1991 as a private limited liability company domiciled in Nigeria. It was registered by the National Insurance Commission on the 7th of October 1993 to transact general insurance business and commenced operations in January, 1994. The Company became a public limited liability company in 2003 and the Company's shares, which are quoted on the Nigerian Stock Exchange were first listed on 18 November 2003. The registered office of the Company is Plot 20 Block 94 Lekki-Epe Express way, Lekki, Lagos, Nigeria.

The Company's high standard in corporate policies and governance are designed to encourage transparency in all its activities as well as ensure the protection of the long-term interest of all stakeholders.

The financial statements were authorized for issue by the Company's board of Directors on 26 March 2025.

1.1 Principal activity

The Company was registered to transact all classes of life and non-life insurance business, insurance claims payment and investments. Subsequently, it disposed its life business in February 2007 and concentrated on the non-life insurance business.

1.2 Basis of presentation and preparation

These financial statements have been prepared using appropriate accounting policies, supported by reasonable judgments and estimates and is presented in order of liquidity.

a) Statement of compliance

The financial statements have been prepared in accordance with the IFRS Accounting Standards as issued by the international Accounting Standards Board. Additional information required by national regulations, the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023, Insurance Act 2003 and its interpretations issued by the National Insurance Commission in its Insurance Industry Policy Guidelines is included where appropriate.

The financial statements comprise the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows, the summary of material accounting policies and the notes to the financial statements.

2 Changes in material accounting policies and new standards

2.1 New and amended standards and interpretations effective beginning or after 1 January 2024

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued and is not yet effective.

a. Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed. The amendments do not have a material impact on the Company's financial statements.

b. Classification of Liabilities as Current or Non-Current- Amendments to IAS 1

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The amendments do not have a material impact on the Company's financial statements.

Material Accounting Policies - continued

2 Changes in material accounting policies and new standards - continued

2.1 New and amended standards and interpretations effective beginning or after 1 January 2024 - continued

c. Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted but will need The amendments do not have a material impact on the Company's financial statements.

2.2 Standards issued but not yet effective

New and amended standards and interpretations that are issued but not yet effective are being assessed by the Company to determine the impact on the consolidated financial statements.

a. Lack of exchangeability – Amendments to IAS 21

In August 2023, the Board issued Lack of Exchangeability-Amendments to IAS 21. The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. The amendments do not have a material impact on the Company's financial statements.

b. Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted. The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The amendments must be applied prospectively. Early application is permitted and must be disclosed.

The amendments are intended to eliminate diversity in practice and give preparers a consistent set of principles to apply for such transactions. However, the application of the definition of a business is judgmental and entities need to consider the definition carefully in such transactions. The amendments are not expected to have a material impact on the Company's financial statements.

c. Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11.

✓ IFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge Accounting by a First-time Adopter

‣ Paragraphs B5 and B6 of IFRS 1 have been amended to include cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of IFRS 9. These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

This improvement does not have any material impact on the Company.

Material Accounting Policies - continued

2 Changes in material accounting policies and new standards - continued

2.2 Standards issued but not yet effective - continued

c. Annual Improvements to IFRS Accounting Standards - continued

✓ IFRS 7 Financial Instruments: Disclosures - Gain or Loss on Derecognition

‣ The amendments update the language on unobservable inputs in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.
‣ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

This improvement does not have any material impact on the Company.

✓ Guidance on implementing IFRS 7 Financial Instruments: Disclosures - Disclosure of Deferred Difference between Fair Value and

Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

This improvement does not have any material impact on the Company.

✓ Guidance on implementing IFRS 7 Financial Instruments: Disclosures - Credit Risk Disclosures
Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

This improvement does not have any material impact on the Company.

✓ IFRS 9 Financial Instruments - Lessee Derecognition of Lease Liabilities
► Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9.
► An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

This improvement does not have any material impact on the Company.

✓ IFRS 9 Financial Instruments - Transaction Price
‣ Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term 'transaction price' in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.
‣ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

This improvement does not have any material impact on the Company.

✓ IFRS 10 Consolidated Financial Statements - Determination of a 'De Facto Agent'
Paragraph B74 of IFRS 10 has been amended to clarify that the relationship described in paragraph B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor. The amendments are intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.
‣ An entity applies the amendments for annual reporting periods beginning on or after
1 January 2026. Earlier application is permitted.

This improvement does not have any material impact on the Company.

✓ IAS 7 Statement of Cash Flows - Cost Method
‣ Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.
‣ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

This improvement does not have any material impact on the Company.

Material Accounting Policies - continued

2 Changes in material accounting policies and new standards - continued

2.2 Standards issued but not yet effective - continued

d. Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

► Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.

► Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.

► The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The amendments will not have any material impact on the Company.

e. IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. There are specific presentation requirements and options for entities.

It also requires disclosure of newly defined management-defined performance measures, which are subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

IFRS 18, is effective for reporting period beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed. The Company is still assessing the impact of IFRS 18.

f. Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments clarify the 'own use', but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendment include:

‣ Clarifying the application of the 'own-use' requirements

‣ Permitting hedge accounting if these contracts are used as hedging instruments

‣ Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

This amendment will become effective on or before 1 January 2026, with early adoption permitted. The Company is assessing the impact of the amendment.

g. IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The Company is assessing the impact of the amendment.

Material Accounting Policies - continued

3 Summary of material accounting policies

3.1 Insurance and reinsurance contracts classification

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Company issues non-life insurance to individuals and businesses. Non-life insurance products offered include accident, engineering, marine, motor, fire, oil and gas, aviation, bond, and agriculture. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's accident.

The Company does not issue any contracts with direct participating features.

3.2 Insurance and reinsurance contracts accounting treatment

3.2.1 Separating components from insurance and reinsurance contracts

The Company assesses its non-life insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

3.2.2 Level of aggregation

IFRS 17 requires a company to determine the level of aggregation for applying its requirements. The Company previously applied aggregation levels under GAAP, which were significantly higher than the level of aggregation required by IFRS 17. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Company has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics.

The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Company assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Company assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information
- Results of similar contracts it has recognised
- Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment- continued

3.2.3 Recognition

The Company recognises groups of insurance contracts it issues from the earliest of the following:

· The beginning of the coverage period of the group of contracts
· The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
· For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

The Company recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

· The beginning of the coverage period of the group of reinsurance contracts held. (However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

And

· The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

3.2.4 Contract boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

· The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks

Or

· Both of the following criteria are satisfied:
· The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
· The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment - continued

3.2.5 Measurement -Premium Allocation Approach

	IFRS 17 Options	Adopted approach
Premium Allocation Approach (PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model	All the Company's products with coverage period of one year or less are measured using the PAA. Where a contract has a coverage period of more than a year, the company will perform the PAA eligibility test as required, where the materiality level for difference in the liability for remaining coverage has been set at +/- 5%.
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.	The Company uses a systematic and rational method for allocating insurance acquisition cash flows to groups of contract.
Liability for Remaining Coverage (LFRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LFRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LFRC.	For general business, LFRC would not be discounted except for certain contract (e, g construction contract). Where contracts have a coverage of more than one year, and where the time between the premium due date and start of coverage period exceeds one year, allowance must be made for accretion of interest on the LFRC (i.e., LFRC will be discounted).
Liability for Incurred Claims, (LFIC) adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	Not all claims incurred are settled within a year as such when the claims are settled after a year period, time value of money will be considered. The company has decided not to adjust for time value of money if the cashflow is expected within a year.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present this in OCI.	When insurance finance income or expenses is disaggregated between profit or loss and other comprehensive income, the amount of insurance finance income or expenses included in profit or loss is determined using the discount rate at the date of the incurred claim.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment - continued

3.2.5.1 Insurance contracts – initial measurement

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

· The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary

Or

· For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

· The extent of future cash flows related to any derivatives embedded in the contracts

· The length of the coverage period of the group of contracts

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

· The premiums, if any, received at initial recognition

· Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed,

· Plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and

· Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

For contracts beyond one year, the liability for remaining coverage is discounted to reflect the time value of money and the effect of financial risk. For all other contracts, there is no allowance for time value of money as the premiums are received within one year of the coverage period.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cashflows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

3.2.5.2 Reinsurance contracts held – initial measurement.

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss- recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company holds the following reinsurance contracts:

· Treaty Reinsurance Outward is usually between the Company and Reinsurers.

· Facultative Reinsurance Outward is usually between the Company and other insurance companies or between the Company and

· Facultative reinsurance inwards are usually between the Company and other insurance Companies or between the Company and Reinsurers.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment - continued

3.2.5.2 Reinsurance contracts held – initial measurement -continued

Premiums due to the reinsurers are paid and all claims and recoveries due from reinsurers are received. Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets.

The benefits to which the Company is entitled under its reinsurance contracts held are recognized as reinsurance assets. These assets consist of short-term balances due from reinsurers, as well as long term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amount associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognized as an expense when due.

The Company's Insurance liabilities or balances arising from insurance contracts primarily include those insurance contract liabilities that were valued by the Actuary. These include unearned premiums reserve and outstanding claim reserve.

3.2.5.3 Insurance contracts – subsequent measurement

The Company measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus, premiums received in the period
- Minus insurance acquisition cash flows
- Plus, any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group
- Plus any adjustment to the financing component, where applicable
- Minus the amount recognised as insurance revenue for the services provided in the period
- Minus any investment component paid or transferred to the liability for incurred claims

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company and include an explicit adjustment for non-financial risk (the risk adjustment). The Company does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such.

3.2.5.4 Reinsurance contracts held – subsequent measurement.

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held.
Where the Company has established a loss-recovery component, the Company subsequently reduces the loss- recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment - continued

3.2.5.5 Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

The Company uses a systematic and rational method to allocate:

(a) Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
(i) to that group; and
(ii) to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group

(b) Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group. The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Company revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used. After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Company applies:

· An impairment test at the level of an existing or future group of insurance contracts; and
· An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.
The Company recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have.

3.2.5.6 Insurance contracts – modification and derecognition

The Company derecognises insurance contracts when:

· The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)

Or

· The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

3.2.6 Presentation

The Company has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities. Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Company disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non- financial portion and includes the entire change as part of the insurance service result. The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment - continued

3.2.6.1 Insurance revenue

The insurance revenue for the year is the amount of expected premium receipts allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

3.2.6.2 Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

3.2.6.3 Loss-recovery components

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

3.2.6.4 Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

The Company presents insurance finance income or expenses on insurance contracts issued and reinsurance contracts held in the statement of profit or loss.

3.2.6.5 Net income or expense from reinsurance contracts held

The Company presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

3.3 Financial Instruments

a) Recognition and initial measurement

- Initial recognition

All financial assets and liabilities are initially recognized on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The Company uses trade date accounting for regular way contracts when recording financial assets transactions.

A financial asset or financial liability is measured initially at fair value plus or minus, for an item not at fair value through profit or loss, direct and incremental transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets and liabilities carried at fair value through profit or loss are expensed in profit or loss at initial recognition.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.3 Financial Instruments -continued

- Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred. The deferred amounts are recognised in profit or loss when there is a change in a factor (including time) that market participants would take into account when pricing the asset or liability. On this basis, the Company has assessed that amortising the deferred amount on a straight-line basis is appropriate. Any outstanding amount is immediately recognised in profit or loss when the instrument is derecognised or when the input(s) becomes observable.

b) Amortised cost and gross carrying amount.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

c) Effective interest method

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e., its amortised cost before any impairment allowance) or to the amortised cost of a financial liability.

The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When calculating the effective interest rate for financial instruments other than purchase or originated credit- impaired assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For purchase or originated credit-impaired financial assets, a credit- adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised (excluding modifications) for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in profit or loss.

d) Classification of financial instruments

The Company classifies its financial assets under IFRS 9, into the following measurement categories:

- those to be measured at fair value through other comprehensive income (FVOCI) without recycling (equity instrument),
- those to be measured at fair value through other comprehensive income (FVOCI) with recycling (debt instrument),
- those to be measured at fair value through profit or loss (FVTPL) (equity instrument); and
- those to be measured at amortised cost (debt instrument).

The classification depends on the Company's business model (i.e., business model test) for managing financial assets and the contractual terms of the financial assets cash flows (i.e. solely payments of principal and interest – SPPI test). The Company also classifies its financial liabilities at amortized cost. Management determines the classification of the financial instruments at initial recognition.

Material Accounting Policies - continued

3 Summary of material accounting policies-continued

3.3 Financial Instruments -continued

e) Subsequent measurements

(i) Financial assets

The subsequent measurement of financial assets depends on its initial classification:

✓ **Debt instruments**

Financial assets at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

· The asset is held within a business model whose objective is to hold assets to collect contractual cash flows;

and

· The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Interest income'. The amortised cost of a financial instrument is defined as the amount at which it was measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the 'effective interest method' of any difference between that initial amount and the maturity amount, and minus any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial instrument (or group of instrument) and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter period, to the instrument's gross carrying amount.

✓ Equity instruments

The Company subsequently measures all equity investments at fair value. The Company has designated its unquoted equity instruments to be measured at fair value through other comprehensive income (FVOCI) since the investments are not held for trading. For these instruments, the Company present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis at the initial recognition of the instrument. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as dividend income (under Investment income) when the Company's right to receive payments is established unless the dividend clearly represents a recovery of part of the cost of the investment.

Business Model assessment

The Company assess the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

· the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets.

· how the performance of the portfolio is evaluated and reported to the Insurer's management.

· the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

· how managers of the business are compensated - e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected.

· the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Insurer's stated objective for managing financial assets is achieved and how cash flows are realized.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Material Accounting Policies - continued

3.3 Financial Instruments

e) Subsequent measurements - continued

Solely payments of principal and interest (SPPI) assessment

If a financial asset is held in either a Hold to Collect or Hold to Collect and Sell model, then an assessment is determined whether contractual cash flows are solely payments of principal and interest on principal amount outstanding at initial recognition is required to determine the classification. Contractual cash flows that are SPPI on the principal amount outstanding are considered as basic lending arrangement with interest as consideration for the time value of money and the credit risk associated with the principal amount outstanding during the tenor of the agreed arrangement. Other basic lending risks like Liquidity risk and cost of administration associated with holding the financial asset for the specified tenor and the profit margin that is consistent with a basic lending arrangement.

(ii) Financial liabilities

A financial liability is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. Directly attributable transaction costs on these instruments are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

f) Reclassifications

The Company reclassifies financial assets when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and must be significant to the Company's operations.

When reclassification occurs, the Company reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. Gains, losses or interest previously recognised are not restated when reclassification occurs.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets that are debt instruments. A change in the objective of the Company's business occurs only when the Company either begins or ceases to perform an activity that is significant to its operations (e.g., via acquisition or disposal of a business line).

The following are not considered to be changes in the business model:

- A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
- A temporary disappearance of a particular market for financial assets

Financial liabilities are not reclassified after initial classification.

g) Modifications of financial assets and financial liabilities

(i) Financial Assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value. Any difference between the amortized cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded as a separate line item in profit or loss statement. If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The amount arising from adjusting the gross carrying amount is recognised as a modification gain or loss in profit or loss as part of impairment loss on financial assets for the year.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

(ii) Financial Liabilities

The Company derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability .

are substantially different. This occurs when the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment.

If the exchange or modification is not accounted for as an extinguishment (i.e. the modified liability is not substantially different), any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

h) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For debt instruments at amortised cost, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the credit rating of the debt instrument by international credit rating agencies like S&P, Moody's and Fitch as well as local ratings by Agusto and Co. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. Where the credit risk of any bond deteriorates, the Company will sell the bond and purchase bonds meeting the required investment grade.

The Company's debt instruments at amortised cost comprise quoted sovereign bonds, corporate bonds, and others that are graded in the top investment category. The Company's fixed income investment portfolio consists of Investment grade and low speculative bonds and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the International Credit Rating Agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the following.

- Disclosures for significant estimates Judgements and assumptions - Note 3.21
- Financial risk disclosures - Notes 6b in the financial statements.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

i) Write-off

After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure is recommended for write-off (either partially or in full):

- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- amount obtained from realization of credit collateral security leaves a balance of the debt; or
- it is reasonably determined that no further recovery on the facility is possible.

All credit facility write-offs require endorsement by the Board Credit and Risk Committee, as defined by the Company. Credit write-off approval is documented in writing and properly initialed by the Board Credit and Risk Committee. The gross carrying amount of an asset is written off (either fully or partially) to the extent that there is no realistic prospect of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cashflows to repay the amount subject to write off. However, the financial assets that are subjected to write off could still be subject to enforcement activities in other to comply with the Company's procedures for recovery of amount due.

j) Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs, such as:

- Prime lending rate
- Crude oil price

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

			Prime Lending Rate			Crude Oil Price		
Date	Year	ECL Scenario	Base Case	Upturn	Downturn	Base Case	Upturn	Downturn
Mar-25		Upturn	18%	16%	22%	91.41	118.89	46.89
Jun-25			18%	16%	22%	92.77	121.09	43.03
Sep-25			18%	16%	22%	94.14	123.29	39.62
Dec-25	2025	36%	18%	16%	22%	95.53	125.50	36.55
Mar-26		Base case	18%	16%	22%	96.90	127.68	33.82
Jun-26			18%	16%	23%	98.25	129.81	31.36
Sep-26			18%	15%	23%	99.62	131.96	29.08
Dec-26	2026	20%	18%	15%	23%	101.01	134.11	26.94
Mar-27		Downside	18%	15%	23%	102.38	136.23	24.98
Jun-27			18%	15%	23%	103.73	138.32	23.17
Sep-27			17%	15%	23%	105.10	140.42	21.46
Dec-27	2027	43%	17%	15%	23%	106.49	142.53	19.83

Prime lending rate	10%	52,102
	-10%	51,962
Crude Oil	10%	51,834
	-10%	52,229

k) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such derecognised asset financial asset that is created or retained by the Company is recognised as a separate asset or liability. Impaired debts are derecognised when they are assessed as uncollectible.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

i) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when its contractual obligations are discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

m) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.4 Foreign currency translation

I. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Nigerian Naira which is the Company's functional and presentation currency.

II. Transactions and balances

Foreign currency transactions are transactions denominated, or that require settlement, in a foreign currency and these are translated into the functional currency at the spot rate prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange prevailing at the reporting date. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in profit or loss.

3.5 Cash and cash equivalents

For the purposes of the statement of cash flows, cash comprises cash balances and deposits with banks. Cash equivalents comprise highly liquid investments (including money market funds) that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value with original maturities of three

months or less being used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

3.6 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

3.7 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

✓ **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

3.7 Leases - continued

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option if reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the interest rate implicit in the lease if that rate can be determined. if that rate cannot be determined, the Company shall use its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ii. Company as a lessor

Finance leases are recognised when the Company transfers substantially all the risks and rewards of ownership of the leased assets to the lease. Investment in finance lease at commencement is initially recorded as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments (discounted at the interest rate implicit in the lease, if practicable, or else at the entity's incremental borrowing rate. The finance lease is recorded as a receivable, at an amount equal to the net investment in the lease.

Interest income on investment in finance lease is recognised in the profit or loss as investment income in the period the interest is receivable. An investment in finance lease is impaired using IFRS 9 expected credit loss model .

3.8 Investment Property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the cost of the day-to-day servicing of an investment property.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are de-recognized either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the profit or loss in the year of retirement or disposal.

Transfers are made to or from investment properties only when there is a change in use evidenced by the end of owner-occupation, commencement of an operating lease to another party or completion of construction or development. When the use of property changes from owner-occupied to investment property, the property is re- measured to fair value and reclassified accordingly. Any gain arising from this re-measurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognized in OCI and presented in the revaluation reserve. Any loss is recognized in profit or loss statement.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

3.9 Intangible Assets

The intangible assets include computer software acquired for use in the Company's operation.

Software acquired by the Company is stated at cost less accumulated amortization and accumulated impairment losses (where this exists). Acquired intangible assets are recognized at cost on acquisition date. Subsequent to initial recognition, these assets are carried at cost less accumulated amortization and impairment losses in value, where appropriate.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.
Amortization is recognized in the profit or loss and other comprehensive income on a straight-line basis over the estimated useful life of the software from the date that it is available for use since this most closely reflects the expected pattern of consumption of the economic benefits embodied in the asset. The assets are usually amortized over their useful life most which do not exceed 4 years. Amortization methods are reviewed at each financial year and adjusted if appropriate.

Intangible assets are derecognized at disposal date or at the date when it is permanently withdrawn from use without the ability to be disposed of. The differences between the carrying amounts at the date of derecognition and any disposal proceeds as applicable, is recognized in profit or loss.
There was no internally developed software at the date of reporting.

3.10. Property and equipment

i Recognition and measurement

All categories of property and equipment are initially recorded at cost. Items of property and equipment except land and buildings are subsequently measured at historical costs less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bring the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of equipment.

Land are stated at revalued amount while buildings are subsequently stated at revalued amount less depreciation and impairment losses. All other property and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Land and buildings are revalued every three (3) years. Increase in the carrying amount of land and buildings arising from revaluation are credited to revaluation reserve in other comprehensive income.
Decreases that offset previous increases in land and buildings arising from revaluation are charged against the revaluation reserve while other decreases, if any, are charged to profit or loss.

ii. Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be reliably measured. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

3.10. Property and equipment

iii. Depreciation

Depreciation is provided on a straight line basis so as to allocate the cost/re-valued amounts less their residual values over the estimated useful lives of the classes of assets. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The estimated useful lives of the property and equipment for the current and comparative periods are as follows:

Land	Nil
Buildings	50 years
Capital work in progress	Nil
Office machinery and equipment	4 years
Furniture and fittings	4 years
Motor vehicles	4 years

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of the reporting period.
Land and capital work in progress are not depreciated.

iv. Derecognition

An item of property and equipment is derecognized when no future economic benefits are expected from its use or on disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss and other comprehensive income of the year the asset is derecognized.

3.11 Statutory deposit

The Company maintains a statutory deposit with the Central Bank of Nigeria (CBN) which represents 10% of the minimum paid-up capital in compliance with the Insurance Act. This balance is not available for the day-to-day operations of the Company and is measured at cost.

3.12 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

3.13 Employee benefits

(i) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for the amount expected to be paid under short-term cash, bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post- employment benefits

Defined contribution plans

The Company operates a defined contribution plan in accordance with the provisions of the Pension Reform Act 2014. The contribution of the employee and employer is 8% and 10% of the qualifying monthly emoluments (i.e. basic, housing and transport) of employees respectively. The Company's obligations for contributions to the plan are recognized as an expense in profit or loss when they are due. Prepaid contributions are recognized as asset to the extent that a cash refund or reduction in future payments is available.

Defined benefit plan

The Company commenced the operation of a staff sinking fund scheme upon obtaining Board of directors' approval in May 2014. This Sinking Fund is non-contributory defined employee exit benefit plan under which the Company alone makes fixed contributions into a separate entity and the fund can only be accessed by staff members at the point they are exiting the Company for reasons other than dismissal.

The amount payable to exiting staff is dependent on years of service and compensation as at date of exit. This value of this benefit is actuarially determined at each reporting date by an independent actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of the economic benefits available in the form of any future refund from the plan or reductions in the future contributions to the plan. To calculate the present value of the economic benefits, consideration is given to any applicable minimum funding requirements. Remeasurements of the net defined benefits liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognized in OCI.

The Company determines the net interest expense (income) on the defined benefits liability (asset) for the period by applying a discount rate used to measure the defined benefits liability (asset) taking into account any changes in the defined benefit liability (asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plan are recognized in the profit or loss.

(iii) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed.

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for a restructuring. If benefits are not expected to be settled within 12 months of the reporting date then they are discounted.

3.14 Taxation

Company income tax

Income tax expense comprises current tax (company income tax, tertiary education tax, National Information Technology Development Agency levy and Nigeria Police Trust Fund levy) and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

3.14 Taxation - continued

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits
- Tertiary education tax is computed on assessable profits
- National Information Technology Development Agency levy is computed on profit before tax
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year)

Total amount of tax payable under CITA is determined based on the higher of two components namely company income tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

Minimum tax

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. The Company is subject to the Finance Act (amendments made to Companies Income Tax Act (CITA)). Total amount of tax payable under the new Finance Act shall not be less than 0.5% of the Company's gross premium.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognized in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as Minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realized.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting not taxable profit or loss;
- taxable temporary differences arising on the initial recognition of goodwill; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future tax profits will be available against which they can be used. Future taxable profit are determined based on the reversal of relevant taxable temporary differences. If the amount of the taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the profitability of the future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Material Accounting Policies - continued

3 Summary of material accounting policies - continued

3.15 Other receivables and prepayment

Other receivables include cash advance, sundry receivables, withholding tax recoverable, etc. Other receivables are carried at amortized cost using the effective interest rate less accumulated impairment losses.

Prepayments include amounts paid in advance by the Company on rent, staff benefits, vehicle repairs etc. Expenses paid in advance are amortized on a straight line basis to the profit and loss account.

3.16 Share capital and reserves

a. Share capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

b. Share premium

The Company classifies share premium as equity when there is no obligation to transfer cash or other assets.

c. Dividend

Dividend on ordinary shares are recognized and deducted from equity when they are approved by the Company's shareholders, while interim dividends are deducted from equity when they are paid. Dividends for the year/period that are approved after the reporting date are disclosed as an event after reporting date and as note within the financial statements.

d. Contingency reserve

is calculated at the higher of 3% of gross premium and 20% of net profits. This amount is expected to be accumulated until it amounts to the higher of minimum paid-up capital for a non-life (general) insurance company or 50% of gross premium in accordance with section 21(2) of the Insurance Act of Nigeria and relevant National Insurance Commission (NAICOM) guidelines and circulars.

e. Asset revaluation reserve

Subsequent to initial recognition, an item of property, plant and equipment and intangible asset carried using cost model, may be revalued to fair value. However, if such an item is revalued, the whole class of asset to which that asset belongs has to be revalued. The revaluation surplus is recognized in equity, unless it reverses a decrease in the fair value of the same asset which was previously recognized as an expense, in which case it is recognized in profit or loss. A subsequent decrease in the fair value is charged against this reserve to the extent that there is a credit balance relating to the same asset, with the balance being recognized in profit or loss.

f. Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of the Company's fair value through other comprehensive income investments. Net fair value movements are recycled to profit or loss if an underlying fair value through other comprehensive income investment is either derecognized or impaired.

g. Re-measurement reserve

The re-measurement reserve comprises the actuarial gains and losses on defined benefits post-employment plan.

3.17 Contingents assets and liabilities

Possible obligations of the Company, the existence of which will only be confirmed by the occurrence or non- occurrence of uncertain future events not wholly within the control of the Company and present obligations of the Company where it is not probable that an outflow of economic benefits will be required to settle the obligation or where the amount of the obligation cannot be measured reliably, are not recognized in the Company statement of financial position but are disclosed in the notes to the financial statements.

Possible assets of the Company, the existence of which will only be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company, are not recognized in the Company's statement of financial position but are disclosed in the notes to the financial statement where an inflow of economic benefits is probable.

Material Accounting Policies - continued

3.18 Earnings per share

The Company presents earnings per share for its ordinary shares. The basic earnings per share (EPS) are calculated by dividing the net profit attributable to shareholders' by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

3.19 Statement of Cash Flows

The Company has adopted the direct method in reporting cash flows from operating activities because it provides more details about operating cashflows which may be useful in estimating future cash flows.

3.20. Operating Segments

IFRS 8 Operating segments requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker (in the case of the Company, the Chief Executive) to allocate resources to the segments and to assess their performance.

The Company's reportable segments under IFRS 8 are therefore identified as follows: fire, accident, motor vehicle, engineering, aviation, marine, oil and gas, bond and agriculture. (Refer to note 5).

The accounting policies of the reportable segments are the same as the Company's accounting policies. Segment result represents the result of each segment without allocation of certain expenses, finance costs and income tax. This is the measure reported to the Company's Chief Executive for the purpose of resource allocation and assessment of segment performance.

3.21 Significant accounting judgements estimates and assumptions

In the application of the Company's accounting policies, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Material Accounting Policies - continued

3.21.1 Critical judgments in applying the Company's accounting policies.

The following are the critical judgments, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

a) Insurance product classification and contract liabilities

The Company's non-life insurance contracts are classified as insurance contracts. As permitted by IFRS 17, Insurance contracts are those contracts where the Company (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire.

b) Liability for remaining coverage

The company uses the following key assumption for its liability for remaining coverage. Earnings pattern for LRC (Liability for Remaining coverage) includes two (2) options under the PAA, they are:

- Pro-rata temporis (passage of time)
- Risk based curve

For insurance contracts which automatically qualify for PAA (i.e., with coverage period not exceeding 1 year), the passage of time or pro-rata temporis pattern will be used. This approach is almost identical to the 365th method that is currently used for determining IFRS 4 unearned premium reserves (UPR). However, contracts which automatically qualify for PAA does not necessarily imply that the uniform earnings curve will be appropriate. For example, seasonality of claim incidence under certain class of policy would normally require calibration of the earnings curve. But the default curve will be uniform unless facts and circumstances indicate otherwise, i.e., there is sufficient credible data and grounds that the incidence of risk may not be linear.

For contracts with coverage period exceeding 1-year, actuarial investigations will be conducted by deriving the claims incidence pattern using historical claims data. Actual observed claims incidence curve is tested for goodness of fit by applying standard statistical techniques. In the absence of credible claims data, an equivalent risk incidence curve will be sourced from our international reinsurers. If external risk curve is not available, then by default a uniform earnings curve will apply.

The selected earnings curve will be applied to both insurance and reinsurance contract.

c) Claims payment pattern for liability for incurred claims.

In estimating the claims payment pattern for liability for incurred claims, the company sets:

i) An assumption regarding the future timing of claim settlement is required as the IFRS 17 requires the determination of probability weighted future cash flows. Weighted future cash flows will include expected claim payment, expected cost of settling the claims, unallocated claim expenses that are integral to the claim cost but due to system limitations they cannot be allocated to individual claims (e.g. cost of pool of contract cars), legal costs incurred or expected to be incurred for litigated claims, motor recoveries from third party insurers, salvage and subrogation and directly attributable maintenance expenses. For reinsurers' LIC, same cashflows shall apply as described above but the cashflows are apportioned according to reinsurance arrangement.

Run off triangles are used to project future claims payment generated by direct insurance contracts and claim recovered from reinsurance contracts. Actual claims paid and outstanding claim reserves are grouped by accident year cohorts.

Material Accounting Policies - continued

3.21.1 Critical judgments in applying the Company's accounting policies - continued

c) Claims payment pattern for liability for incurred claims - continued

Methodology used for claims reserving is defined by the Company's Reserving Policy and Reserving Guidance, and it relies on the Basic Chain Ladder as well as the Bornhuetter-Ferguson method. Same methodology is applied to claims generated by direct contracts and claim recovered from reinsurance contracts.

The best estimate for claims development or payment to ultimate is determined by the link ratio estimator for each period of development. This is achieved by selecting the weighted averages or simple averages of link ratios for each period of claims development until the ultimate period when the claims development is deemed to be fully run off. For each reserving class that best estimate claim payment pattern is derived separately on a gross basis Insurance contracts and reinsurers' share (claim recovered from reinsurance contracts). The process of selecting link ratios often involves identifying outliers and excluding them.

Analysis of Actual versus Expected claim reserves is carried out to assess adequacy of best estimate payment pattern estimated in prior year/period. Where significant deviations are noted, further investigations are carried out to ascertain whether this is indicative of a new trend in the underlying claim development process or whether this is caused by the occurrence of abnormally large claims that tend to distort the latest link ratios or whether it was caused by certain specific events impacting the claims process that are not expected to recur in the future (e.g. restructuring of claims department, or installing a new admin system or claim backlog). If the cause of the deviation is driven by changes in the claims development process which is expected to be recurring or be permanent in the future (e.g., application of new case reserving practice), then judgement is applied in choosing the link ratio for the most recent accident year cohort.

Consideration is also given on the need to allow for a tail factor for projecting claims payment beyond the available data horizon.

ii) Claim payment pattern will be derived for each reserving class or portfolio (portfolio if there is only one reserving class).

iii) Basically, the payment pattern provides probabilities to project the settlement of claims in future time periods.

iv) For a given portfolio or reserving class, same payment pattern will be applied to project the payment of OCR (outstanding claim reserve), IBNR reserve and Risk Adjustment estimates over future time periods.

v) Existing reserving models (primarily the Basic Chain Ladder) will be used to derive the payment probabilities from the link ratios obtained from paid triangles.

vi) Pattern will be derived once a year, that is, at the year-end valuation. It is expected that same payment pattern will be used in the LIC cashflow modelling for interim valuation periods and roll forward.

vii) However, for reserving class or portfolios which exhibit significant volatility, payment pattern might be reviewed and revised more frequently and also pattern used in LIC model will need to be updated. A change in payment pattern will lead to a change in fulfilment cashflows arising from non-financial assumption change. This change or delta in fulfilment cashflow will be accounted for as an insurance service expense.

viii) Changes of payment pattern during a financial year will only be considered if justified by facts and circumstances. Examples of facts and circumstances could be as follows: major changes in claim reporting and settlement processes that would invalidate existing payment pattern (e.g. non-life claims backlog can be quite common arising from dispute in settlement amount or change in policy administration system. occurrence of major external systemic events such as a pandemic related lockdown will impact the development factors- hence invalidate existing payment pattern.

ix) It is to be noted that, for consistency, the same payment pattern as used for claim projection will be applied in the projection of Risk Adjustment estimates. The same approach would be used to derive the payment pattern for modelling the LIC cashflows for a portfolio of reinsurance contracts.

x) Moreover, it is required to allocate the projected OCR, IBNR and RA to issue year cohorts /underwriting year cohorts. This will necessitate the application of an allocation driver. Projected IBNR, OCR and RA cashflows will be allocated to underwriting year by making use of weights. Weights, as a proxy for coverage, for each underwriting year will be derived from earned premium /revenue (as computed for the LRC). For internal reporting needs, further allocation of IBNR, OCR and RA (risk adjustment) down to more granular levels (issue year cohorts/distribution channels/ cover-section/ client types) will be required. Earned premium weights, as described above, will also be used for a more granular allocation of projected OCR, IBNR and RA.

Material Accounting Policies - continued

3.21.1 Critical judgments in applying the Company's accounting policies - continued

Insurance acquisition cash flows

The company recognizes asset for insurance acquisition cash flows paid, or incurred, before the related group of insurance contracts are recognised. Such an asset is derecognised when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts. The Company recognises such an asset for each related group of insurance contracts. The company allocates insurance acquisition cash flows to the existing or future group of insurance contracts using a systematic and rational method.

Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognised on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

Time value of money on liability for remaining coverage

For Engineering contracts and Marine cargo contracts, the Company adjusts the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. While for other business lines, the company has elected not to discount the liability for remaining coverage.

Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid high grade rated sovereign securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates. A Bottom-up approach was adopted in setting the average discount rate for the valuation, having regard to the published yield curve by the Nigeria Actuarial Society (NAS). An average spot/zero curve locked in rate of 28.2% per year was adopted to estimate the value of the future expected cashflows from the liability for incurred claims (LIC) obligations as at the valuation date.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount. A boot strap (Mack) stochastic reserving approach was used to derive the risk margin or risk adjustment. The Confidence level used in our calculation was set at 75th percentile yielding 8.2% of the Discounted best estimate liability for incurred claims. This also applies to the reinsurance held. Further calculations were carried out on 99.5th percentile which showed a risk adjustment of 169% of the discounted best estimate liability.

The Company has estimated the risk adjustment using a confidence level (value at risk) approach in which a full IFRS 17 liability distribution is generated across all non-financial risks and risk adjustment is calculated as the difference between the best estimate liability and the liability value at the chosen confidence level.

4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Going Concern

The financial statements have been prepared on the going concern basis and there is no intention to curtail business operations. Capital adequacy, profitability and liquidity ratios are continuously reviewed, and appropriate action taken to ensure that there are no going concern threats to the operation of the Company. The Directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern in the next 12 months ahead.

b) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Company estimates the IBR using observable inputs (such as FGN Bond interest rates) and is required to make certain entity-specific adjustments (such as the Company's stand-alone credit rating, or to reflect the terms and conditions of the lease) and assets specific adjustment (such as property yield).

Material Accounting Policies - continued

4 Estimates and assumptions - continued

c) Fair value of financial instruments using valuation techniques

The Directors use their judgment in selecting an appropriate valuation technique. Where possible, financial instruments are marked at prices quoted in active markets. In the current market environment, such price information is typically not available for all instruments and the Company uses valuation techniques to measure such instruments. These techniques use "market observable inputs" where available, derived from similar assets in similar and active markets, from recent transaction prices for comparable items or from other observable market data. For positions where observable reference data are not available for some or all parameters the Company estimates the non-market observable inputs used in its valuation models.

Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates although some assumptions are not supported by observable market prices or rates.

d) Valuation of Non-life insurance contract liabilities

For non-life insurance contract, estimates have to be made for the expected ultimate cost of all future payments attaching to incurred claims at the reporting date. These include incurred but not reported ("IBNR") claims. Due to the nature of insurance business, ultimate cost of claims is often not established with certainty until after the reporting date and therefore considerable judgement, experience and knowledge of the business is required by
management in the estimation of amounts due to contract holders. Actual results may differ resulting in positive or negative change in estimated liabilities.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Loss ratio method and BCL methods. The BCL method assumes that past experience is indicative of future experience i.e., claims recorded to date will continue to develop in a similar manner in the future while Loss ratio method is used for classes with limited claims payments or history and therefore a BCL method would be inappropriate. The loss ratio method allows for an estimate of the average ultimate loss ratio.

e) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

f) Valuation of pension benefit obligation

The cost of defined benefit pension plans, and other post-employments benefits, and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Details of the key assumptions used in the estimates are contained in Note 20 to the financial statements.

g) Valuation of investment properties

The Company carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Company engaged an independent valuation specialist to assess fair value as at 31 December 2024. A valuation methodology based on discounted cash flow model was used as there is a lack of comparable market data because of the nature of the properties.
The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long- term vacancy rate. The key assumptions used to determine the fair value of the investment properties are further explained in Note 13 to the financial statements.

Material Accounting Policies - continued

4 Estimates and assumptions - continued

h) Impairment losses on financial assets

The measurement of impairment losses both under IFRS 9 across all categories of financial assets in scope requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances.
The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

i. S&P credit grading model of obligors which assigns PDs to the individual grades
ii. The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
iii. Development of ECL models, including the various formulas and the choice of inputs
iv. Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment rates, inflation rate, GDP growth rate and crude oil price, and the effect on PDs, EADs and LGDs

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The determination of whether a financial asset is credit impaired focuses exclusively on default risk, without taking into consideration the effect of credit risk mitigants such as collateral or guarantees. Specifically, the financial asset is credit impaired and in stage 3 when: The Company considers the obligor is unlikely to pay its credit obligations to the Company. The termination may include forbearance actions, where a concession has been granted to the borrower or economic or legal reasons that a qualitative indicators of credit impairment; or contractual payments of either principal or interest by the obligor are pass due by more than 90 days.

For financial assets considered to be credit impaired, the ECL allowance covers the amount of loss the Company is expected to suffer. The estimation of ECLs is done on a case-by-case basis for non-homogenous portfolios, or by applying portfolio-based parameters to individual financial assets in this portfolio by the Company's ECL model for homogenous portfolios.

Forecast of future economic conditions when calculating ECLs are considered. The lifetime expected losses are estimated based on the probability – weighted present value of the difference between:
1) The contractual cash flows that are due to the Company under the contract; and
2) The cash flows that the Company expects to receive.

Elements of ECL models that are considered accounting judgements and estimates include:

▪ The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.

▪ The development of ECL models, including the various formulas and the choice of inputs Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs

▪ Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

Statement of Financial Position

As at 31 December 2024

Assets	Note	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Cash and cash equivalents	7	5,416,681	5,507,393
Investment securities	8	47,632,402	35,825,193
Loan and receivables	9	337,144	382,113
Reinsurance contract assets	10.1	5,571,208	4,024,644
Premium receivables	12	948,117	278,764
Other receivables and prepayments	13	1,263,759	890,333
Investment property	14	340,000	220,000
Intangible assets	15	33,908	33,101
Property and equipment	16	3,426,201	3,452,249
Right-of-use assets	17	7,880	13,509
Statutory deposit	18	700,000	700,000
Total assets		**65,677,300**	**51,327,300**
Liabilities			
Insurance contract liabilities	10.2	17,386,988	15,340,788
Other technical liabilities	19	1,218,863	1,270,491
Other payables	20	1,507,248	997,819
Provisions	20	343,000	343,000
Defined benefit obligations	21	93,950	168,130
Income tax liabilities	22	245,563	174,585
Deferred tax liabilities	22.3	2,036,859	-
Total liabilities		**22,832,471**	**18,294,813**
Equity			
Share capital	23	7,700,000	7,000,000
Share premium	24	547,433	560,294
Contingency reserve	25	5,562,642	4,452,316
Retained earnings	26	4,558,293	1,516,989
Fair value reserve	27.1	22,695,399	17,777,487
Re-measurement reserve	27.2	59,771	4,111
Assets revaluation reserve	27.3	1,721,291	1,721,291
Total equity		**42,844,829**	**33,032,487**
Total liabilities and equity		**65,677,300**	**51,327,300**

The financial statements were approved on 26 March 2025 and signed on behalf of the Board of Directors by:

Chief Joshua B. Fumudoh	**Mr. Daniel Braie**	**Dr. Emmanuel Otitolaiye**
Chairman	**Managing Director**	**Chief Financial Officer**
FRC/2018/IODN/00000017911	**FRC/2018/CIIN/00000018082**	**FRC/2014/ICAN/00000008524**

The material accounting policies and accompanying notes to the financial statements form an integral part of the financial statements.

Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2024

	Note	31 December 2024 ₦'000	31 December 2023 ₦'000
Insurance revenue	28	22,229,099	14,835,202
Insurance service expenses	29	(14,971,588)	(10,795,403)
Insurance service result before reinsurance contracts held		**7,257,511**	**4,039,799**
Allocation of reinsurance premium	30	(8,613,401)	(6,466,167)
Amounts recoverable from reinsurers for incurred claims	31	2,122,857	2,687,964
Net expense from reinsurance contracts held		**(6,490,544)**	**(3,778,203)**
Insurance service result		**766,967**	**261,595**
Interest income calculated using the effective interest method	32	3,567,427	2,292,891
Net trading income	33	2,989,028	4,231,179
Credit loss write back / (expense)	38	131,566	(100,669)
Fair value loss on financial assets measured at FVTPL	35	(56,687)	(29,880)
Other income	34	2,847,692	2,673,629
Total investment income		**9,479,026**	**9,067,151**
Insurance finance income/(expense) for the insurance contract held	36	269,094	(543,036)
Insurance finance (expense)/income for the reinsurance contract held	36	(116,578)	195,752
Net insurance finance income/(expenses)		**152,516**	**(347,284)**
Net insurance and investment result		10,398,509	8,981,462
Other expenses	37	(5,116,425)	(3,517,715)
Profit before income tax		**5,282,084**	**5,463,747**
Minimum tax	22.1	(147,994)	(103,911)
Income tax credit/(expense)	22.1	417,541	(78,242)
Profit for the year		**5,551,631**	**5,281,594**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net fair value (loss)/gain on debts instruments measured at fair value through OCI	27.1	(49,723)	75,966
ECL writeback on debt instrument on fair value through OCI	27.1	(4,127)	(24,770)
		(53,850)	51,196
Items that may not be reclassified subsequently to profit or loss			
Net fair value gain on equity instruments measured at fair value through OCI	27.1	4,971,762	3,267,000
Remeasurement of defined benefit obligation	27.2	55,660	(51,528)
Gain on revaluation of property & equipment	27.3	-	892,518
Other comprehensive income for the year. Net of tax		**4,973,572**	**4,159,186**
Total comprehensive income for the year		**10,525,203**	**9,440,780**
*Basic and diluted earnings per share (kobo)	39	**36.0**	**34.3**

*Earnings per share in 2023 was restated to reflect the impact of the bonus issue (See note 39).

The material accounting policies and accompanying notes to the financial statements form an integral part of the financial statements.

Statement of Changes in Equity

2024		Share capital	Share premium	Contingency Reserve	Asset revaluation reserve	Re-measure ment reserve	Fair value reserve	Retained earnings	Total
In thousands of naira	Notes	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
At 1 January 2024		7,000,000	560,294	4,452,316	1,721,291	4,111	17,777,487	1,516,988	33,032,487
Profit for the year								5,551,631	5,551,631
Other comprehensive income:									
Remeasurement of defined benefit obligation	27.2					55,660			55,660
Net fair value changes on equity instruments at fair value through OCI	27.1						4,971,762		4,971,762
Net fair value changes on debt instrument at fair value through OCI	27.1						(49,723)		(49,723)
ECL writeback on debt instrument on fair value through OCI	27.1						(4,127)		(4,127)
Total comprehensive income		-	-	-	-	55,660	4,917,912	5,551,631	10,525,203
Transfer to contingency reserve	25	-	-	1,110,326	-	-	-	(1,110,326)	-
Cash dividend	26							(700,000)	(700,000)
Bonus share issue from retained earnings	26	700,000.0	-	-	-	-	-	(700,000)	-
Regulatory costs of bonus share issuance	24		(12,861)						(12,861)
At 31 December 2024		7,700,000	547,433	5,562,642	1,721,291	59,771	22,695,399	4,558,293	42,844,829

2023	Note	Share capital	Share premium	Contingency Reserve	Asset revaluation reserve	Re-measure ment reserve	Fair value reserve	Accumulated losses	Total
In thousands of naira		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
At 1 January 2023		7,000,000	560,294	3,395,997	828,773	55,639	14,459,291	(2,708,286)	23,591,708
Profit for the year		-	-	-	-	-	-	5,281,594	5,281,594
Other comprehensive income:									-
Remeasurement of defined benefit obligation	27.2	-	-	-	-	(51,528)	-	-	(51,528)
Net fair value changes on equity instruments at fair value through OCI	27.1	-	-	-	-	-	3,267,000	-	3,267,000
Net fair value changes on debt instrument at fair value through OCI	27.1						75,966		75,966
ECL on debt instrument on fair value through OCI	27.1						(24,770)		(24,770)
Gain on revaluation of property and equipment	27.3				892,518	-	-	-	892,518
Total comprehensive income		-	-	-	892,518	(51,528)	3,318,196	5,281,594	9,440,779
Transfer to contingency reserve	25	-	-	1,056,319	-	-	-	(1,056,319)	-
At 31 December 2023		7,000,000	560,294	4,452,316	1,721,291	4,111	17,777,487	1,516,988	33,032,487

The material accounting policies and accompanying notes to the financial statements form an integral part of the financial statements.

Statement of cash flows
For the year ended 31 December 2024

	Note	31 Dec 2024 ₦'000	31 Dec 2023 ₦'000
Cash flow from operating activities			
Premiums received from policy holders	12	24,044,368	16,218,449
Premiums received in advance	12	22,374	35,531
Deposit without details	20.1	623,081	669,196
Reinsurance premium paid	40.2	(11,502,518)	(6,960,679)
Claims paid	10.2	(4,578,686)	(4,492,147)
Reinsurance claim recoveries	40.1	1,463,862	1,449,082
Salvage recovery	40.1	87,480	81,868
Commission paid	40.3	(8,536,607)	(4,226,319)
Maintenance expenses paid*	10.2	(2,115,580)	(1,795,418)
Commission received	40.4	1,797,492	1,507,200
Cash payment to and on behalf of employees (excluding maintenance expenses)*	40.8	(1,765,707)	(1,329,345)
Other operating receipts/(payments)		(1,058,858)	(229,044)
Corporate tax paid	22	(160,177)	(89,218)
Net cash flows (used in)/ from operating activities		**(1,679,476)**	**839,156**
Cash flow from investing activities			
Purchase of properties and equipment	16	(466,435)	(1,232,374)
Purchase of intangible assets	15	(9,568)	(31,713)
Proceeds from sale of property and equipment	40.7	81,163	26,194
Purchase of investment securities	40.5	(11,520,752)	(7,956,825)
Proceeds from sale of investment securities - FVTPL	8.1	1,071,725	294,514
Proceeds from sale of investment securities - FVOCI	8.2.1	1,014,903	-
Proceeds from sale of debt instrument at amortised cost	8.3	5,380,458	975,700
Loans disbursed	9.1	(127,315)	(446,183)
Proceeds from repayment of loans	9.1	198,888	325,120
Dividend received	33	2,236,441	3,414,223
Rental income received	34	3,500	6,500
Interest received	32	3,567,427	2,872,095
Net cash flows from/(used in) investing activities		**1,430,435**	**(1,752,748)**
Cash flow from financing activities			
Dividend paid	26	(700,000)	-
Regulatory costs of bonus share issuance	24	(12,861)	-
Net cash flows used in financing activities		(712,861)	-
Net decrease in cash and cash equivalents		(961,902)	(913,592)
Cash and cash equivalents at the beginning of the year		5,507,394	4,188,442
Impact of exchange difference on cash held		952,145	2,232,544
Cash and cash equivalents at end of the year		5,497,637	5,507,394

*In 2023, maintenance expense was reclassified from cash payment to and on behalf of employees (See note 40.8).

The material accounting policies and accompanying notes to the financial statements form an integral part of the financial statements.

Notes to the financial statements

5. Operating segments

The business activities of Linkage Assurance Plc are first organized by product and type of service: insurance activities.
Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (or loss) before income taxes, as included in the internal management reports that are reviewed by the Company's CEO.
Information reported to the chief operating decision maker (the CEO) for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Company's reportable segments under IFRS 8 are therefore as follows:
IFRS 8 Segment Reporting requires operating segments to be identified on the basis of internal reports of reportable segments that are regularly reviewed by the chief Executive to allocate resources to the segments and to assess their performance The Company's reportable segments under IFRS 8 are therefore identified as follows:

- Fire
- Accident
- Motor
- Marine
- Aviation
- Bond
- Engineering
- Oil &Gas
- Agric

The following is an analysis of the Company's revenue and result by reportable segment

2024

Income	**Fire**	**Accident**	**Motor**	**Marine**	**Aviation**	**Bond**	**Engineering**	**Oil & Gas**	**Agric**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Insurance revenue	3,727,608	1,898,192	5,073,032	1,609,003	1,064,601	18,538	1,221,800	7,596,986	19,339	22,229,099
Insurance service expense	(1,126,788)	(1,545,204)	(3,070,816)	(1,941,002)	(2,642,340)	(13,538)	(1,574,015)	(3,060,051)	2,165	(14,971,588)
Insurance service result for insurance contract held	**2,600,820**	**352,988**	**2,002,216**	**(331,999)**	**(1,577,739)**	**5,000**	**(352,215)**	**4,536,935**	**21,504**	**7,257,511**
Allocation of reinsurance premium	(1,123,734)	(587,050)	(169,556)	(585,221)	(968,033)	(2,622)	(466,985)	(4,703,684)	(6,517)	(8,613,402)
Amount recoverable from reinsure for incurred claims	(416,978)	453,390	375,876	470,011	897,607	-	377,467	(27,040)	(7,472)	2,122,858
Net income or expenses from reinsurance contract held	(1,540,712)	(133,660)	206,320	(115,210)	(70,426)	(2,622)	(89,518)	(4,730,723)	(13,989)	(6,490,544)
Insurance service result	**1,060,108**	**219,328**	**2,208,536**	**(447,210)**	**(1,648,165)**	**2,378**	**(441,733)**	**(193,788)**	**7,515**	**766,967**

The accounting policies of the reportable segments are the same as the Company's accounting policies.
Segment result represents the result of each segment without allocation of certain expenses and finance costs . This is the measure reported to the Company's Chief Executive for the purpose of resource allocation and assessment of

Investment income represents income earned as placement interest and dividend income on unquoted equity investment. This has been included to ensure that revenue reported in operating segment is at least 75% of total revenue.

5. Segment reporting - continued

Insurance revenue	FIRE	ACCIDENT	MOTOR	MARINE	AVIATION	BOND	ENGINEERING	OIL&GAS	AGRIC	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance revenue	3,727,608	1,898,192	5,073,032	1,609,003	1,064,601	18,538	1,221,800	7,596,986	19,339	22,229,099

	FIRE	ACCIDENT	MOTOR	MARINE	AVIATION	BOND	ENGINEERING	OIL&GAS	AGRIC	Total
Insurance service expense	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening liabilities for incurred claims	3,540,086	2,412,397	1,012,732	1,133,513	342,318	2,734	365,585	2,521,777	13,927	11,345,069
Closing liabilities for incurred claims	2,121,960	2,244,323	835,387	1,667,340	1,988,878	9,303	1,199,699	1,530,556	1,483	11,598,930
Changes in liabilities for incurred claims	1,418,126	168,074	177,345	(533,827)	(1,646,560)	(6,569)	(834,114)	991,221	12,444	(253,861)
Amortisation of insurance acquisition cash flows	(1,253,799)	(757,209)	(1,597,583)	(608,560)	(506,244)	(5,727)	(474,726)	(2,811,253)	(8,360)	(8,023,461)
Claims and other expenses paid	(1,291,117)	(956,069)	(1,650,579)	(798,615)	(489,534)	(1,242)	(265,174)	(1,240,016)	(1,920)	(6,694,266)
Insurance service expense	(1,126,789)	(1,545,204)	(3,070,817)	(1,941,002)	(2,642,339)	(13,538)	(1,574,015)	(3,060,048)	2,163	(14,971,588)
Insurance service result before reinsurance contracts held	2,600,819	352,988	2,002,215	(331,999)	(1,577,738)	5,000	(352,215)	4,536,938	21,502	7,257,511

	FIRE	ACCIDENT	MOTOR	MARINE	AVIATION	BOND	ENGINEERING	OIL&GAS	AGRIC	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets for remaining coverage	469,946	194,244	7,567	162,065	-	1,016	104,804	384,370	135	1,324,147
Closing assets for remaining coverage	409,086	225,631	56,169	273,435	143,186	4,368	163,497	829,315	2,682	2,107,368
Changes in asset for remaining coverage	(60,860)	31,387	48,602	111,370	143,186	3,352	58,693	444,945	2,547	783,222
Changes in fees & commission for remaining coverage	18,570	(13,199)	(17,572)	(35,396)	(5,549)	(901)	(12,126)	8,751	(636)	(58,058)
Reinsurance premiums	(1,081,444)	(605,238)	(200,586)	(661,195)	(1,105,670)	(5,073)	(513,552)	(5,157,380)	(8,427)	(9,338,565)
Allocation of reinsurance premium	(1,123,734)	(587,050)	(169,556)	(585,221)	(968,033)	(2,622)	(466,985)	(4,703,684)	(6,516)	(8,613,401)
Opening assets recoverable on incurred claims	2,058,437	1,237,097	134,563	482,468	56,850	-	186,920	376,947	8,357	4,541,639
Closing assets recoverable for incurred claims	1,173,608	1,252,277	127,125	785,617	923,324	-	516,377	217,291	958	4,996,577
Change in assets for recoverable on incurred claims	(884,829)	15,180	(7,438)	303,149	866,474	-	329,457	(159,656)	(7,399)	454,938
Interest accreted	24,172	15,021	1,573	26,372	31,133	-	12,061	6,322	(77)	116,577
Amounts received	443,679	423,189	381,741	140,490	-	-	35,949	126,294	-	1,551,342
Amounts recoverable from reinsurers	(416,978)	453,390	375,876	470,011	897,607	-	377,467	(27,040)	(7,476)	2,122,857
Net income from reinsurance contracts held	(1,540,712)	(133,660)	206,320	(115,210)	(70,426)	(2,622)	(89,518)	(4,730,723)	(13,991)	(6,490,543)
Insurance service result	1,060,107	219,328	2,208,535	(447,210)	(1,648,164)	2,378	(441,733)	(193,785)	7,510	766,967

5. Segment reporting - continued
2023

Income	**Fire**	**Accident**	**Motor**	**Marine**	**Aviation**	**Bond**	**Engineering**	**Oil & Gas**	**Agric**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Insurance revenue	3,155,573	1,540,840	3,772,284	980,913	552,517	10,342	791,356	3,956,532	74,845	14,835,202
Insurance service expense	(2,050,751)	(2,010,987)	(2,765,213)	(845,297)	(453,233)	(5,388)	(572,111)	(2,065,057)	(27,365)	(10,795,403)
Insurance service result for insurance contract held	**1,104,822**	**(470,147)**	**1,007,071**	**135,616**	**99,284**	**4,954**	**219,245**	**1,891,475**	**47,480**	**4,039,799**
Allocation of reinsurance premium	(1,384,859)	(506,503)	(222,197)	(394,261)	(549,997)	(1,955)	(409,042)	(2,953,055)	(44,298)	(6,466,167)
Amount recoverable from reinsure for incurred claims	765,496	904,675	342,847	541,995	26,783	-	65,164	33,898	7,106	2,687,964
Net income or expenses from reinsurance contract held	(619,363)	398,172	120,650	147,734	(523,214)	(1,955)	(343,878)	(2,919,157)	(37,192)	(3,778,203)
Insurance service result	**485,459**	**(71,975)**	**1,127,721**	**283,350**	**(423,930)**	**2,999**	**(124,633)**	**(1,027,682)**	**10,288**	**261,596**

Insurance revenue	**FIRE**	**ACCIDENT**	**MOTOR**	**MARINE**	**AVIATION**	**BOND**	**ENGINEERING**	**OIL&GAS**	**AGRIC**	**Total**
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance revenue	3,155,572	1,540,840	3,772,284	980,913	552,516	10,342	791,356	3,956,533	74,847	14,835,203
Insurance service expense										
Liabilities for incurred claims	3,499,755	1,868,651	688,663	1,146,627	216,899	2,989	342,940	2,715,795	13,077	10,495,395
Liabilities for incurred claims	3,540,086	2,412,398	1,012,732	1,133,513	342,318	2,734	365,584	2,521,777	13,927	11,345,069
	(40,331)	(543,747)	(324,069)	13,114	(125,419)	255	(22,644)	194,018	(850)	(849,674)
Interest accreted (incl. change of rates) to insurance contracts	153,476	123,668	47,073	51,962	17,875	181	17,288	130,804	708	543,035
Amortisation of insurance acquisition cash flows	(834,390)	(502,105)	(680,284)	(574,991)	(158,961)	(3,728)	(223,777)	(1,194,455)	(16,033)	(4,188,723)
Claims and other expenses paid	(1,329,507)	(1,088,892)	(1,512,176)	(631,138)	(186,727)	(2,096)	(342,890)	(1,195,425)	(11,190)	(6,300,041)
Insurance service expense	**2,050,751**	**2,010,987**	**2,765,213**	**845,297**	**453,233**	**5,388**	**572,111**	**2,065,057**	**27,365**	**(10,795,403)**
Assets for remaining coverage	519,436	139,852	59,649	121,353	31,197	1,264	160,295	262,858	51,266	1,347,170
Assets for remaining coverage	469,947	194,244	7,567	162,065	-	1,016	104,805	384,370	134	1,324,148
Change in assets for recoverable on incurred claims	(49,489)	54,392	(52,082)	40,712	(31,197)	(248)	(55,490)	121,512	(51,132)	(23,022)
Changes in fees & commission for remaining coverage	(23,127)	(26,168)	13,516	(18,817)	-	74	2,146	(5,800)	11,592	(46,584)
Premiums paid	(1,312,242)	(534,726)	(183,631)	(416,155)	(518,800)	(1,782)	(355,698)	(3,068,767)	(4,760)	(6,396,561)
Allocation of reinsurance premium	**(1,384,858)**	**(506,502)**	**(222,197)**	**(394,260)**	**(549,997)**	**(1,956)**	**(409,042)**	**(2,953,055)**	**(44,300)**	**(6,466,168)**
Assets recoverable on incurred claims	1,903,813	882,709	34,431	432,957	30,183	-	177,928	346,384	7,251	3,815,656
Assets recoverable for incurred claims	2,058,436	1,237,096	134,562	482,466	56,851	-	186,920	376,946	8,357	4,541,634
Changes in liabilities for incurred claims	154,623	354,387	100,131	49,509	26,668	-	8,992	30,562	1,106	725,978
Interest accreted	(83,741)	(59,840)	(3,635)	(19,835)	(2,673)	-	(8,454)	(17,178)	(399)	(195,755)
Amounts received	694,614	610,128	246,351	512,321	2,788	-	64,626	20,514	6,399	2,157,741
Amounts recoverable from reinsurers	765,496	904,675	342,847	541,995	26,783	-	65,164	33,898	7,106	2,687,964
Net income/(expense) from reinsurance contracts held	(619,363)	398,172	120,650	147,734	(523,214)	(1,955)	(343,878)	(2,919,157)	(37,192)	(3,778,203)
Insurance service result	485,459	(71,975)	1,127,721	283,350	(423,930)	2,999	(124,633)	(1,027,682)	10,288	261,596

Notes to the financial statements-continued

6 Capital and Risk Management

Capital Management – Objectives, Policies and Approaches.

The Finance Act 2021 amended sections 9, 10, and 102 of Insurance Act 2003 and defines Capital requirements as follows:

(i) the excess of admissible assets over liabilities, less the amount of own shares held by the company;
(ii) subordinated liabilities subject to approval by the Commission; and
(iii) any other financial instrument as prescribed by the Commission from time to time.

Admissible Assets are defined as Share Capital, Share Premium, Retained Earnings, Contingency Reserves, and any other admissible assets will be subject to the approval of the Commission.

The Company awaits further guidelines from the regulator (NAICOM).

The objective of our capital management is to ensure that the Company is adequately capitalized at all times, even after experiencing significant adverse events. In addition, we seek to optimize the structure and sources of our capital to ensure that it consistently delivers maximum returns to our shareholders and guarantees adequate protection of our policyholders.

Our capital management policy is to hold sufficient capital to meet regulatory capital requirements (RCR) and also to sufficiently accommodate our risk exposures as determined by our risk appetite. Other objectives include to:

- maintain the required level of capital that guarantee security to our policyholders;
- maintain financial strength that would support business growth in line with strategy;
- maintain strong credit ratings and healthy capital ratios to support business objectives;
- retain financial flexibility by maintaining strong liquidity and consistent positive equity returns;
- allocate capital efficiently to ensure that returns on capital employed meet the requirements of capital providers and shareholders.

Our approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence our capital position in the light of changes in economic and market conditions, and risk characteristics.

The primary source of capital used is shareholders' funds. In addition, we utilize adequate and efficient reinsurance arrangements to protect shareholders' funds by reducing the need for further funding following unfavorable events such as catastrophes or just large random single claims.

The Company has had no significant changes in its policies during the year ended 31 December 2024.

Analysis of shareholders funds	**31 Dec 2024**	**31 Dec 2023**
	₦'000	**₦'000**
Total assets	65,677,300	51,327,300
Less: Total liabilities	22,832,471	18,294,813
Shareholders funds as at year end	**42,844,829**	**33,032,487**
Adjustment for non-capital items	33,908	33,101
Available capital resources	**42,810,921**	**32,999,386**
Changes in available capital	30%	-5%

The Company's available capital is based on the shareholders' equity/fund as adjusted to reflect the full economic capital base available to absorb any unexpected volatility in results of operations. Thus, available capital resources, after adjusting for non-capital assets, is ₦43,260,005 (2023: ₦32,999,388) amounting to an increase over the comparative period.

The statutory minimum capital requirement for Non-life business is N3 billion.

	31 Dec 2024	**31 Dec 2023**
	₦'000	**₦'000**
Total shareholders' funds	42,844,829	33,032,487
Regulatory required capital	3,000,000	3,000,000
Excess over minimum capital	39,844,829	30,032,487
Capitalisation rate	1428%	1101%

Notes to the financial statements-continued

6 Capital and Risk Management

6.1 Capital Management – Objectives, Policies and Approaches.

i The Minimum Capital Requirement

NAICOM released a circular dated 3 June 2020 (NAICOM/DPR/CIR/25-04/2020) to all insurance and reinsurance companies in Nigeria. The circular indicated the difficulty to proceed with the 31 December 2020 recapitalization deadline due to the incidences of COVID-19 pandemic. The Commission extended and segmented the recapitalization process into two phases; general insurance business are required to meet 50% of the minimum capital requirement of N10bn by 31 December 2020 and have full compliance of the remaining balance by 30 September 2021. However, as at year end, the National House of Assembly suspended the directive of NAICOM as a relief due to the COVID-19 pandemic.

As required by section 33-35 of Finance Act 2021, the capital requirement is as disclosed in the table below:

	31 Dec 2024	31 Dec 2023
	₦'000	**₦'000**
Share capital	7,700,000	7,000,000
Share premium	547,433	560,294
Retained earnings	4,558,293	1,516,988
Contingency reserve	5,562,642	4,452,316
Excess of admissible assets over liabilities	18,368,368	13,529,598
Less: the amount of own shares held (treasury shares)	-	-
	18,368,368	13,529,598
Subordinated liabilities subject to approval by the Commission	-	-
Any other financial instrument as prescribed by the Commission	-	-
Capital Requirement	18,368,368	13,529,598

Notes to the financial statements-continued

6 Capital and Risk Management - continued

6.1 Capital Management – Objectives, Policies and Approaches.

ii. The solvency margin requirement

Insurance industry regulator measures the financial strength of non-life insurers using a solvency margin model, NAICOM generally expect non-life insurers to comply with this capital adequacy requirement. This test compares insurers' capital against its risk profile. Section 24 (1) of the Insurance Act, 2003 requires that an insurer shall in respect of its business other than its life insurance business, maintain at all times a margin of solvency being the excess of the value of its admissible assets in Nigeria over its liabilities in Nigeria. The solvency margin shall not be less than 15 percent of the gross premium income less reinsurance premiums paid out during the year under review or the minimum paid-up capital whichever is greater.

During the period, the Company has complied with this capital requirement. The regulator has the authority to request more extensive reporting and can place restrictions on the Company's operations if the Company falls below this requirement as deemed necessary.

The solvency margin for the Company as at 31 December 2024 is as follows:

Assets		Total 31 Dec 2024	Admissible 31 Dec 2024	Non-admissible 31 Dec 2024	Total 31 Dec 2023	Admissible 31 Dec 2023	Non-admissible 31 Dec 2023
Cash and cash equivalents:							
- Bank and cash balances		3,567,442,880	3,567,442,880	-	2,925,369,000	2,925,369,000	-
- Placement with financial institutions		1,849,238,120	1,849,238,120	-	2,582,024,449	2,582,024,449	-
- Treasury bills		5,382,226,697	5,382,226,697	-	1,846,276,794	1,846,276,794	-
- Government bonds		8,216,561,081	8,216,561,081	-	7,903,856,366	7,903,856,366	-
- Corporate bonds -Quoted		473,071,598	473,071,598	-	1,821,616,748	1,821,616,748	-
- Corporate bonds -Unquoted		2,308,837,402	-	2,308,837,402	1,102,095,590		1,102,095,590
- Mutual funds		1,598,300,581	1,598,300,581	-	1,490,110,173	1,490,110,173	-
- Quoted shares		1,897,829,687	1,897,829,687	-	1,690,154,960	1,690,154,960	-
- Unquoted shares		25,521,447,418	190,298,218	25,331,149,200	18,022,028,578	190,298,218	17,831,730,360
- Loan to staff		337,144,602	150,569,956	186,574,646	248,770,039	87,147,299	161,622,740
- Commercial paper		1,523,964,859	1,523,964,859	-	1,347,930,809	1,347,930,809	-
- Other loans and invested assets (Investment notes and Loans to Financial companies)		710,162,663	710,162,663	-	734,466,116	601,123,116	133,343,000
Other receivables and prepayments		1,263,758,622	141,748,908	1,122,009,714	890,333,000	198,173,945	692,159,055
Reinsurance contract assets		5,571,208,195	5,571,208,195	-	4,024,644,017	4,024,644,017	-
Premium receivable		948,116,517	948,116,517	-	278,764,000	278,764,000	-
Investment property		340,000,000	340,000,000	-	220,000,000	220,000,000	-
Land and building		2,248,539,718	1,000,000,000	1,248,539,718	1,916,374,879	1,000,000,000	916,374,879
Property and equipment (excluding land & building)		1,177,661,443	1,177,661,443	-	1,535,874,491	1,535,874,491	
Intangible assets		33,908,291		33,908,291	33,101,000		33,101,000
Right-of-use assets		7,880,310	-	7,880,310	13,509,000		13,509,000
Statutory deposit		700,000,000	700,000,000		700,000,000	700,000,000	
Total assets		**65,677,300,685**	**35,438,401,404**	**30,238,899,281**	**51,327,300,010**	**30,443,364,386**	**20,883,935,624**
Liabilities							
Insurance contract liabilities		(17,386,988,959)	(17,386,988,959)	-	(15,340,788,250)	(15,340,788,250)	-
Other technical liabilities		(1,218,863,000)	(1,218,863,000)	-	(1,270,491,632)	(1,270,491,632)	-
Defined Benefit Obligation		(93,949,778)	(93,949,778)	-	(168,130,000)	(168,130,000)	-
Current tax liabilities		(245,563,000)	(245,563,000)	-	(174,585,000)	(174,585,000)	-
Deferred tax liabilities		(2,036,858,540)	-	(2,036,858,540)		-	-
Other payables		(1,850,248,200)	(1,850,248,200)	-	(1,340,819,000)	(1,340,819,000)	-
Total liabilities		**(22,832,471,477)**	**(20,795,612,937)**	**(2,036,858,540)**	**(18,294,813,883)**	**(18,294,813,883)**	**-**
Excess of total admissible assets over admissible liabilities	**(A)**		**14,642,788,467**	**-**	**-**	**12,148,550,503**	**-**
Required solvency margin: Higher of;				-	-		-
a. 15% of Net premium			2,040,005,850	-	-	1,264,969,200	-
b. Minimum capital required	**(B)**		3,000,000,000	-	-	3,000,000,000	-
				-	-		-
Excess of solvency margin over minimum capital base			11,642,788,467	-	-	9,148,550,503	-
Level of Solvency (%)	**(A)/(B)**		488	-	-	405	-

Notes to the financial statements-continued

6 Insurance risk - continued

(f) Claims Development Table

The Company has reported and disclosed its claims reserves based on the requirements of IFRS 17 - Insurance Contracts. Below is the age- to-age Incremental Chain Ladder's Claim payments (in ₦'000) by Development Year.

Motor, General Accident, Fire, Marine, Engineering

Age- to-Age Inflation Adjusted Total Cummulative Claim payments (in NGN'000) by Development Year

	Cumulative Chain Ladder's Claim payments (in ₦'000) by Development Year										
Accident Year	0	1	2	3	4	5	6	7	8	9	10
2010	137,798	329,938	359,675	363,038	377,066	377,511	378,187	382,120	382,120	382,120	382,120
2011	169,264	350,581	389,954	396,496	398,241	401,875	402,527	403,221	403,229	403,229	403,229
2012	191,853	342,972	381,191	392,646	396,171	396,224	396,825	396,936	396,936	396,936	396,936
2013	159,852	368,943	393,739	401,850	402,522	405,682	409,572	409,576	409,576	409,576	410,366
2014	214,831	388,055	413,867	416,091	419,434	421,939	422,454	422,454	422,454	422,454	422,454
2015	347,921	550,131	584,112	594,763	595,968	601,224	601,241	601,241	601,241	601,241	
2016	339,049	518,961	563,887	570,314	570,760	570,760	570,939	570,939	570,939		
2017	348,603	598,734	633,092	634,956	645,773	649,239	651,222	651,386			
2018	440,401	677,717	704,207	707,169	707,630	712,474	712,928				
2019	429,952	736,006	761,965	776,955	780,959	782,439					
2020	483,544	1,138,090	1,343,763	1,420,160	1,432,423						
2021	874,857	1,430,137	1,568,568	1,625,248							
2022	1,122,508	1,969,657	2,187,621								
2023	1,142,269	1,902,996									
2024	1,292,966										

The claims development information over the period 2009 – 2023 is as follows:

	Cumulative Chain Ladder's Claim payments (in ₦'000) by Development Year										
Accident Year	0	1	2	3	4	5	6	7	8	9	10
2009	173.657	332.796	370.353	377.513	391.386	392.893	393.802	394.509	394.509	394,509	394.509
2010	137.798	329.938	359.675	363.038	377.066	377.511	378.187	382.120	382.120	382.120	382.120
2011	169.264	350.581	389.954	396.496	398.241	401.875	402.527	403.221	403.229	403.229	403.229
2012	191.853	342.972	381.191	392.646	396.171	396.224	396.825	396.936	396.936	396.936	396.936
2013	159.852	368.943	393.739	401.850	402.522	405.682	409.572	409.576	409.576	409.576	
2014	214.831	388.055	413.867	416.091	419.434	421.939	422.454	422.454	422.454		
2015	347.921	550.131	584.112	594.763	595.968	601.224	601.241	601.241			
2016	339.049	518.961	563.887	570.314	570.760	570.760	570.939				
2017	348.603	598.734	633.092	634.956	645.773	649.239					
2018	440.401	677.717	704.207	707.169	707.630						
2019	429.952	736.006	806.418	821.408							
2020	483.544	1,138.090	1,343.763								
2021	874.857	1,430.137									
2022	1,122.508	847.149									
2023	1,142.269										

Notes to the financial statements-continued

6 Capital and Risk Management - continued

6.2 Insurance risk

The Company issues contracts that transfer insurance risk. This section summarizes this risk and the way it is being managed.

(a) Types of insurance risk contracts

The Company principally issues the following types of general insurance contracts: Motor, Fire, General Accidents, Aviation, Marine, Engineering, Bond and Oil & Gas. The risks under this policies usually cover twelve months duration. The most significant risks in this policies arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

The Company face various risks that can impact their operations and profitability. Some of the key insurance risks include underwriting risk, claims risk, reinsurance risk, operational risk, market risk, regulatory risk, liquidity risk, fraud risk and economic risk.

These risks however do not vary significantly with the risk location, type of insured and industry.

(b) Management of insurance risk

The risks facing us in any insurance contract arise from fluctuations in the timing, frequency and severity of claims and claims settlements relative to expectations; unexpected claims arising from a single source or cause; inaccurate pricing of risks or inappropriate underwriting of risks when underwritten; and inadequate reinsurance protection or other risk transfer techniques.

The principal risk that the Company faces under its insurance contracts is that the actual claims and benefits payments, or its timing thereof, exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques. The objective of the Company is to ensure that sufficient reserves are available to cover these liabilities. In addition, the Company manages this risk through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling and investigations.

Our insurance underwriting strategy has been developed in such a way that the types of insurance risks accepted are diversified to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Insurance risk is increased by the lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Company has the right not to renew certain policies, it can impose excess or deductibles and has the right to reject the payment of a fraudulent claim. Insurance contracts also entitle the Company to pursue third parties for payment of some or all of claims costs.

The Company purchases reinsurance as part of its insurance risk mitigation programme. The reinsurance arrangements include excess and proportional coverage. The effect of such reinsurance arrangements is that the Company should not suffer total net insurance losses in any one year. Amount recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts.

The Company has a specialized claims unit that ensures mitigation of the risks surrounding all known claims. This unit investigates and adjusts all claims in conjunction with appointed loss adjusters. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments. Risk concentration is assessed per class of business.

(c) Insurance risk concentration:

The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the carrying amount of the insurance liabilities (gross and net of reinsurance) arising from all non-life insurances.

Notes to the financial statements-continued

6.2 Insurance risk - continued

Insurance risk concentration per policy type

Line of business	31 Dec 2024			31 Dec 2023		
In thousands of naira	Insurance contract liabilities	Reinsurance contracts assets	Net	Insurance contract liabilities	Reinsurance contracts assets	Net
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Fire	2,870,780	(1,120,151)	1,750,629	4,246,394	(1,807,187)	2,439,207
Accident	2,628,954	(1,380,578)	1,248,376	2,738,418	(1,362,515)	1,375,903
Motor	2,148,131	(384,327)	1,763,804	2,396,057	(189,047)	2,207,010
Marine	2,014,881	(957,475)	1,057,406	1,362,865	(605,873)	756,992
Aviation	2,399,525	(959,487)	1,440,038	421,598	92,728	514,327
Bond	15,624	(1,584)	14,039	11,913	436	12,349
Engineering	1,693,474	(493,580)	1,199,893	617,402	(74,155)	543,247
Oil & Gas	3,607,411	(273,375)	3,334,036	3,530,123	(69,854)	3,460,269
Agriculture	8,208	(651)	7,557	16,018	(9,177)	6,841
Total	**17,386,988**	**(5,571,209)**	**11,815,779**	**15,340,788**	**(4,024,644)**	**11,316,144**

Reinsurance risk concentration per policy type:

Line of business	31 Dec 2024			31 Dec 2023		
In thousands of naira	Allocation of reinsurance premium	Amounts recoverable from reinsurers for incurred claims	Net	Allocation of reinsurance premium	Amounts recoverable from reinsurers for incurred claims	Net
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Fire	(1,123,734)	(416,978)	(1,540,712)	(1,384,857)	765,492	(619,365)
Accident	(587,049)	453,390	(133,659)	(506,501)	904,675	398,174
Motor	(169,556)	375,876	206,320	(222,199)	342,846	120,647
Marine	(585,221)	470,011	(115,210)	(394,262)	541,994	147,732
Aviation	(968,033)	897,607	(70,426)	(549,997)	26,783	(523,214)
Bond	(2,622)	-	(2,622)	(1,955)	-	(1,955)
Engineering	(466,985)	377,467	(89,518)	(409,042)	65,164	(343,878)
Oil & Gas	(4,703,684)	(27,040)	(4,730,724)	(2,953,057)	33,898	(2,919,159)
Agriculture	(6,517)	(7,474)	(13,991)	(44,298)	7,113	(37,185)
Total	**(8,613,401)**	**2,122,859**	**(6,490,542)**	**(6,466,167)**	**2,687,964**	**(3,778,204)**

(d) Key Assumptions

The principal assumption underlying the liability estimates is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claims costs, claim handling costs, claim inflation factors and claims numbers for each accident year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: once-off occurrence; changes in market factors such as public attitude to claiming; economic conditions as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

(e) Sensitivity Analysis

The insurance claims liabilities above are sensitive to the key assumptions that follow. However, it has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity fund. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that the movements in these assumptions are not linear.

Notes to the financial statements-continued

6.2 Insurance risk - continued

(e) Sensitivity Analysis - continued

Sensitivity Analysis of Liability for Claims

31 December 2024

		Impact on variables			
Criteria	Changes in Assumption	Gross Liabilities	Net Liabilities	Profit before tax	Equity Fund
		₦'000	₦'000	₦'000	₦'000
Average claims cost	+10% increase	18,519,971	11,780,424	(647,320)	(849,738)
Number of claims	+10% increase	16,357,002	9,617,455	1,515,649	534,719
Average claims settlement period	Reduction by 3 months	(2,265,970)	(2,011,680)	2,751,631	1,461,705

31 December 2023

		Impact on variables			
Criteria	Changes in Assumption	Gross Liabilities	Net Liabilities	Profit before tax	Equity Fund
		₦'000	₦'000	₦'000	₦'000
Average claims cost	+10% increase	779	404	(375)	(187)
Number of claims cost	+10% increase	340	450	111	55
Average claims settlement period	Reduction by 3 months	(731,668)	(628,285)	103,384	72,372

Hypothecation of Assets

	31 Dec 2024			31 Dec 2023		
	Insurance fund	Shareholders fund	Total	Insurance fund	Shareholders fund	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Assets						
Cash and cash equivalents	5,358,116	58,565	5,416,681	5,157,393	350,000	5,507,393
Financial assets	16,244,126	31,725,420	47,969,546	13,262,477	22,944,829	36,207,306
Premium receivables		948,117	948,117	-	278,764	278,764
Reinsurance assets	5,571,208	-	5,571,208	4,024,644	-	4,024,644
Other receivables and prepayments	-	1,263,759	1,263,759	-	890,333	890,333
Investment properties	340,000	-	340,000	220,000	-	220,000
Intangible assets	-	33,908	33,908	-	33,101	33,101
Property and equipment		3,426,201	3,426,201	-	3,452,249	3,452,249
Right-of-use assets	-	7,880	7,880	-	13,509	13,509
Statutory deposit	-	700,000	700,000	-	700,000	700,000
Total assets	**27,513,450**	**38,163,850**	**65,677,300**	**22,664,514**	**28,662,785**	**51,327,300**

	31-Dec-24			31-Dec-23		
	Insurance fund	Shareholders fund	Total	Insurance fund	Shareholders fund	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Liabilities						
Insurance contract liabilities	17,386,988	-	17,386,988	15,340,788	-	15,340,788
Premium payables		1,218,863	1,218,863	-	1,270,491	1,270,491
Other payables	-	1,850,248	1,850,248	-	1,340,819	1,340,819
Defined benefit obligations	-	93,950	93,950	-	168,130	168,130
Income tax liabilities	-	245,563	245,563	-	174,585	174,585
Deferred tax liabilities	-	2,036,859	2,036,859			
Total liabilities	**17,386,988**	**5,445,483**	**20,795,612**	**15,340,788**	**2,954,025**	**18,294,813**
GAP	**10,126,462**	**32,718,367**	**44,881,687**	**7,323,726**	**25,708,760**	**33,032,487**

Notes to the financial statements-continued

6.2 Insurance risk - continued

Summary of Significant Assumptions

Description	31-Dec-24	31-Dec-23
Growth in gross income (GI) % over the next 5 years	20,20,15,15,15	18,18,13.5,13.5,13.5
Operating expenses / gross income %	38	38
Depreciation and amortization / gross income %	2	2
Effective tax rate (Tax / profit before tax) %	29	33
Capital expenditure / gross income % over the next 5 years	3	3
Perpetual growth rate %	7.25	8.12
Period counts over the next 5 years	0.5, 1.5, 2.5, 3.5, 4.5	0.5, 1.5, 2.5, 3.5, 4.5
Expected market rate of return %	31,.82	31,.82
Risk-free rate %	16.98	16.25
Market risk premium %	14.34	15.57
Beta	1	1
Weighted average cost of capital %	31.32	31.82
Equity value of Stanbic IBTC Pension Managers Limited (see note 8.2(a))	0	0
Equity value of 11.76% holding		
illiquidity discount %	20	20
Value of Linkage Assurance PLC's equity stake	₦24.802 billion	₦17.943 billion

The analysis below shows the changes in equity value of Stanbic IBTC Pension Managers Limited's (SIPML) with respect to changes in weighted average cost of capital (WACC) and the terminal growth rate of free cash flow (FCF).

Sensitivity analysis

At 31 December 2024

	Equity Value (₦ million)									
	Terminal growth rate of FCF									
		5.25%	5.75%	6.25%	6.75%	7.25%	7.75%	8.25%	8.75%	9.25%
WACC	29.32%	274,278	277,089	280,021	283,084	286,285	289,635	293,144	296,823	300,686
	29.82%	268,890	271,550	274,323	277,217	280,238	283,396	286,701	290,163	293,793
	30.32%	263,721	266,241	268,866	271,602	274,457	277,438	280,554	283,814	287,230
	30.82%	258,759	261,148	263,635	266,224	268,924	271,740	274,682	277,756	280,974
	31.32%	253,991	256,258	258,615	261,069	263,624	266,288	269,067	271,969	275,003
	31.82%	249,406	251,559	253,796	256,122	258,543	261,065	263,693	266,436	269,300
	32.32%	244,994	247,040	249,165	251,372	253,668	256,057	258,545	261,139	263,845
	32.82%	240,746	242,692	244,711	246,807	248,986	251,251	253,609	256,065	258,625
	33.32%	236,652	238,504	240,424	242,417	244,486	246,637	248,872	251,199	253,623

At 31 December 2023

	Equity Value (₦ million)									
	Terminal growth rate of FCF									
		6.12%	6.62%	7.12%	7.62%	8.12%	8.62%	9.12%	9.62%	10.12%
WACC	29.82%	198,168	200,167	202,255	204,436	206,718	209,108	211,613	214,245	217,005
	30.32%	194,370	196,261	198,234	200,293	202,446	204,697	207,055	209,527	212,121
	30.82%	190,728	192,518	194,384	196,331	198,363	200,486	202,708	205,034	207,473
	31.32%	187,232	188,929	190,696	192,537	194,457	196,463	198,558	200,750	203,046
	31.82%	183,875	185,484	187,158	188,902	190,719	192,614	194,592	196,660	198,823
	32.32%	180,648	182,175	183,763	185,415	187,136	188,929	190,799	192,752	194,792
	32.82%	177,544	178,995	180,502	182,069	183,699	185,397	187,167	189,012	190,939
	33.32%	174,556	175,935	177,367	178,854	180,401	182,010	183,685	185,432	187,253
	33.82%	171,677	172,989	174,351	175,764	177,232	178,758	180,346	182,000	183,724

Notes to the financial statements-continued

6.3 Financial risks

The Company is exposed to a range of financial risks through its financial instruments and reinsurance assets.

The key financial risk is that in the long term its investments proceeds are not sufficient to meet the obligations arising from its insurance contracts. The most important components of the financial risks are:

- Credit risks
- Property risks.
- Liquidity risks
- Market risks

(a) Credit risks

Credit risk is the risk of default and change in credit quality of issuers of securities, counter-parties and untimely or non-payment of premiums by policyholders as at when due.

The categories of credit risk exposed to by the Company are:

(i) Direct default risk: which is the risk of non-receipt of cash flows or assets due to the Company because brokers, policyholders and other debtors default on their obligations.

(ii) Concentration risk: which is the exposure of losses due to excessive concentration of business activities to individual counterparties, groups of individuals or related entities, counterparties in specific geographical locations, industry sector, specific products, etc.

(iii) Counterparty risk: this is the risk that a counterparty is not able or willing to meet its financial obligations as they fall due.

In managing credit exposures to counterparties, the Company had instituted the following policies and procedures:

(i) A credit risk management policy, which sets out the assessment and determination of credit risk components. In addition, it sets out the net exposure limits for each counterparty, based on geographical and industry segmentation. The policy is regularly reviewed for pertinence and for changes in the risk environment.

(ii) Reinsurance arrangement is entered with counterparties that have a good credit rating. Concentration risk is avoided by following policy guidelines on counterparties' limits that are set each year by the board of directors and reviewed regularly. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment, if need be.

(iii) The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in Section 50 of the Insurance Act.

(iv) The Company sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long-term credit ratings.

Notes to the financial statements-continued

6.3 Financial risks - continued

Credit risk exposure and concentration

The Company's maximum credit risk exposure as per its statement of financial position as at 31 December 2024 and 31 December 2023 is the carrying amounts of each component. The maximum risk exposure presented below does not include the exposure that arises in the future as a result of the changes in values. Credit risk is spread across many industries, firms and individuals. The Company monitors concentration of credit risk by sector as shown below.

In summary, our credit exposure is highly concentrated in the financial institutions sector – commercial banks, insurance companies, finance houses, etc.

31 December 2024	Financial institutions	Manufacturing	Aviation		Others	Total
	₦'000	₦'000	₦'000		₦'000	₦'000
Cash and cash equivalents	5,494,284	-	-		-	5,494,284
Financial assets:	-					
Fair value through OCI	2,575,364	-	-		-	2,575,364
Amortised cost	16,110,042	-	-		-	16,110,042
Loan and receivables	415,890				-	415,890
Reinsurance assets	5,571,208	-	-		-	5,571,208
Premium receivables	948,117	-	-		-	948,117
Other receivables	-	-	-		984,355	984,355
Statutory deposit	700,000	-	-		-	700,000
Gross credit risk exposure	**31,814,905**	**-**	**-**	**-**	**984,355**	**32,799,260**

31 December 2023	Financial institutions	Manufacturing	Aviation		Others	Total
	₦'000	₦'000	₦'000		₦'000	₦'000
Cash and cash equivalents	5,596,169	-	-		-	5,596,169
Financial assets:	-					-
Fair value through profit or loss		-	-		-	-
Fair value through OCI	1,841,739	-	-		-	1,841,739
Amortised cost	12,460,979	-	-		-	12,460,979
Loan and receivables	487,463				-	487,463
Reinsurance assets	5,559,453	-	-		-	5,559,453
Premium receivables	278,764	-	-		-	278,764
Other receivables	-	-	-		595,766	595,766
Statutory deposit	700,000	-	-		-	700,000
Gross credit risk exposure	**26,924,567**	**-**	**-**	**-**	**595,766**	**27,520,333**

Notes to the financial statements-continued

6.3 **Financial risks - continued**

Credit Risk Quality

One of the principal criteria used to judge the risk of default (or quality) of our credit risk exposure is credit quality of the counterparty we are exposed to. This we determine by using our internal credit rating criteria, which is benchmarked against Global Credit Rating Co.'s rating criteria as comparatively shown below:

Credit Quality	GRC Rating Scale	Linkage Rating Scale	Definition of Criteria
LOW	AAA AA+ - AA-	AAA	Highest Credit Quality: The risk factors are negligible, being only slightly more than risk-free government instruments.
	A+ - A-	AA	Very High Credit Quality: Protection factors are very strong. Adverse changes in business, economic or financial conditions would increase investment risk, although not significant.
MEDIUM	BBB+ - BBB-	BBB	Adequate protection factors and considered sufficient for prudent investment. However, there is considerable variability in risk during economic cycles.
	BB+ - BB-		Below investment grade but capacity for timely repayment exists. Present or prospective financial protection factors fluctuate according to industry's conditions or company's fortunes. Overall, quality may move up or down frequently within this categories.
	B+ - B-	BB	Below investment grade and possessing risk that obligations will not be met when due. Financial protection factors will fluctuate widely according to economic cycles, industry conditions and/or company fortunes.
HIGH	CCC	NOT RATED	Well below investment grade securities. Considerable uncertainty exists as to timely payment of principal or interest. Protection factors are narrow and risk can be substantial with unfavorable economic/industry conditions, and/or with unfavorable company development.
	DD		Defaulted debt obligations. The issuer failed to meet scheduled principals and/or interest payments. Company has been, or is likely to be, placed under the order of the court.

Overall, our credit risk exposure has maintained a low risk profile. This is because our exposure to high risk counterparties has been low in order to protect policyholder funds and secure the liquidity of operating funds.

At 31 December 2024 *In thousands of Naira*	Neither Past Due nor Impaired			Impaired	Total
	Investment Grades	Non-Investment Grades			
Assets		Satisfactory	Unsatisfactory		
Cash and cash equivalents	5,497,637	-	-	(80,956)	5,416,681
Investment securities:					
Fair value through OCI	26,915,082	-	-	-	26,915,082
Amortised cost	-	16,039,461	-	-	16,039,461
Loan and receivables	-	415,890	-	(73,356)	342,534
Reinsurance assets	-	5,571,208	-	-	5,571,208
Trade receivables	-	948,117	-	-	948,117
Other receivables	-	984,355	-	-	984,355
Total credit exposure	32,412,719	23,959,031	-	(154,312)	56,217,438

Notes to the financial statements-continued

6.3 Financial risks - continued

(a) Credit risks - continued

Impaired Financial Assets

At 31 December 2023

In thousands of Naira

Assets	Neither Past Due nor Impaired			Impaired	Total
	Investment Grades	Grades			
		Satisfactory	Unsatisfactory		
Cash and cash equivalents	5,458,433	-	-	137,736	5,596,169
Investment securities:					
Fair value through OCI	1,841,739	-	-	-	1,841,739
Amortised cost	-	12,066,575	-	-	12,066,575
Loan and receivables	-	382,113	-	-	382,113
Reinsurance assets	-	5,559,453	-	-	5,559,453
Premium receivables	-	278,764	-	-	278,764
Other receivables	-	431,077	-	-	431,077
Total credit exposure	7,300,172	18,717,982	-	137,736	26,155,890

As at 31 December 2024, there were no impaired reinsurance assets (31 December 2023: Nil) and impaired loans and receivables amounted to ₦29.5 million (31 December 2023: ₦49.1 million).

For assets to be classified "past-due and impaired" contractual payments must be in arrears for more than 90 days. No collateral is held as security for any past due or impaired assets.

S/N	Facility	Linkage Credit Rating	Gross Carrying Amount				Impairment			
			Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
			₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
1	Cash and cash equivalents	BBB	5,416,681	-	-	5,416,681	7,690	-	-	7,690
2	Fair value through OCI	A	2,575,364	-	-	2,575,364	4,978	-	-	4,978
3	Amortised cost	A	16,110,042	-		16,110,042	70,581	-	-	70,581
4	Loans receivables	BBB	342,534	-	73,356	415,890	5,418	-	73,327	78,745
5	Other receivables	BB	127,507	163,770	542,894	834,171	11,780	15,431	150,345	177,556
			24,572,128	163,770	616,250	25,352,148	100,447	15,431	223,672	339,550

1		Recovery Rate	LGD Base	LGD Upturn	LGD Downturn
2	FGN Bonds	95%	5%	0%	10%
3	Treasury Bills	95%	5%	0%	10%
4	Subnational bonds	90%	10%	5%	15%
5	Supranational Bond	90%	10%	5%	15%
6	Corporate Bond	62%	38%	35%	41%
7	FGN Euro Bond	95%	5%	0%	10%
8	Promissory notes	95%	5%	0%	10%

EY adopted S&P default study for corporate, sovereign FCY and sovereign LCY PD term structure in estimating the probability of Default.

EY adopted judgement in estimating the LGD for sovereign instruments and moody's recovery rate for senior secured bonds for corporate bond.

Credit Collateral

The amount and type of collateral required depends on an assessment of credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and the valuation parameters. Collateral is mainly obtained for securities lending and for cash purposes. Credit risk is also mitigated by entering into collateral agreements.

Management monitors the market value of the collateral, requests additional collateral when needed and performs an impairment valuation when applicable. The collateral can be sold or replaced by the Company, where necessary and is repayable if the contract terminates or the contract's fair value decreases. No collateral received from the counterparty has been sold or repledged this year.

Notes to the financial statements-continued

(b) **Property risk**

Property risk are the potential financial loss due to inaccuracies in the assessment of the value of insured properties. This can occur when properties are undervalued or overvalued, leading to inadequate coverage or excessive premiums. Inaccurate valuations can result in significant financial implications during claims settlement.

Managing property risk in a non-life insurance company involves a systematic approach that includes identifying, assessing, mitigating, and monitoring risks. Here are the key processes and methods used to manage and measure property risk:

Processes for Managing Property Risk

(i) Risk Identification Conduct thorough assessments to identify potential property risks, including natural disasters, theft, vandalism, and other hazards, Utilize historical data, industry reports, and expert consultations to identify emerging risks.

(ii) Risk Assessment: Evaluate the likelihood and potential impact of identified risks on insured properties, use qualitative and quantitative methods to assess risks, considering factors such as location, property type, and historical loss data.

(iii) Risk Mitigation: Develop and implement risk management strategies to reduce the likelihood and impact of property risks. This may include: Encouraging policyholders to adopt safety measures (e.g., security systems, fire alarms). providing guidance on property maintenance and disaster preparedness, offering risk management services or resources to clients.

(iv) Underwriting Practices: Establish robust underwriting guidelines that incorporate risk assessment findings. This includes setting appropriate premiums, coverage limits, and deductibles based on the assessed risk level.

(v) Claims Management: Implement efficient claims management processes to handle property damage claims promptly and accurately. This includes thorough investigations to prevent fraud and ensure fair settlements.

(vi) Monitoring and Review: Continuously monitor the effectiveness of risk management strategies and adjust them as necessary based on changes in the risk environment, regulatory requirements, or market conditions, conduct regular reviews of the risk management framework to ensure it remains relevant and effective.

Methods Used to Measure Property Risk

(i) Statistical Analysis: Use statistical methods to analyze historical loss data and identify trends in property claims. This helps in estimating future losses and setting appropriate reserves.

(ii) Risk Scoring Models: Develop risk scoring models that quantify the risk associated with individual properties based on various factors (e.g., location, construction type, occupancy). This helps in prioritizing risk management efforts.

(iii) Value-at-Risk (VaR) Analysis: Conduct VaR analysis to estimate the potential loss in value of property assets over a specified time frame, given normal market conditions. This helps in understanding the financial impact of property risks.

(c) **Liquidity Risk**

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The characteristic nature of our business requires the availability of adequate cash flow to meet our contractual obligations to policyholders (and other third parties) in the event of claim settlement.
This is the risk of loss arising due to insufficient liquid assets to meet cash flow requirements or to fulfil financial obligation once claims crystallize. In the case of catastrophic events there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries.

The Company's exposure to liquidity risk comprises of:

(i) **Funding (Cash-flow) Liquidity Risk:**

This is the risk of not meeting current and future cash flow and collateral needs, both expected and unexpected, without materially affecting daily operations or overall financial condition of the Company.

(ii) **Market (Asset) Liquidity Risk:**

This is the risk of loss which is occasioned by the incapacity to sell assets at or near their carrying value at the time needed.

The Company mitigates its exposure to liquidity risk through the following mechanisms:

- Liquidity policy, which sets out the assessment and determination of what constitutes the Company's liquidity risk. Compliance with the policy is monitored and exposures and breaches are reported to the Assets and Liability Management Committee. The policy is regularly reviewed for pertinence ad for changes in the risk environment.
- Guidelines are set for asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure sufficient funding available to meet insurance contracts obligations.
- Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.
- The Company's catastrophe excess-of-loss reinsurance contracts contain clauses permitting the immediate draw down of funds to meet claim payments should claim events exceed a certain size.
- Below is a maturity profile summary of the Company's undiscounted contractual obligations cash flows of financial assets matched with financial liabilities. For insurance contract liabilities and reinsurance assets, maturity profile estimates are based on timing of net cash flows from the recognized insurance liabilities.
- Unearned premiums and the reinsurers' share of unearned premiums have been excluded from the analysis as they are not contractual obligations.
- In addition, the Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow.

Notes to the financial statements-continued

6.3 Financial risks - continued

(c) Liquidity risks - continued

Maturity Analysis (on Expected maturity basis)

The table below summarizes the expected utilization or settlement of financial assets and liabilities:

2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Assets	₦'000	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	3,567,442	1,930,195	-	-	5,497,637
Investment securities	-		18,141,956	29,490,446	47,632,402
Loan and receivables	-	-	337,144	-	337,144
Premium receivables	-	948,117	-	-	948,117
Reinsurance assets	-	-	5,571,208	-	5,571,208
Other receivables	-	-	834,170	-	834,170
Total Assets	**3,567,442**	**2,878,312**	**24,884,478**	**29,490,446**	**60,820,678**
Liabilities					
Insurance liabilities	-	-	17,386,988		17,386,988
Other technical liabilities	-	-	1,218,863	-	1,218,863
Other payables	-	-	2,128,431	-	2,128,431
Retirement benefit obligations	93,950	-	-	-	93,950
Total Liabilities	**93,950**	**-**	**20,734,282**	**-**	**20,828,232**
Net Liquidity gap*	**3,473,492**	**2,878,312**	**4,150,196**	**29,490,446**	**39,992,446**

2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Assets	₦'000	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	2,925,369	2,671,700	-	-	5,597,069
Investment securities	-		2,443,132	33,382,061	35,825,193
Loan and receivables	-	-	382,113	-	382,113
Premium receivables	-	-	278,764	-	278,764
Reinsurance assets	-	-	5,559,453	-	5,559,453
Other receivables	-	-	433,679	-	433,679
Total Assets	**2,925,369**	**2,671,700**	**9,097,142**	**-**	**48,076,271**
Liabilities					
Insurance liabilities	-	-	15,340,788		15,340,788
Other technical liabilities	-	-	2,136,104	-	2,136,104
Other payables	-	-	1,667,012	-	1,667,012
Retirement benefit obligations	-	-	1,700,152	-	1,700,152
Total Liabilities	**-**	**-**	**19,486,619**	**-**	**19,486,619**
Net Liquidity gap	**2,925,369**	**2,671,700**	**(10,389,477)**	**-**	**28,589,652**

*Among the securities listed, the Company has government securities of ₦7.84billion and listed equity securities of ₦1.49 totaling ₦9.33bn. Both asset classes have active trading markets which provide the required liquidity with minimal dimunition in value, with maturity between 1 to 5 years. Mutual funds of ₦0.43billion also provide liquidity as they are near-cash instruments.

Notes to the financial statements-continued

6.3 Financial risks - continued

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The identification, management, control, measurement and reporting of market risk are aligned towards the sub-risk categories namely:

- Foreign exchange risk
- Interest-rate risk
- Equity price risk

The Company's market risk policy sets out the assessment and determination of what constitutes market risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's Asset Liability Management Committee and Board through its Audit, Compliance and Risk Management Committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

- Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and those assets are held to deliver income and gains for policyholders which are in line with expectations of the policyholders.
- The Company stipulates diversification benchmarks by type of instrument and geographical area based on exposure to variations in interest rates, equity prices and foreign exchange.
- There is strict control over hedging activities.

(i) Currency (Foreign Exchange) Risk

Currency risk is the potential risk of loss from fluctuating foreign exchange rates as a result of the Company's exposure to foreign currency denominated transactions. It is also the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's principal transactions are carried out in Naira and its exposure to foreign exchange risk arises primarily with respect to transactions denominated in foreign currencies. The Company's financial assets are primarily denominated in local currency as its insurance contract liabilities and investment. This mitigates the foreign currency exchange rate risk for its operations. Thus, the main foreign exchange risk arises from translation of recognized assets and liabilities denominated in currencies other than those in which insurance and investment contract liabilities are expected to be settled.

Analysis of assets and liability by major currencies

The table below summarizes the Company's financial assets and liabilities by major currencies:

31 December 2024	Euro	Pound Sterling	US Dollars	Total
Assets	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	120,705	976	1,413,771	1,535,452
Investment securities	-	-	2,990,912	2,990,912
Trade receivables	-	-	864,638	864,638
Reinsurance assets	-	-	932,235	932,235
Total assets	**120,705**	**976**	**6,201,556**	**6,323,237**
Liabilities				
Insurance contract liabilities	-	-	2,491,596	2,491,596
Trade payables	-	-	870,707	870,707
Total liabilities	**-**	**-**	**3,362,303**	**3,362,303**

31 December 2023	Euro	Pound Sterling	US Dollars	Total
Assets	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	70,516	4,731	519,973	595,220
Investment securities	-	-	1,370,672	1,370,672
Trade receivables	-	-	210,222	210,222
Reinsurance assets	-	-	264,787	264,787
Total assets	70,516	4,731	2,365,654	2,440,901
Liabilities	-	-		
Insurance contract liabilities			1,433,781	1,433,781
Trade payables			597,345	597,345
Total	**-**	**-**	**2,031,126**	**2,031,126**

The Company has no significant concentration of foreign currency risk.

Notes to the financial statements-continued

6 Financial risks - continued

Sensitivity analysis - foreign currency risk

The analysis that follows is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity due to changes in the fair value of currency sensitive monetary assets and liabilities including insurance contract claim liabilities. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. The movements in these variables are non–linear.

The following table demonstrates the sensitivity to a reasonably possible change in the USD,EURO and GBP exchange rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities) using the Identifying key variables method. The Company's exposure to foreign currency changes for all other currencies is not material.

Sensitivity analysis of major currencies

	31 December 2024			31 December 2023		
Major Currencies	Changes in exchange rate (%)	Impact on Profit before tax	Impact on equity	Changes in exchange rate (%)	Impact on Profit before tax	Impact on equity
EURO	25%	30,176	21,123	+10%	7,052	4,936
GBP	25%	244	171	+10%	473	331
USD	25%	1,550,389	1,085,272	+10%	189,064	132,345
EURO	-25%	(30,176)	(21,123)	-10%	(7,052)	(4,936)
GBP	-25%	(244)	(171)	-10%	(473)	(331)
USD	-25%	(1,550,389)	(1,085,272)	-10%	(189,064)	(132,345)

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Investment in fixed interest rate instruments exposes the Company to cash flow interest risk and fair value interest risk. This is because the Company's investment approach is conservative with high investment in fixed income instruments. The Company does not have interest-rate based liabilities. However, the Company's investment income moves with interest rate over the time creating unrealized gains or losses.

The Company's interest risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities. Any gap between fixed and variable rate instruments and their maturities are effectively managed by the Company through derivative financial instruments. Interest on fixed interest rate instruments is priced at inception of the financial instrument and is fixed until maturity or terminated.

The Company has no significant concentration of interest rate risk.

Notes to the financial statements-continued

6.3 Financial risks - continued

Sensitivity analysis - interest rate risk

The table below details analysis of the impact of interest rate changes on reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax (due to changes in fair value of floating rate financial assets and liabilities, including the effect of fair value hedges) and equity (that reflects adjustments to profit before tax). The correlation of variables will have a significant effect in determining the ultimate impact on interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non–linear.

The method used for deriving sensitivity information and significant variables did not change from the previous period.

31 December 2024

Interest earning assets	Basis points	Impact on Profit before tax	Up to 1 Year	1 -3 Years	Total
		₦'000	₦'000	₦'000	₦'000
Short term deposit	+100	20,692	20,692	-	20,692
Other investments	+100	39,055	39,055	-	39,055
Bonds	+100	121,168	-	121,168	121,168
					-
Short term deposit	-100	(20,692)	(26,737)	-	(26,737)
Other investments	-100	(39,055)	(21,833)	-	(21,833)
Bonds	-100	(121,168)	-	(121,168)	(121,168)

31 December 2023

Interest earning assets	Basis points	Impact on Profit before tax	Up to 1 Year	1 -3 Years	Total
		₦'000	₦'000	₦'000	₦'000
Short term deposit	+100	26,737	26,737	-	16,982
Treasury Bill	+100	21,833	21,833	-	17,214
Bonds	+100	45,421	-	45,421	45,421
Short term deposit	-100	(26,737)	(26,737)	-	(16,982)
Treasury bill	-100	(21,833)	(21,833)	-	(17,214)
Bonds	-100	(45,421)	-	(45,421)	(45,421)

An analysis of the Company's sensitivity to a 100bp increase or decrease in market interest rates at the reporting date, assuming that all other variables remain constant, is presented below.

31 December 2024	Change in interest rate	Impact on CSM	Impact on profit before tax	Impact on equity
Insurance contract liabilities	+100bp	-	87,476	65,607
Reinsurance contract assets	+100bp	-	(33,874)	(25,405)
Insurance contract liabilities	-100bp	-	(89,769)	(67,326)
Reinsurance contract assets	-100bp	-	55,007	41,255

Notes to the financial statements-continued

6.3 Financial risks - continued

(iii) Equity Price Risk

Equity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company's equity price risk exposure relates to financial assets whose values will fluctuate as a result of changes in market prices, principally quoted stocks and shares securities.

The Company's price risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on investments in each country, sector and market and careful and planned use of derivative financial instruments.

The Company has no significant concentration of price risk.

Sensitivity Analysis - equity price risk

The following table contains the fair value and related equity price risk sensitivity of the Company's listed and non-listed equity securities. The equity price risk sensitivity has been calculated based on what the Company views to be reasonably possible changes in the equity prices for the coming year. For listed equities a 20% change in the equity price has been used in the calculation of the sensitivity as at 31 December 2023 and 2024. For non-listed securities a 40% change in the equity prices has been used in the calculation of the sensitivity.

Sensitivity Analysis - equity price risk

	31 Dec 2024			31 Dec 2023		
Market Indices	Fair Value	Impact on Profit before tax	Impact on Equity	Fair Value	Impact on Profit before tax	Impact on Equity
Fair value through profit or loss	2,102,495	420,499	840,998	2,443,132	488,626	977,253
Financial instrument at FVOCI - Quoted	3,968,999	793,800	2,778,299	3,293,458	658,692	2,305,421
Financial instrument at FVOCI - Unquoted	25,521,447	5,104,289	10,208,579	18,022,028	3,604,406	7,208,811
Fair value through profit or loss	(2,102,495)	(420,499)	(840,998)	(2,443,132)	(488,626)	(977,253)
Financial instrument at FVOCI - Quoted	(3,968,999)	(793,800)	(2,778,299)	(3,293,458)	(658,692)	(2,305,421)
Financial instrument at FVOCI - Unquoted	(25,521,447)	(5,104,289)	(10,208,579)	(18,022,028)	(3,604,406)	(7,208,811)

(d) Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market condition (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Fair values are determined at prices quoted in active markets. In the current environment, such price information is typically not available for all instruments and the Company applies valuation techniques to measure such instruments. These valuation techniques make maximum use of market observable data but in some cases management estimate other than observable market inputs within the valuation model. There is no standard model and different assumptions would generate different results.

Fair values are subject to a control framework designed to ensure that input variables and output are assessed independent of the risk taker. These inputs and outputs are reviewed and approved by a valuation committee. The Company has minimal exposure to financial assets which are valued at other than quoted prices in an active market.

Fair value of equity financial instruments

Investments in equity financial instrument should be measured at fair value. The entity's investment in equity financial instrument are measured at fair value and are classified as a level 3 fair value hierarchy. As observable prices are not available for these securities, the entity has used valuation techniques to derive the fair value.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Notes to the financial statements-continued

6.3 Financial risks - continued

***(d)* Fair Value - continued**

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation techniques used to determine fair value of level 3 instruments

Specific valuation techniques used to value financial instruments include:
-the use of quoted market prices or dealer quotes for similar instruments
-for other financial instruments – Discounted Cash Flow Method, where the forecast / projected free cash flows of the subject Entity are discounted at the weighted cost of capital and Price to book Approach.

The table below shows financial assets carried at fair value:

	31 Dec 2024			31 Dec 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Financial assets						
Quoted investments	2,102,495	-	-	2,443,132	-	-
Unquoted equity investments	-	-	26,915,082	-	-	19,473,747
Bonds carried at FVOCI	2,575,364	-	-	1,841,739	-	-
	4,677,859	-	26,915,082	4,284,871	-	19,473,747

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised

31 December 2024

In thousands of Naira	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Assets	₦'000	₦'000	₦'000	₦'000	₦'000
Investment securities:					
Amortised cost	16,110,043	-	-	16,110,043	16,039,462
				16,110,043	16,039,462

31 December 2023

	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Assets	₦'000	₦'000	₦'000	₦'000	₦'000
Financial assets:					
Amortised cost	11,851,119	-	-	11,851,119	12,066,575
				11,851,119	12,066,575

For cash and cash equivalents, trade receivables, other receivables, trade payable and other payables the company has determined that the carrying amounts approximates their fair values.

Notes to the financial statements-continued

7 Cash and cash equivalents

Cash and cash equivalents comprise:		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Cash in hand		3,353	900
Bank balances		3,564,089	2,924,469
Short term placement*		1,930,195	2,671,700
Cash and cash equivalent per statement of cash flows		5,497,637	5,597,069
Less: Allowance for impairment	7.1	(80,956)	(89,676)
Cash and cash equivalents per statement of financial position		5,416,681	5,507,393

These are cash balances and short-term placements with banks and other financial institutions with tenor of 90 days or less. Cash & cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and have a maturity of three months or less from the date of acquisition.

7.1 Gross carrying amount and impairment allowance for cash and cash equivalents

A reconciliation of changes in gross carrying amount and corresponding allowance for ECL by stage for cash and cash equivalents is as follows:

	Stage 1			
	2024		2023	
	₦'000		₦'000	
	Gross carrying amount	ECL	Gross carrying amount	ECL
At 1 January	5,597,069	89,676	4,309,767	121,325
New assets originated or purchased	5,497,637	80,956	5,597,069	89,676
Assets derecognized or repaid	(5,597,069)	(89,676)	(4,309,767)	(121,325)
At 31 December	**5,497,637**	**80,956**	**5,597,069**	**89,676**

8 Financial Assets

The Company's financial assets are summarised by their nature as follows:

Fair Value Through Profit or Loss (Note 8.1)	2,102,495	2,443,132
Fair Value Through Other Comprehensive Income (Note 8.2)	29,490,446	21,315,487
Amortised Cost (Note 8.3)	16,039,461	12,066,574
	47,632,402	**35,825,193**

Fair Value Through Profit or Loss (Note 8.1)		
Quoted Equity	1,897,830	1,690,155
Mutual Funds	204,665	38,391
FGN Bonds	-	381,493
Corporate Bond	-	333,093
	2,102,495	*2,443,132*
Attributable to Policyholders	204,665	38,391
Attributable to Shareholders	1,897,830	2,404,741
	2,102,495	*2,443,132*

Notes to the financial statements-continued

8 **Financial assets- continued**

Fair Value Through Other Comprehensive Income (Note 8.2)		
Unquoted Equity:		
Stanbic-IBTC Pension Managers Ltd.	*24,802,000*	*17,943,000*
Energy & Allied Insurance Pool-NIA	*64,153*	*38,417*
WAICA-Re	*640,294*	*25,612*
Nigeria Liability Insurance Pool (NLIP)	*15,000*	*15,000*
Total	25,521,447	18,022,029
Collective Investment Schemes (classified as Equity):		
Infrastructure Fund	*1,063,020*	*958,265*
Halal Fund	*228,115*	*197,348*
Fixed Income Fund	-	*193,606*
Real Estate Investment Trust	*102,500*	*102,500*
Total	*1,393,635*	*1,451,719*
Debt Instruments:		
FGN & Sub-National Bonds	*1,852,513*	*1,536,729*
FGN Treasury Bills	*722,850*	-
Corporate Bonds	-	*305,010*
Total	*2,575,363*	*1,841,739*
Fair Value Through Other Comprehensive Income - Attributable to Shareholders	*29,490,445*	*21,315,487*
Fair Value Through Other Comprehensive Income - Attributable to Policyholders	**Nil**	**Nil**

Amortised Cost (Note 8.3)		
FGN & Sub-National Bonds	3,037,135	3,009,604
Corporate Bonds	2,781,909	2,285,609
FGN Promissory Notes	3,326,912	2,976,030
Investment Notes	710,163	601,123
FGN Treasury Bills	4,659,377	1,846,277
Commercial Papers	1,523,965	1,347,931
Total	*16,039,461*	*12,066,574*
Amortised Cost - Attributable to Policyholders	16,039,461	12,066,574
Attributable to Shareholders	**Nil**	**Nil**

Investment securities

The Company's investment securities comprise equity and debt instrument at fair value through profit or loss, equity and debt instrument at fair value through other comprehensive income and amortised cost.

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Equity instrument at fair value through profit or loss	Note 8.1	2,102,495	2,443,132
Equity instrument at FVOCI	Note 8.2	26,915,082	19,473,747
Debt instruments measured at FVOCI	Note 8.2	2,575,364	1,841,739
Amortised cost	Note 8.3	16,039,461	12,066,575
		47,632,402	35,825,193

Investment securities classification

31 Dec 2024	**Fair value through profit or loss**	**Fair Value through OCI**	**Amortised cost**	**Total**
	₦'000	₦'000	₦'000	₦'000
Listed	2,102,495	3,968,999	810,410	6,881,904
Unlisted	-	25,521,447	15,229,051	40,750,498
	2,102,495	29,490,446	16,039,461	47,632,402
Within one year	2,102,495	-	16,039,461	18,141,956

Notes to the financial statements-continued

Investment securities- continued				
More than one year	-	29,490,446	-	29,490,446
	2,102,495	29,490,446	16,039,461	47,632,402
31 Dec 2023				
Listed	2,443,132	3,293,458	810,410	6,547,000
Unlisted	-	18,022,028	11,256,165	29,278,193
	2,443,132	**21,315,486**	**12,066,575**	**35,825,193**
Within one year	2,443,132	-	12,066,575	14,509,707
More than one year	-	21,315,486	-	21,315,486
	2,443,132	**21,315,486**	**12,066,575**	**35,825,193**

		31 Dec 2024	31 Dec 2023
8.1	**Financial assets at fair value through profit or loss**	**31 Dec 2024**	**31 Dec 2023**
		₦'000	**₦'000**
8.1.1	**Movement of the fair value through profit or loss**		
	At 1 January	2,443,132	2,849,315
	Reclassification*	-	(1,211,830)
	Addition	352,747	1,130,041
	Disposal	(1,071,725)	(294,514)
	At 31 December	1,724,155	2,473,012
	Net fair value loss on financial assets at fair value through profit or loss	(56,687)	-
	Realised gain on financial assets at FVTPL	435,027	(29,880)
		2,102,495	**2,443,132**

The fair value of quoted financial instruments is determined by reference to published price quotations in an active market. The resulting fair value changes have been recognized in profit or loss as N378,340.

*The instruments were reclassified because some the instruments were now deemed held till maturity (and also for the purpose of IFRS 9). It was deemed to be classified to Amortised cost.

8.2	**Equity Instruments measured at fair value through other comprehensive income**		**31 Dec 2024**	**31 Dec 2023**
			₦'000	**₦'000**
	Unquoted equities		25,521,447	18,022,028
	Equity mutual funds		1,393,635	1,451,719
	Total equity instrument instruments		26,915,082	19,473,747
8.2.1	**Debt Instruments measured at fair value through other comprehensive income**			
	Bonds at fair value through other comprehensive income		2,575,364	1,841,739
	Total financial assets at fair value through other comprehensive income		29,490,446	21,315,486
	Reconciliation of movement in fair value through other comprehensive income			
	At 1 January		21,315,486	16,918,367
	Additions during the year		1,744,080	1,054,153
	Fair value gain - equity		7,519,996	3,267,000
	Fair value (loss)/ gain - bond		(74,214)	75,966
	Disposal		(1,014,903)	-
	At 31 December		**29,490,446**	**21,315,486**
	Fair value changes through other comprehensive income			
	Fair value gain - equity		7,519,996	3,267,000
	Fair value (loss)/ gain - bond		(74,214)	75,966
			7,445,782	3,342,966
	Deferred tax effect:			
	Fair value gain - equity		2,548,234	-
	Fair value (loss)/ gain - bond		(24,491)	
		22.3	2,523,743	-
	Fair value changes through other comprehensive income net of tax			
	Fair value gain - equity (net of tax)		4,971,762	3,267,000
	Fair value gain - bond (net of tax)		(49,723)	75,966
	Recognised in the Statement of Comprehensive income		4,922,039	3,342,966

Notes to the financial statements-continued

Investment securities- continued

Reconciliation of impairment allowance measured at fair value through other comprehensive income

	Stage 1	
	Gross carrying amount	ECL
	₦'000	₦'000
At 1 January 2024	1,841,739	11,132
New assets originated or purchased	1,506,552	6,160
Assets derecognized	(772,927)	(11,132)
At 31 December 2024	2,575,364	6,160

	Stage 1	
	Gross carrying amount	ECL
	₦'000	₦'000
At 1 January 2023	802,778	35,902
New assets originated or purchased	1,506,552	7,445
Assets derecognized	(467,591)	(32,215)
At 31 December 2023	1,841,739	11,132

	31 Dec 2024	31 Dec 2023
Deferred tax effect:	₦'000	₦'000
ECL writeback on debt instrument on fair value through OCI	6,160	-
Net of tax	(2,033)	-
	4,127	-

		31 Dec 2024	31 Dec 2023
8.3 Amortised cost		₦'000	₦'000
Bonds	8.3.1	16,110,043	12,460,979
Impairment allowance on bonds		(70,581)	(394,404)
		16,039,462	12,066,575

8.3.1 Debt instruments at amortised cost

A reconciliation of changes in gross carrying amount and corresponding allowance for ECL by stage for debt instruments at amortised cost is as follows:

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
At 1 January	12,066,575	6,452,218
Additions	9,423,925	5,772,631
Reclassification	-	1,211,830
Redemption/repayment	(5,380,458)	(975,700)
	16,110,042	12,460,979
Less: Impairment loss	(70,581)	(394,404)
At 31 December	16,039,461	12,066,575

8.3.2 Debt instruments measured at amortised cost

	Stage 1	
	Gross carrying amount	ECL
At 1 January 2024	12,066,575	394,404
New assets originated or purchased	9,423,925	64,000
Assets derecognized	(5,380,458)	(387,823)
At 31 December 2024	16,110,042	70,581

	Stage 1	
	Gross carrying amount	ECL
As at 1 January 2023	6,452,218	237,316
New assets originated or purchased	5,772,631	157,088
Reclassification	1,211,830	-
Assets derecognized	(975,700)	-
As at 31 December 2023	12,460,979	394,404

Notes to the financial statements-continued

9	**Loans and receivables**	**31 Dec 2024**	**31 Dec 2023**
		₦'000	**₦'000**
	Loans and receivables	337,144	382,113
		337,144	382,113

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Due from third parties	-	189,529
Loan to staff	342,580	224,833
Loan to policy holders	13,655	13,655
Ex-staff loans	59,655	59,446
	415,890	487,463
Less : Impairment allowance on loan	(78,746)	(105,350)
	337,144	382,113

Loans receivables are measured at amortised cost using the effective interest rate. The effective interest rate for the purpose of staff loan valuation is the applicable market lending rates at the time of availment.

Loans to policy holder has been fully impaired ₦13.655 million (2023: ₦13.655 million).

Due from third parties	**Gross Amount**	**Impairment**
	₦'000	**₦'000**
Opening balance	189,529	-
Repayment during the year	(189,529)	-
	-	-
Loan to staff		
Opening balance	224,833	-
Additions during the year	279,528	5,436
Repayment during the year	(161,781)	-
	342,580	5,436

	Gross Amount	**Impairment**
Loan to policy holders	**₦'000**	**₦'000**
Opening balance	13,655	13,655
	13,655	13,655

Ex-staff loans	**Gross Amount**	**Impairment**
	₦'000	**₦'000**
Opening balance	59,446	35,509
Additions during the year	525	24,146
Repayment during the year	(316)	-
	59,655	59,655

9.1 Loan receivables measurement

A reconciliation of changes in gross carrying amount and corresponding allowance for ECL by stage for loan receivables is as follows:

2024		**Stage 1**	**Stage 3**	
	Gross carrying amount	**ECL**	**ECL**	**Total**
At 1 January 2024	487,463	15,655	89,695	105,350
Loan disbursed	127,315	7,978	21,604	29,582
Proceeds from repayment of loan	(198,888)	(18,216)	(37,970)	(56,186)
At 31 December 2024	**415,890**	**5,417**	**73,329**	**78,746**

Notes to the financial statements-continued

9.1 Loan receivables measurement - continued

		Stage 1	Stage 3	
	Gross carrying amount	ECL	ECL	ECL
At 1 January 2023	366,400	10,241	107,038	117,279
Loan disbursed	446,183	-	-	-
Proceeds from repayment of loan	(325,120)	(5,414)	(6,515)	(11,929)
At 31 December 2023	**487,463**	**15,655**	**89,695**	**105,350**

10 Reinsurance contract assets and Insurance contract liabilities

	2024		2023	
	Asset	Liabilities	Asset	Liabilities
Reinsurance contracts assets (Note 10.1)	(5,571,208)	-	(4,024,644)	-
Insurance contract liabilities (Note 10.2)	-	17,386,988	-	15,340,788
	(5,571,208)	17,386,988	(4,024,644)	15,340,788

10.1 Reinsurance contracts assets

		2024			2023		
	Note	Asset	Liabilities	Net	Asset	Liabilities	Net
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Accident	10.1(a)	(1,380,578)	-	(1,380,578)	(1,362,515)	-	(1,362,515)
Engineering	10.1(b)	(493,580)	-	(493,580)	(74,155)	-	(74,155)
Marine	10.1(c)	(957,475)	-	(957,475)	(605,873)	-	(605,873)
Motor	10.1(d)	(384,327)	-	(384,327)	(189,047)	-	(189,047)
Fire	10.1(e)	(1,120,151)	-	(1,120,151)	(1,807,187)	-	(1,807,187)
Oil & gas	10.1(f)	(273,375)	-	(273,375)	(69,854)	-	(69,854)
Aviation	10.1(g)	(959,487)	-	(959,487)	92,728	-	92,728
Bond	10.1(h)	(1,584)	-	(1,584)	436	-	436
Agriculture	10.1(i)	(651)	-	(651)	(9,177)	-	(9,177)
Total reinsurance contracts assets		**(5,571,208)**	**-**	**(5,571,208)**	**(4,024,644)**	**-**	**(4,024,644)**

10.2 Insurance contract liabilities

		2024			2023		
	Note	Asset	Liabilities	Net	Asset	Liabilities	Net
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Accident	10.2(a)	-	2,628,954	2,628,954	-	2,738,418	2,738,418
Engineering	10.2(b)	-	1,693,474	1,693,474	-	617,402	617,402
Marine	10.2(c)	-	2,014,881	2,014,881	-	1,362,865	1,362,865
Motor	10.2(d)	-	2,148,131	2,148,131	-	2,396,057	2,396,057
Fire	10.2(e)	-	2,870,780	2,870,780	-	4,246,394	4,246,394
Oil & gas	10.2(f)	-	3,607,411	3,607,411	-	3,530,123	3,530,123
Aviation	10.2(g)	-	2,399,525	2,399,525	-	421,598	421,598
Bond	10.2(h)	-	15,624	15,624	-	11,913	11,913
Agriculture	10.2 (i)	-	8,208	8,208	-	16,018	16,018
Total insurance contract liabilities		**-**	**17,386,988**	**17,386,988**	**-**	**15,340,788**	**15,340,788**

Notes to the financial statements-continued

	31 Dec 2024	31 Dec 2023
10b Reinsurance contracts assets	**₦'000**	**₦'000**
Asset for remaining coverage		
Non - loss component	574,639	(516,990)
Loss component	-	-
	574,639	(516,990)
Amount recoverable on Incurred Claims		
Present value of future cash flow	4,619,300	4,012,927
Risk Adjustment	377,269	528,707
	4,996,569	4,541,634
Total reinsurance contracts assets	5,571,208	4,024,644

10c Insurance contract liabilities

	31 Dec 2024	31 Dec 2023
	₦'000	**₦'000**
Liabilities for remaining coverage		
Excluding loss component	5,766,494	3,981,244
Loss component	290,658	14,475
	6,057,152	3,995,719
Liability for Incurred Claims		
Estimates of present value of future cashflows	10,472,600	10,024,351
Risk Adjustment	855,994	1,320,718
	11,328,594	11,345,069
Total Insurance contract liabilities	17,385,746	15,340,788
Insurance contract liabilities (excluding insurance acquisition cash flow assets and other pre-recognition cash flow	18,574,071	16,082,308
Insurance acquisition cash flow assets	(1,187,083)	(741,520)
Insurance contract liabilities	17,386,988	15,340,788

Notes to the financial statements-continued

10

Comprehensive reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

2024

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	304,129	-	4,012,927	528,707	4,845,763
Reinsurance contract liabilities as at beginning of period	(821,119)	-	-	-	(821,119)
Net reinsurance contract assets/(liabilities) as at beginning	(516,990)	-	4,012,927	528,707	4,024,644
Allocation of reinsurance premiums	(8,613,401)	-	-	-	(8,613,401)
Amount recoverable from reinsurers for Incurred claims	-	-	2,274,295	(151,438)	2,122,857
Changes to amounts recoverable for incurred claims	-	-	722,953	(151,438)	571,515
Recoveries on incurred claims and other expenses	-	-	1,551,342	-	1,551,342
Net income or expense from reinsurance contracts held	(8,613,401)	-	2,274,295	(151,438)	(6,490,544)
Reinsurance finance income	-	-	(116,578)	-	(116,578)
Total changes in the statement of comprehensive income	(8,613,401)	-	2,157,717	(151,438)	(6,607,122)
Cash flows	-	-	-	-	-
Premiums paid	9,705,028	-	-	-	9,705,028
Amounts received	-	-	(1,551,342)	-	(1,551,342)
Total cash flows	9,705,028	-	(1,551,342)	-	8,153,686
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**574,639**	**-**	**4,619,300**	**377,269**	**5,571,208**

-

Comprehensive reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

2023

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	523,930	-	3,815,653	-	4,339,582
Reinsurance contract liabilities as at beginning of period	(32,233)	-	-	-	(32,233)
Net reinsurance contract assets as at beginning	491,697	-	3,815,653	-	4,307,350
Allocation of reinsurance premiums	(6,466,167)	-	-	-	(6,466,167)
Amounts recovery for Incurred claims and other expenses	-	-	2,159,260	528,707	2,687,961
Changes to amounts recoverable for incurred claims	-	-	1,522	528,707	530,229
Recoveries on incurred claims and other expenses	-	-	2,157,738	-	2,157,738
Net income or expense from reinsurance contracts held	(6,466,167)	-	2,159,260	528,707	(3,778,200)
Reinsurance finance income	-	-	195,752	-	195,752
Total changes in the statement of comprehensive income	(6,466,167)	-	2,355,012	528,707	(3,582,448)
Cash flows	-	-	-	-	-
Premiums paid	5,457,480	-	-	-	5,457,480
Amounts received	-	-	(2,157,737)	-	(2,157,737)
Total cash flows	5,457,480	-	(2,157,737)	-	3,299,743
Other movements	-	-	-	-	-
Net reinsurance contract (liabilities)/assets as at end	**(516,990)**	**-**	**4,012,927**	**528,707**	**4,024,644**

10.1(a)
2024

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

Accident	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	125,417	-	1,093,522	143,577	1,362,515
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	125,417	-	1,093,522	143,577	1,362,515
Allocation of reinsurance premiums	(587,049)	-	-	-	(587,049)
Amount recoverable from reinsurers for Incurred claims	-	-	466,703	(13,313)	453,390
Changes to amounts recoverable for incurred claims		-	43,514	(13,313)	30,201
Recoveries on incurred claims and other expenses	-	-	423,189	-	423,189
Net income or expense from reinsurance contracts held	(587,050)	-	466,703	(13,313)	(133,660)
Reinsurance finance income	-	-	(15,021)	-	(15,021)
Total changes in the statement of comprehensive income	(587,050)	-	451,682	(13,313)	(148,681)
Cash flows	-	-	-	-	-
Premiums paid	589,932	-	-	-	589,932
Amounts received	-	-	(423,188)	-	(423,188)
Total cash flows	589,932	-	(423,188)	-	166,744
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**128,298**	**-**	**1,122,016**	**130,264**	**1,380,578**

2023

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	102,515	-	882,712	-	985,226
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	102,515	-	882,712	-	985,226
Allocation of reinsurance premiums	(506,502)	-	-	-	(506,502)
Amounts recovery for Incurred claims and other expenses	-	-	761,097	143,577	904,674
Changes to amounts recoverable for incurred claims		-	150,970	143,577	294,547
Recoveries on incurred claims and other expenses	-	-	610,127	-	610,127
Net income or expense from reinsurance contracts held	(506,502)	-	761,097	143,577	398,172
Reinsurance finance income	-	-	59,840	-	59,840
Total changes in the statement of comprehensive income	(506,502)	-	820,937	143,577	458,012
Cash flows					
Premiums paid	529,404	-	-	-	529,404
Amounts received	-	-	(610,127)	-	(610,127)
Total cash flows	529,404	-	(610,127)	-	(80,723)
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**125,417**	**-**	**1,093,522**	**143,577**	**1,362,515**

10.1(b) **2024**

Engineering **Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims**

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	164,628	22,293	186,921
Reinsurance contract liabilities as at beginning of period	(112,766)	-	-	-	(112,766)
Net reinsurance contract assets/(liabilities) as at beginning	(112,766)	-	164,628	22,293	74,155
Allocation of reinsurance premiums	(466,985)	-	-	-	(466,985)
Amount recoverable from reinsurers for Incurred claims	-	-	334,644	42,823	377,467
Changes to amounts recoverable for incurred claims		-	298,695	42,823	341,518
Recoveries on incurred claims and other expenses	-	-	35,949	-	35,949
Net income or expense from reinsurance contracts held	(466,985)	-	334,644	42,823	(89,518)
Reinsurance finance income	-	-	(12,061)	-	(12,061)
Total changes in the statement of comprehensive income	(466,985)	-	322,583	42,823	(101,579)
Cash flows					
Premiums paid	556,953	-	-	-	556,953
Amounts received	-	-	(35,948)	-	(35,948)
Total cash flows	556,953	-	(35,948)	-	521,005
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**(22,799)**	**-**	**451,263**	**65,116**	**493,580**

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Engineering **Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims**

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	54,406	-	177,929	-	232,336
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	54,406	-	177,929	-	232,336
Allocation of reinsurance premiums	(409,042)	-	-	-	(409,042)
Amounts recovery for Incurred claims and other expenses	-	-	42,870	22,293	65,163
Changes to amounts recoverable for incurred claims		-	(21,755)	22,293	538
Recoveries on incurred claims and other expenses	-	-	64,625	-	64,625
Net income or expense from reinsurance contracts held	(409,042)	-	42,870	22,293	(343,879)
Reinsurance finance income	-	-	8,454	-	8,454
Total changes in the statement of comprehensive income	(409,042)	-	51,324	22,293	(335,425)
Cash flows					
Premiums paid	241,870	-	-	-	241,870
Amounts received	-	-	(64,625)	-	(64,625)
Total cash flows	241,870	-	(64,625)	-	177,245
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**(112,766)**	**-**	**164,628**	**22,293**	**74,155**

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10.1(c) **2024**

Marine **Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims**

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	123,407	-	426,648	55,818	605,873
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	123,407	-	426,648	55,818	605,873
Allocation of reinsurance premiums	(585,221)	-	-	-	(585,221)
Amount recoverable from reinsurers for Incurred claims	-	-	518,262	(48,251)	470,011
Changes to amounts recoverable for incurred claims		-	377,772	(48,251)	329,521
Recoveries on incurred claims and other expenses	-	-	140,490	-	140,490
Net income or expense from reinsurance contracts held	(585,221)	-	518,262	(48,251)	(115,210)
Reinsurance finance income	-	-	(26,372)	-	(26,372)
Total changes in the statement of comprehensive income	(585,221)	-	491,890	(48,251)	(141,582)
Cash flows	-	-	-	-	-
Premiums paid	633,674	-	-	-	633,674
Amounts received	-	-	(140,490)	-	(140,490)
Total cash flows	633,674	-	(140,490)	-	493,184
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**171,861**	**-**	**778,048**	**7,567**	**957,475**
	-	-	-	-	-
	-	-	-	-	-

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Marine **Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims**

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	93,038	-	432,957	-	525,995
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	93,038	-	432,957	-	525,995
Allocation of reinsurance premiums	(394,260)	-	-	-	(394,260)
Amounts recovery for Incurred claims and other expenses	-	-	486,175	55,818	541,993
Changes to amounts recoverable for incurred claims		-	(26,144)	55,818	29,674
Recoveries on incurred claims and other expenses	-	-	512,319	-	512,319
Net income or expense from reinsurance contracts held	(394,260)	-	486,175	55,818	147,733
Reinsurance finance income	-	-	19,835	-	19,835
Total changes in the statement of comprehensive income	(394,260)	-	506,010	55,818	167,568
Cash flows	-	-	-	-	-
Premiums paid	424,629	-	-	-	424,629
Amounts received	-	-	(512,319)	-	(512,319)
Total cash flows	424,629	-	(512,319)	-	(87,690)
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**123,407**	**-**	**426,648**	**55,818**	**605,873**

10.1(d) 2024

Motor

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	54,487	-	116,868	17,693	189,047
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	54,487	-	116,868	17,693	189,047
Allocation of reinsurance premiums	(169,556)	-	-	-	(169,556)
Amount recoverable from reinsurers for Incurred claims	-	-	378,030	(2,154)	375,876
Changes to amounts recoverable for incurred claims		-	(3,711)	(2,154)	(5,865)
Recoveries on incurred claims and other expenses	-	-	381,741	-	381,741
Net income or expense from reinsurance contracts held	(169,556)	-	378,030	(2,154)	206,320
Reinsurance finance income	-	-	(1,573)	-	(1,573)
Total changes in the statement of comprehensive income	(169,556)	-	376,457	(2,154)	204,747
Cash flows					
Premiums paid	372,274	-	-	-	372,274
Amounts received	-	-	(381,741)	-	(381,741)
Total cash flows	372,274	-	(381,741)	-	(9,467)
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**257,204**	**-**	**111,584**	**15,539**	**384,327**

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Motor

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	63,256	-	34,430	-	97,685
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	63,256	-	34,430	-	97,685
Allocation of reinsurance premiums	(222,197)	-	-	-	(222,197)
Amounts recovery for Incurred claims and other expenses	-	-	325,152	17,693	342,845
Changes to amounts recoverable for incurred claims		-	78,803	17,693	96,496
Recoveries on incurred claims and other expenses	-	-	246,349	-	246,349
Net income or expense from reinsurance contracts held	(222,197)	-	325,152	17,693	120,648
Reinsurance finance income	-	-	3,635	-	3,635
Total changes in the statement of comprehensive income	(222,197)	-	328,787	17,693	124,283
Cash flows	-	-	-	-	-
Premiums paid	213,428	-	-	-	213,428
Amounts received	-	-	(246,349)	-	(246,349)
Total cash flows	213,428	-	(246,349)	-	(32,921)
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**54,487**	**-**	**116,868**	**17,693**	**189,047**

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10.1(e) Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

Fire

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	1,820,590	237,844	2,058,434
Reinsurance contract liabilities as at beginning of period	(251,247)	-	-	-	(251,247)
Net reinsurance contract assets/(liabilities) as at beginning	(251,247)	-	1,820,590	237,844	1,807,187
Allocation of reinsurance premiums	(1,123,734)	-	-	-	(1,123,734)
Amount recoverable from reinsurers for Incurred claims	-	-	(260,250)	(156,728)	(416,978)
Changes to amounts recoverable for incurred claims		-	(703,929)	(156,728)	(860,657)
Recoveries on incurred claims and other expenses	-	-	443,679	-	443,679
Net income or expense from reinsurance contracts held	(1,123,734)	-	(260,250)	(156,728)	(1,540,712)
Reinsurance finance income	-	-	(24,172)	-	(24,172)
Total changes in the statement of comprehensive income	(1,123,734)	-	(284,422)	(156,728)	(1,564,884)
Cash flows	-	-	-	-	-
Premiums paid	1,321,525	-	-	-	1,321,525
Amounts received	-	-	(443,677)	-	(443,677)
Total cash flows	1,321,525	-	(443,677)	-	877,848
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**(53,456)**	**-**	**1,092,491**	**81,116**	**1,120,151**

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Fire

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	170,357	-	1,903,811	-	2,074,168
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	170,357	-	1,903,811	-	2,074,168
Allocation of reinsurance premiums	(1,384,858)	-	-	-	(1,384,858)
Amounts recovery for Incurred claims and other expenses	-	-	527,650	237,844	765,494
Changes to amounts recoverable for incurred claims		-	(166,962)	237,844	70,882
Recoveries on incurred claims and other expenses	-	-	694,612	-	694,612
Net income or expense from reinsurance contracts held	(1,384,858)	-	527,650	237,844	(619,364)
Reinsurance finance income	-	-	83,741	-	83,741
Total changes in the statement of comprehensive income	(1,384,858)	-	611,391	237,844	(535,623)
Cash flows	-	-	-	-	-
Premiums paid	963,254	-	-	-	963,254
Amounts received	-	-	(694,612)	-	(694,612)
Total cash flows	963,254	-	(694,612)	-	268,642
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**(251,247)**	**-**	**1,820,590**	**237,844**	**1,807,187**

10.1(f)
Oil & Gas

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	333,064	43,880	376,944
Reinsurance contract liabilities as at beginning of period	(307,090)	-	-	-	(307,090)
Net reinsurance contract assets/(liabilities) as at beginning	(307,090)	-	333,064	43,880	69,854
Allocation of reinsurance premiums	(4,703,684)	-	-	-	(4,703,684)
Amount recoverable from reinsurers for Incurred claims	-	-	5,208	(32,250)	(27,042)
Changes to amounts recoverable for incurred claims		-	(121,086)	(32,250)	(153,336)
Recoveries on incurred claims and other expenses	-	-	126,294	-	126,294
Net income or expense from reinsurance contracts held	(4,703,684)	-	5,208	(32,250)	(4,730,725)
Reinsurance finance income	-	-	(6,322)	-	(6,322)
Total changes in the statement of comprehensive income	(4,703,684)	-	(1,114)	(32,250)	(4,737,047)
Cash flows					
Premiums paid	5,066,861	-	-	-	5,066,861
Amounts received	-	-	(126,293)	-	(126,293)
Total cash flows	5,066,861	-	(126,293)	-	4,940,568
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**56,088**	**-**	**205,657**	**11,630**	**273,375**

2023
Oil & Gas

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	346,382	-	346,382
Reinsurance contract liabilities as at beginning of period	(5,371)	-	-	-	(5,371)
Net reinsurance contract assets/(liabilities) as at beginning	(5,371)	-	346,382	-	341,011
Allocation of reinsurance premiums	(2,953,055)	-	-	-	(2,953,055)
Amounts recovery for Incurred claims and other expenses	-	-	(9,984)	43,880	33,896
Changes to amounts recoverable for incurred claims		-	(30,496)	43,880	13,384
Recoveries on incurred claims and other expenses	-	-	20,512	-	20,512
Net income or expense from reinsurance contracts held	(2,953,055)	-	(9,984)	43,880	(2,919,159)
Reinsurance finance income	-	-	17,178	-	17,178
Total changes in the statement of comprehensive income	(2,953,055)	-	7,194	43,880	(2,901,981)
Cash flows	-	-	-	-	-
Premiums paid	2,651,337	-	-	-	2,651,337
Amounts received	-	-	(20,512)	-	(20,512)
Total cash flows	2,651,337	-	(20,512)	-	2,630,825
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**(307,090)**	**-**	**333,064**	**43,880**	**69,854**

10.1(g) 2024
Aviation

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	50,222	6,629	56,851
Reinsurance contract liabilities as at beginning of period	(149,579)	-	-	-	(149,579)
Net reinsurance contract assets/(liabilities) as at beginning	(149,579)	-	50,222	6,629	(92,728)
Allocation of reinsurance premiums	(968,033)	-	-	-	(968,033)
Amount recoverable from reinsurers for Incurred claims	-	-	838,341	59,266	897,607
Changes to amounts recoverable for incurred claims		-	838,341	59,266	897,607
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(968,033)	-	838,341	59,266	(70,426)
Reinsurance finance income	-	-	(31,133)	-	(31,133)
Total changes in the statement of comprehensive income	(968,033)	-	807,208	59,266	(101,559)
Cash flows	-	-	-	-	-
Premiums paid	1,153,774	-	-	-	1,153,774
Amounts received	-	-	-	-	-
Total cash flows	1,153,774	-	-	-	1,153,774
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**36,162.25**	**-**	**857,429**	**65,895**	**959,487**

2023
Aviation

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	30,183	-	30,183
Reinsurance contract liabilities as at beginning of period	(26,861)	-	-	-	(26,861)
Net reinsurance contract assets/(liabilities) as at beginning	(26,861)	-	30,183	-	3,321
Allocation of reinsurance premiums	(549,997)	-	-	-	(549,997)
Amounts recovery for Incurred claims and other expenses	-	-	20,154	6,629	26,783
Changes to amounts recoverable for incurred claims		-	17,366	6,629	23,995
Recoveries on incurred claims and other expenses	-	-	2,788	-	2,788
Net income or expense from reinsurance contracts held	(549,997)	-	20,154	6,629	(523,214)
Reinsurance finance income	-	-	2,673	-	2,673
Total changes in the statement of comprehensive income	(549,997)	-	22,827	6,629	(520,541)
Cash flows	-	-	-	-	-
Premiums paid	427,279	-	-	-	427,279
Amounts received	-	-	(2,788)	-	(2,788)
Total cash flows	427,279	-	(2,788)	-	424,491
Net reinsurance contract assets/(liabilities) as at end	(149,579)	**-**	**50,222**	**6,629**	**(92,728)**

10.1(h) 2024

Bond

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	-	-	-	-	-
Reinsurance contract liabilities as at beginning of period	(436)	-	-	-	(436)
Net reinsurance contract (liabilities) as at beginning	(436)	-	-	-	(436)
Allocation of reinsurance premiums	(2,622)	-	-	-	(2,622)
Amount recoverable from reinsurers for Incurred claims	-	-	-	-	-
Changes to amounts recoverable for incurred claims		-	-	-	-
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(2,622)	-	-	-	(2,622)
Reinsurance finance income	-	-	-	-	-
Total changes in the statement of comprehensive income	(2,622)	-	-	-	(2,622)
Cash flows	-	-	-	-	-
Premiums paid	4,643	-	-	-	4,643
Amounts received	-	-	-	-	-
Total cash flows	4,643	-	-	-	4,643
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**1,584**	**-**	**-**	**-**	**1,584**

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Bond

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	441	-	-	-	441
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	441	-	-	-	441
Allocation of reinsurance premiums	(1,956)	-	-	-	(1,956)
Amounts recovery for Incurred claims and other expenses	-	-	-	-	-
Changes to amounts recoverable for incurred claims		-	-	-	-
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(1,956)	-	-	-	(1,956)
Reinsurance finance income	-	-	-	-	-
Total changes in the statement of comprehensive income	(1,956)	-	-	-	(1,956)
Cash flows	-	-	-	-	-
Premiums paid	1,078	-	-	-	1,078
Amounts received	-	-	-	-	-
Total cash flows	1,078	-	-	-	1,078
Other movements	-	-	-	-	-
Net reinsurance contract (liabilities) as at end	**(436)**	**-**	**-**	**-**	**(436)**

10.1(i) 2024

Agriculture

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	818	-	7,386	973	9,177
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	818	-	7,386	973	9,177
Allocation of reinsurance premiums	(6,517)	-	-	-	(6,517)
Amount recoverable from reinsurers for Incurred claims	-	-	(6,641)	(833)	(7,474)
Changes to amounts recoverable for incurred claims		-	(6,641)	(833)	(7,474)
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(6,517)	-	(6,641)	(833)	(13,991)
Reinsurance finance income	-	-	75	-	75
Total changes in the statement of comprehensive income	(6,517)	-	(6,566)	(833)	(13,916)
Cash flows	-	-	-	-	-
Premiums paid	5,390	-	-	-	5,390
Amounts received	-	-	-	-	-
Total cash flows	5,390	-	-	-	5,390
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**(309)**	**-**	**820**	**140**	**651**

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Agriculture

Reconciliation of reinsurance contract assets for remaining coverage and amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at beginning of period	39,917	-	7,253	-	47,170
Reinsurance contract liabilities as at beginning of period	-	-	-	-	-
Net reinsurance contract assets as at beginning	39,917	-	7,253	-	47,170
Allocation of reinsurance premiums	(44,300)	-	-	-	(44,300)
Amounts recovery for Incurred claims and other expenses	-	-	6,140	973	7,113
Changes to amounts recoverable for incurred claims		-	(266)	973	707
Recoveries on incurred claims and other expenses	-	-	6,406	-	6,406
Net income or expense from reinsurance contracts held	(44,300)	-	6,140	973	(37,187)
Reinsurance finance income	-	-	399	-	399
Total changes in the statement of comprehensive income	(44,300)	-	6,539	973	(36,788)
Cash flows	-	-	-	-	-
Premiums paid	5,201	-	-	-	5,201
Amounts received	-	-	(6,406)	-	(6,406)
Total cash flows	5,201	-	(6,406)	-	(1,205)
Other movements	-	-	-	-	-
Net reinsurance contract assets as at end	**818**	**-**	**7,386**	**973**	**9,177**

Notes to the financial statements-continued

10.2

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims.

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

2024 — **Comprehensive reconciliation of the LFRC and the LFIC for insurance contracts**

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	3,981,244	14,475	10,024,351	1,320,718	15,340,788
Insurance revenue	22,505,281	(276,182)	-	-	22,229,099
Incurred claims expenses	-	-	(4,578,686)	-	(4,578,686)
Other insurance service expense	-	-	(2,115,580)	-	(2,115,580)
Amortisation of insurance acquisition cash flows	(8,023,461)	-	-	-	(8,023,461)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(718,586)	464,725	(253,861)
Insurance service expenses	(8,023,461)	-	(7,412,852)	464,725	(14,971,588)
Insurance service result before reinsurance contract held	14,481,820	(276,182)	(7,412,852)	464,725	7,257,511
Insurance finance expenses	-	-	269,094	-	269,094
Total changes in the statement of comprehensive income	14,481,820	(276,182)	(7,143,758)	464,725	7,526,605
Cash flows	-	-	-	-	-
Premiums received	24,044,367	-	-	-	24,044,367
Claims paid	-	-	(4,578,686)	-	(4,578,686)
Other expenses paid (share of management expenses)	-	-	(2,115,580)	-	(2,115,580)
Insurance acquisition cash flows	(8,469,025)	-	-	-	(8,469,025)
Total cash flows	15,575,343	-	(6,695,508)	-	8,881,077
Other movements	691,728	-	-	-	691,728
Insurance contract liabilities as at end of period	5,766,494	290,658	10,472,600	855,994	17,386,988

2023 — **Comprehensive reconciliation of the LFRC and the LFIC for insurance contracts**

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
Net insurance contract liabilities as at beginning	2,314,900	381,593	9,572,174	923,222	13,191,889
Insurance revenue	14,480,563	367,118	-	-	14,847,681
Incurred claims expenses	-	-	4,492,147	-	4,492,147
Other insurance service expense	-	-	1,795,418	-	1,795,418
Amortisation of insurance acquisition cash flows	4,201,202	-	-	-	4,201,202
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(90,858)	397,496	306,638
Insurance service expenses	4,201,202	-	6,196,707	397,496	10,795,405
Insurance service result for insurance contract issued	10,279,361	367,118	(6,196,707)	(397,496)	4,052,276
Insurance finance expenses	-	-	(543,036)	-	(543,036)
Total changes in the statement of comprehensive income	10,279,361	367,118	(6,739,742)	(397,496)	3,509,241
Cash flows					
Premiums received	16,218,449	-	-	-	16,218,449
Claims paid	-	-	(4,492,147)	-	(4,492,147)
Other expenses paid	-	-	(1,795,418)	-	(1,795,418)
Insurance acquisition cash flows	(4,387,183)	-	-	-	(4,387,183)
Total cash flows	11,831,266	-	(6,287,565)	-	5,543,701
Other movements	114,439	-	-	-	114,439
Insurance contract liabilities as at end of period	3,981,244	14,475	10,024,351	1,320,718	15,340,788

Notes to the financial statements-continued

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10.2(a)

Reconciliation of the LFRC and the LFIC for insurance contracts - Accident

	Liabilities for remaining coverage		Liability for Incurred Claims		
	component	component	cash flow	Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	311,546	14,476	2,058,248	354,148	2,738,418
Insurance revenue	1,883,716	14,476	-	-	1,898,192
Incurred claims expenses	-	-	(784,903)	-	(784,903)
Other insurance service expenses	-	-	(171,166)	-	(171,166)
Amortisation of insurance acquisition cash flows	(757,209)	-	-	-	(757,209)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	44,644	123,430	168,074
Investment components	-	-	-	-	-
Insurance service expenses	(757,209)	-	(911,425)	123,430	(1,545,204)
Insurance service result before reinsurance contract held	1,126,507	14,476	(911,425)	123,430	352,988
Insurance finance expenses	-	-	26,357	-	26,357
Total changes in the statement of comprehensive income	1,126,507	14,476	(885,068)	123,430	379,345
Cash flows	-	-	-	-	-
Premiums received	1,996,809	-	-	-	1,996,809
Claims paid	-	-	(784,903)	-	(784,903)
Other expenses paid (share of management expenses)	-	-	(171,166)	-	(171,166)
Insurance acquisition cash flows	(775,377)	-	-	-	(775,377)
Total cash flows	1,221,432	-	(956,069)	-	265,364
Other movements	4,518	-	-	-	4,518
Insurance contract liabilities as at end of period	410,989	-	1,987,247	230,718	2,628,954

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Reconciliation of the LFRC and the LFIC for insurance contracts - Accident

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	211,270	64,773	1,667,187	201,463	2,144,692
Insurance revenue	1,490,541	50,297	-	-	1,540,838
Incurred claims expenses	-	-	912,220	-	912,220
Other insurance service expenses	-	-	177,900	-	177,900
Amortisation of insurance acquisition cash flows	502,105	-	-	-	502,105
Changes to liabilities for incurred claims	-	-	267,394	152,685	420,079
Insurance service expenses	502,105	-	1,357,514	152,685	2,012,304
Insurance service result	988,436	50,297	(1,357,514)	(152,685)	(471,466)
Insurance finance expenses	-	-	(123,668)	-	(123,668)
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of comprehensive income	988,436.17	50,297	(1,481,181)	(152,685)	(595,133)
Cash flows	-	-	-	-	-
Premiums received	1,601,335	-	-	-	1,601,335
Claims paid	-	-	(912,220)	-	(912,220)
Other expenses paid	-	-	(177,900)	-	(177,900)
Insurance acquisition cash flows	(518,468)	-	-	-	(518,468)
Total cash flows	1,082,867	-	(1,090,120)	-	(7,253)
Other movements	5,845	-	-	-	5,845
Net insurance contract liabilities as at end	311,546	14,476	2,058,249	354,148	2,738,418

Notes to the financial statements-continued

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10.2(b) Reconciliation of the LFRC and the LFIC for insurance contracts - Engineering

	Liabilities for remaining coverage		Liability for Incurred claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	251,819	-	301,909	63,675	617,402
Insurance revenue	1,253,152	(31,352)	-	-	1,221,800
Incurred claims expenses	-	-	(132,551)	-	(132,551)
Other insurance service expenses	-	-	(132,623)	-	(132,623)
Amortisation of insurance acquisition cash flows	(474,726)	-	-	-	(474,726)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(749,952)	(84,162)	(834,114)
Investment components	-	-	-	-	-
Insurance service expenses	(474,726)	-	(1,015,126)	(84,162)	(1,574,015)
Insurance service result before reinsurance contract held	778,426	(31,352)	(1,015,126)	(84,162)	(352,215)
Insurance finance expenses	-	-	27,344	-	27,344
Total changes in the statement of comprehensive income	778,426	(31,352)	(987,782)	(84,162)	(324,871)
Cash flows	-	-	-	-	-
Premiums received	1,546,307	-	-	-	1,546,307
Claims paid	-	-	(132,551)	-	(132,551)
Other expenses paid (share of management expenses)	-	-	(132,623)	-	(132,623)
Insurance acquisition cash flows	(534,301)	-	-	-	(534,301)
Total cash flows	1,012,006	-	(265,174)	-	746,832
Other movements	4,369	-	-	-	4,369
Insurance contract liabilities as at end of period	489,768	31,352	1,024,517	147,837	1,693,474

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10.2(b) Reconciliation of the LFRC and the LFIC for insurance contracts - Engineering

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	129,131	52,330	317,468	25,472	524,400
Insurance revenue	739,026	52,330	-	-	791,356
Incurred claims expenses	-	-	246,085	-	246,085
Other insurance service expenses	-	-	97,478	-	97,478
Amortisation of insurance acquisition cash flows	223,777	-	-	-	223,777
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(32,846)	38,202	5,356
Insurance service expenses	223,777	-	310,717	38,202	572,696
Insurance service result for insurance contract issued	515,249	52,330	(310,717)	(38,202)	218,660
Insurance finance expenses	-	-	(17,288)	-	(17,288)
Total changes in the statement of comprehensive income	515,249	52,330	(328,005)	(38,202)	201,372
Cash flows					
Premiums received	878,883	-	-	-	878,883
Claims paid	-	-	(246,085)	-	(246,085)
other expenses paid	-	-	(97,478)	-	(97,478)
Insurance acquisition cash flows	(242,701)	-	-	-	(242,701)
Total cash flows	636,183	-	(343,563)	-	292,619
Other movements	1,755	-	-	-	1,755
Insurance contract liabilities as at end of period	251,819		301,910	63,674	617,402

Notes to the financial statements-continued
2024
10.2(c) Reconciliation of the LFRC and the LFIC for insurance contracts - Marine

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	229,353	-	1,094,400	39,112	1,362,865
Insurance revenue	1,609,003	-	-	-	1,609,003
Incurred claims expenses	-	-	(643,092)	-	(643,092)
Other insurance service expenses	-	-	(155,523)	-	(155,523)
Amortisation of insurance acquisition cash flows	(608,560)	-	-	-	(608,560)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(557,403)	23,576	(533,827)
Insurance service expenses	(608,560)	-	(1,356,018)	23,576	(1,941,002)
Insurance service result before reinsurance contract held	1,000,443	-	(1,356,018)	23,576	(331,999)
Insurance finance expenses	-	-	54,569	-	54,569
Total changes in the statement of comprehensive income	1,000,443	-	(1,301,449)	23,576	(277,430)
Cash flows	-	-	-	-	-
Premiums received	1,817,309	-	-	-	1,817,309
Claims paid	-	-	(643,092)	-	(643,092)
Other expenses paid (share of management expenses)	-	-	(155,523)	-	(155,523)
Insurance acquisition cash flows	(645,228)	-	-	-	(645,228)
Total cash flows	1,172,081	-	(798,615)	-	373,466
Other movements	1,120	-	-	-	1,120
Insurance contract liabilities as at end of period	402,111	-	1,597,234	15,536	2,014,881

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10.2(c) Reconciliation of the LFRC and the LFIC for insurance contracts - Marine

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	122,394	24,949	1,118,401	28,226	1,293,969
Insurance revenue	955,964	24,949	-	-	980,913
Incurred claims expenses	-	-	500,073	-	500,073
Other insurance service expenses	-	-	119,411	-	119,411
Amortisation of insurance acquisition cash flows	574,991	-	-	-	574,991
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(75,961)	10,885	(65,076)
Insurance service expenses	694,402	-	424,112	10,885	1,129,399
Insurance service result for insurance contract issued	261,562	24,949	(424,112)	(10,885)	(148,486)
Insurance finance expenses	-	-	(51,962)	-	(51,962)
Total changes in the statement of comprehensive income	261,562	24,949	(476,074)	(10,885)	(200,448)
Cash flows					
Premiums received	1,073,200	-	-	-	1,073,200
Claims paid	-	-	(500,073)	-	(500,073)
other expenses paid	-	-	(119,411)	-	(119,411)
Insurance acquisition cash flows	(590,853)	-	-	-	(590,853)
Total cash flows	362,936	-	(500,073)	-	(137,137)
Other movements	5,585	-	-	-	5,585
Insurance contract liabilities as at end of period	229,353	(0)	1,094,401	39,111	1,362,865

Notes to the financial statements-continued

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10.2(d) Reconciliation of the LFRC and the LFIC for insurance contracts - Motor

	Liabilities for remaining coverage		Liability for Incurred Claims		
	component	component	cash flow	Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	1,383,324	-	871,588	141,145	2,396,057
Insurance revenue	5,073,032	-	-	-	5,073,032
Incurred claims expenses	-	-	(1,222,288)	-	(1,222,288)
Other insurance service expenses	-	-	(428,291)	-	(428,291)
Amortisation of insurance acquisition cash flows	(1,597,583)	-	-	-	(1,597,583)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	137,053	40,293	177,346
Investment components	-	-	-	-	-
Insurance service expenses	(1,597,583)	-	(1,513,526)	40,293	(3,070,816)
Insurance service result before reinsurance contract held	3,475,449	-	(1,513,526)	40,293	2,002,216
Insurance finance expenses	-	-	10,299	-	10,299
Total changes in the statement of comprehensive income	3,475,449	-	(1,503,227)	40,293	2,012,515
Cash flows	-	-	-	-	-
Premiums received	4,956,242	-	-	-	4,956,242
Claims paid	-	-	(1,222,288)	-	(1,222,288)
Other expenses paid (share of management expenses)	-	-	(428,291)	-	(428,291)
Insurance acquisition cash flows	(1,592,555)	-	-	-	(1,592,555)
Total cash flows	3,363,687	-	(1,650,579)	-	1,713,108
Other movements	51,481	-	-	-	51,481
Net insurance contract liabilities as at end	1,323,043	-	724,236	100,852	2,148,131

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Reconciliation of the LFRC and the LFIC for insurance contracts - Motor

	Liabilities for remaining coverage		Liability for Incurred Claims		
	component	component	cash flow	Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	855,515	-	636,744	51,920	1,544,179
Insurance revenue	3,772,284	-	-	-	3,772,284
Incurred claims expenses	-	-	1,034,857	-	1,034,857
Other insurance service expenses	-	-	480,637	-	480,637
Amortisation of insurance acquisition cash flows	680,284	-	-	-	680,284
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	187,770	89,226	276,996
Insurance service expenses	680,284	-	1,703,264	89,226	2,472,774
Insurance service result for insurance contract issued	3,092,000	-	(1,703,264)	(89,226)	1,299,510
Insurance finance expenses	-	-	(47,073)	-	(47,073)
Total changes in the statement of comprehensive income	3,092,000	-	(1,750,337)	(89,226)	1,252,437
Cash flows					
Premiums received	4,329,854	-	-	-	4,329,854
Claims paid	-	-	(1,034,857)	-	(1,034,857)
other expenses paid	-	-	(480,637)	-	(480,637)
Insurance acquisition cash flows	(722,361)	-	-	-	(722,361)
Total cash flows	3,126,856	-	(1,034,857)	-	2,091,999
Other movements	12,316	-	-	-	12,316
Insurance contract liabilities as at end of period	902,687	-	1,352,224	141,146	2,396,057

Notes to the financial statements-continued

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10.2(e) Reconciliation of the LFRC and the LFIC for insurance contracts - Fire

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component ₦'000	Loss component ₦'000	PV of future cash flow ₦'000	Risk Adjustment ₦'000	Total ₦'000
Net insurance contract liabilities as at beginning	706,308	-	3,089,302	450,783	4,246,394
Insurance revenue	3,727,608	-	-	-	3,727,608
Incurred claims expenses	-	-	(963,035)	-	(963,035)
Other insurance service expenses	-	-	(328,081)	-	(328,081)
Amortisation of insurance acquisition cash flows	(1,253,799)	-	-	-	(1,253,799)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	1,111,076	307,050	1,418,126
Investment components	-	-	-	-	-
Insurance service expenses	(1,253,799)	-	(180,040)	307,050	(1,126,788)
Insurance service result before reinsurance contract held	2,473,809	-	(180,040)	307,050	2,600,820
Insurance finance expenses	-	-	42,411	-	42,411
Total changes in the statement of comprehensive income	2,473,809	-	(137,629)	307,050	2,643,231
Cash flows	-	-	-	-	-
Premiums received	3,814,045	-	-	-	3,814,045
Claims paid	-	-	(963,036)	-	(963,036)
Other expenses paid (share of management expenses)	-	-	(328,081)	-	(328,081)
Insurance acquisition cash flows	(1,277,301)	-	-	-	(1,277,301)
Total cash flows	2,536,744	-	(1,291,117)	-	1,245,627
Other movements	21,990	-	-	-	21,990
Net insurance contract liabilities as at end	791,233	-	1,935,814	143,733	2,870,780
	-	-	-	-	-

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Reconciliation of the LFRC and the LFIC for insurance contracts - Fire

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component ₦'000	Loss component ₦'000	PV of future cash flow ₦'000	Risk Adjustment ₦'000	Total ₦'000
Net insurance contract liabilities as at beginning	479,452	174,386	3,257,965	241,790	4,153,593
Insurance revenue	2,981,186	174,386	-	-	3,155,572
Incurred claims expenses	-	-	974,416	-	974,416
Other insurance service expenses	-	-	357,559	-	357,559
Amortisation of insurance acquisition cash flows	834,390	-	-	-	834,390
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(322,138)	208,993	(113,145)
Insurance service expenses	1,191,949	-	652,278	208,993	2,053,220
Insurance service result for insurance contract issued	1,789,237	174,386	(652,278)	(208,993)	1,102,352
Insurance finance expenses	-	-	(153,476)	-	(153,476)
Total changes in the statement of comprehensive income	1789237.37	174,386	(805,754)	(208,993)	948,876
Cash flows	-	-	-	-	-
Premiums received	3,224,576	-	-	-	3,224,576
Claims paid	-	-	(974,416)	-	(974,416)
other expenses paid	-	-	(357,559)	-	(357,559)
Insurance acquisition cash flows	(856,606)	-	-	-	(856,606)
Total cash flows	2,010,411	-	(974,416)	-	1,035,995
Other movements	5,682	-	-	-	5,682
Insurance contract liabilities as at end of period	706,308	-	3,089,303	450,783	4,246,394

Notes to the financial statements-continued

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10.2(f) Reconciliation of the LFRC and the LFIC for insurance contracts - Oil and gas

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component ₦'000	Loss component ₦'000	PV of future cash flow ₦'000	Risk Adjustment ₦'000	Total ₦'000
Net insurance contract liabilities as at beginning	1,008,346	-	2,279,727	242,049	3,530,123
Insurance revenue	7,596,986	-	-	-	7,596,986
Incurred claims expenses	-	-	(471,257)	-	(471,257)
Other insurance service expenses	-	-	(768,760)	-	(768,760)
Amortisation of insurance acquisition cash flows	(2,811,253)	-	-	-	(2,811,253)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	828,782	162,437	991,219
Investment components	-	-	-	-	-
Insurance service expenses	(2,811,253)	-	(411,235)	162,437	(3,060,051)
Insurance service result before reinsurance contract held	4,785,733	-	(411,235)	162,437	4,536,935
Insurance finance expenses	-	-	43,210	-	43,210
Total changes in the statement of comprehensive income	4,785,733	-	(368,025)	162,437	4,580,145
Cash flows					
Premiums received	8,382,168	-	-	-	8,382,168
Claims paid	-	-	(471,256)	-	(471,256)
Other expenses paid (share of management expenses)	-	-	(768,760)	-	(768,760)
Insurance acquisition cash flows	(3,091,162)	-	-	-	(3,091,162)
Total cash flows	5,291,006	-	(1,240,016)	-	4,050,990
Other movements	606,443	-	-	-	606,443
Insurance contract liabilities as at end of period	2,120,062	-	1,407,736	79,612	3,607,411

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Reconciliation of the LFRC and the LFIC for insurance contracts - Oil and gas

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component ₦'000	Loss component ₦'000	PV of future cash flow ₦'000	Risk Adjustment ₦'000	Total ₦'000
Net insurance contract liabilities as at beginning	432,726	59,443	2,370,977	344,816	3,207,962
Insurance revenue	3,897,090	59,443	-	-	3,956,533
Incurred claims expenses	-	-	694,683	-	694,683
Other insurance service expenses	-	-	504,223	-	504,223
Amortisation of insurance acquisition cash flows	1,194,455	-	-	-	1,194,455
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(222,054)	(102,769)	(324,823)
Insurance service expenses	1,194,455	-	976,852	(102,769)	2,068,538
Insurance service result for insurance contract issued	2,702,635	59,443	(976,852)	102,769	1,887,994
Insurance finance expenses	-	-	(130,805)	-	(130,805)
Total changes in the statement of comprehensive income	2,198,412	59,443	(603,434)	102,769	1,757,189
Cash flows					
Premiums received	4,477,178	-	-	-	4,477,178
Claims paid	-	-	(694,683)	-	(694,683)
other expenses paid	-	-	(504,223)	-	(504,223)
Insurance acquisition cash flows	(1,276,991)	-	-	-	(1,276,991)
Total cash flows	2,695,964	-	(694,683)	-	2,001,281
Other movements	78,069	-	-	-	78,069
Insurance contract liabilities as at end of period	1,008,348	-	2,279,728	242,047	3,530,123

Notes to the financial statements-continued
2024
10.2(g)

Reconciliation of the LFRC and the LFIC for insurance contracts - Aviation

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	79,279	-	314,384	27,935	421,598
Insurance revenue	1,323,907	(259,306)	-	-	1,064,601
Incurred claims expenses	-	-	(361,560)	-	(361,560)
Other insurance service expenses	-	-	(127,974)	-	(127,974)
Amortisation of insurance acquisition cash flows	(506,244)	-	-	-	(506,244)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(1,537,225)	(109,336)	(1,646,561)
Investment components	-	-	-	-	-
Insurance service expenses	(506,244)	-	(2,026,759)	(109,336)	(2,642,340)
Insurance service result before reinsurance contract held	817,663	(259,306)	(2,026,759)	(109,336)	(1,577,739)
Insurance finance expenses	-	-	65,418	-	65,418
Total changes in the statement of comprehensive income	817,663	(259,306)	(1,961,341)	(109,336)	(1,512,321)
Cash flows	-	-	-	-	-
Premiums received	1,494,510	-	-	-	1,494,510
Claims paid	-	-	(361,560)	-	(361,560)
Other expenses paid (share of management expenses)	-	-	(127,974)	-	(127,974)
Insurance acquisition cash flows	(541,176)	-	-	-	(541,176)
Total cash flows	953,334	-	(489,534)	-	463,800
Other movements	1,806	-	-	-	1,806
Insurance contract liabilities as at end of period	216,756	259,306	1,786,191	137,272	2,399,525

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Reconciliation of the LFRC and the LFIC for insurance contracts - Aviation

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	37,979	-	188,609	28,289	254,877
Insurance revenue	552,516	-	-	-	552,516
Incurred claims expenses	-	-	120,514	-	120,514
Other insurance service expenses	-	-	66,674	-	66,674
Amortisation of insurance acquisition cash flows	158,961	-	-	-	158,961
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	107,899	(355)	107,544
Insurance service expenses	225,635	-	228,413	(355)	453,693
Insurance service result for insurance contract issued	326,881	-	(228,413)	355	98,823
Insurance finance expenses	-	-	(17,875)	-	(17,875)
Total changes in the statement of comprehensive income	326,881	-	(246,288)	355	80,948
Cash flows					
Premiums received	597,158	-	-	-	597,158
Claims paid	-	-	(120,514)	-	(120,514)
other expenses paid	-	-	(66,674)	-	(66,674)
Insurance acquisition cash flows	(167,487)	-	-	-	(167,487)
Total cash flows	362,997	-	(120,514)	-	242,483
Other movements	5,185	-	-	-	5,185
Insurance contract liabilities as at end of period	79,280	-	314,384	27,934	421,598

Notes to the financial statements-continued

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10.2(h) Reconciliation of the LFRC and the LFIC for insurance contracts - Bond

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	9,178	-	2,413	322	11,913
Insurance revenue	18,538	-	-	-	18,538
Incurred claims expenses	-	-	-	-	-
Other insurance service expenses	-	-	(1,242)	-	(1,242)
Amortisation of insurance acquisition cash flows	(5,727)	-	-	-	(5,727)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(6,691)	122	(6,569)
Investment components	-	-	-	-	-
Insurance service expenses	(6,970)	-	(6,691)	122	(13,538)
Insurance service result	11,568	-	(6,691)	122	5,000
Insurance finance expenses	-	-	(390)	-	(390)
Total changes in the statement of comprehensive income	11,568	-	(7,081)	122	4,610
Cash flows	-	-	-	-	-
Premiums received	14,525	-	-	-	14,525
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	-	-	(1,242)	-	(1,242)
Insurance acquisition cash flows	(4,962)	-	-	-	(4,962)
Total cash flows	9,563	-	(1,242)	-	8,320
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	7,172	-	8,251	200	15,624

2023 Reconciliation of the LFRC and the LFIC for insurance contracts - Bond

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component		PV of future cash flow		Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	1,968	-	2,668	322	4,958
Insurance revenue	10,342	-	-	-	10,342
Incurred claims expenses	-	-	-	-	-
Other insurance service expenses	-	-	2,110	-	2,110
Amortisation of insurance acquisition cash flows	3,728	-	-	-	3,728
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(438)	2	(436)
Insurance service expenses	3,728	-	(438)	2	3,292
Insurance service result for insurance contract issued	4,504	-	438	(2)	4,940
Insurance finance expenses	-	-	(181)	-	(181)
Total changes in the statement of comprehensive income	4,504	-	257	(2)	4,759
Cash flows					
Premiums received	19,064	-	-	-	19,064
Claims paid	-	-	-	-	-
other expenses paid	-	-	(2,110)	-	(2,110)
Insurance acquisition cash flows	(5,240)	-	-	-	(5,240)
Total cash flows	13,824	-	(2,110)	-	11,714
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	11,288	-	301	324	11,913

Notes to the financial statements-continued

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10.2 (i) Reconciliation of the LFRC and the LFIC for insurance contracts - Agriculture

	Liabilities for remaining coverage		Liability for Incurred Claims		
	component	component	cash flow	Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	2,090	-	12,379	1,549	16,018
Insurance revenue	19,339	-	-	-	19,339
Incurred claims expenses	-	-	-	-	-
Other insurance service expenses	-	-	(1,920)	-	(1,920)
Amortisation of insurance acquisition cash flows	(8,360)	-	-	-	(8,360)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	11,130	1,316	12,446
Investment components	-	-	-	-	-
Insurance service expenses	(8,360)	-	9,210	1,316	2,165
Insurance service result before reinsurance contract held	10,979	-	9,210	1,316	21,504
Insurance finance expenses	-	-	(124)	-	(124)
Total changes in the statement of comprehensive income	10,979	-	9,086	1,316	21,380
Cash flows	-	-	-	-	-
Premiums received	22,454	-	-	-	22,454
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	-	-	(1,920)	-	(1,920)
Insurance acquisition cash flows	(6,963)	-	-	-	(6,963)
Total cash flows	15,491	-	(1,920)	-	13,571
Other movements	-	-	-	-	-
Net insurance contract liabilities as at end	6,602	-	1,373	233	8,208

2023

Reconciliation of the LFRC and the LFIC for insurance contracts - Agriculture

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss component	Loss component	PV of future cash flow	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	44,466	5,713	12,155	922	63,257
Insurance revenue	69,134	5,713	-	-	74,847
Incurred claims expenses	-	-	9,299	-	9,299
Other insurance service expenses	-	-	1,904	-	1,904
Amortisation of insurance acquisition cash flows	16,033	-	-	-	16,033
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(485)	627	142
Insurance service expenses	17,938	-	8,814	627	27,379
Insurance service result for insurance contract issued	51,196	5,713	(8,814)	(627)	47,468
Insurance finance expenses	-	-	(708)	-	(708)
Total changes in the statement of comprehensive income	51,196	5,713	(9,522)	(627)	46,760
Cash flows					
Premiums received	17,203	-	-	-	17,203
Claims paid	-	-	(9,299)	-	(9,299)
other expenses paid	-	-	(1,904)	-	(1,904)
Insurance acquisition cash flows	(6,478)	-	-	-	(6,478)
Total cash flows	10,725	-	(11,203)	-	(479)
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	3,994	-	10,474	1,549	16,018

Notes to the financial statements - continued

11 The Age Analysis of Liability for Incurred Claims (excluding IBNR) as at 31 December 2024 is as follows

Age Analysis

	2024		2023	
	No of Claimants	Amount (N'000)	No of Claimants	Amount (N'000)
0-90 days	535	1,682,788	527	791,081
91-180 days	377	1,264,989	370	1,850,314
181 - 270 days	350	513,407	264	342,017
270 - 365 days	338	369,779	283	630,983
Above 365 days	3829	4,051,077	3407	3,723,433
Total	**5429**	**7,882,041**	**4851**	**7,337,827**

By reasons as follows:

2024	0 - 90 days		91 - 180 days		181 - 270 days		271- 365 days		above 365 days		Total	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
1 Discharged Voucher signed and returned to policy holders		-							1	45,053	1	45,053
2 Discharge Vouchers not yet signed		-							2	970	2	970
3 Claims reported but incomplete documentation	534	1,576,226	377	1,264,989	350	513,407	338	369,779	3,812	3,994,349	5,411	7,718,751
4 Claims reported but being adjusted		-							12	9,305	12	9,305
5 Claims repudiated		-									-	-
6 Awaiting adjusters final report	1	106,562									1	106,562
7 Litigation awarded		-									-	-
8 Awaiting Lead Insurer's instruction		-									-	-
9 Third party liability outstanding		-							1	1,000	1	1,000
10 Adjusters fee payable		-							1	400	1	400
11 Insured instructed has advices reopening		-									-	-
Total	535	1,682,788	377	1,264,989	350	513,407	338	369,779	3,829	4,051,077	5,429	7,882,041

2023	0 - 90 days		91 - 180 days		181 - 270 days		271- 365 days		above 365 days		Total	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
1 Discharged Voucher signed and returned to policy holders	1	1,000		-		-		-		-	1	1,000
2 Discharge Vouchers not yet signed	4	222	1	52,834		-		-		-	5	53,055
3 Claims reported but incomplete documentation	522	789,859	369	1,797,480	264	342,017	282	590,983	3,358	3,602,482	4,795	7,122,820
4 Claims reported but being adjusted		-		-		-		-	43	115,982	43	115,982
5 Claims repudiated		-		-		-	1	40,000		-	1	40,000
6 Awaiting adjusters final report		-		-		-		-	2	596	2	596
7 Litigation awarded		-		-		-		-		-	-	-
8 Awaiting Lead Insurer's instruction		-		-		-		-		-	-	-
9 Third party liability outstanding		-		-		-		-	1	1,000	1	1,000
10 Adjusters fee payable		-		-		-		-	2	869	2	869
11 Insured instructed has advices reopening		-		-		-		-	1	2,504	1	2,504
Total	527	791,081	370	1,850,314	264	342,017	283	630,983	3,407	3,723,433	4,851	7,337,827

Notes to the financial statements-continued

12 Premium receivables

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Due from insurance brokers	948,117	278,764
	948,117	**278,764**

Analysis of debtors in days	**31 Dec 2024**		**31 Dec 2023**	
		Amount		**Amount**
Days	**No of policies**	**₦'000**	**No of policies**	**₦'000**
Within 14 days	30	893,262	44	257,351
Within 30 days	37	54,855	55	21,413
	67	**948,117**	**99**	**278,764**

Reconciliation of premium receivable

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
At 1 January	278,764	199,857
Gross premium written during the year	24,736,095	16,332,887
Premium received in advance	(22,374)	(35,531)
Premium received from policy holders	(24,044,368)	(16,218,449)
At 31 December	**948,117**	**278,764**

13 Other receivables and prepayments

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Prepayments	13.1	456,960	297,169
Other receivables	13.2	984,355	595,766
		1,441,315	892,935
Impairment allowance on other receivables	(iv)	(177,556)	(2,602)
		1,263,759	**890,333**

13.1 Prepayments

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Prepaid staff benefits	(i)	141,749	198,174
Deposits with stock broker		111,662	2,602
Prepaid rent	(ii)	13,425	10,542
Other prepaid expenses	(iii)	190,124	85,851
		456,960	**297,169**

(i) Prepaid staff benefits represents amounts prepaid to staff of the Company with respect to rent advance, furniture grant , staff fleet premium advance, car loan encashment and management housing grant.

(ii) Prepaid rent amount represents advanced payments for the rental of office spaces in branches across the country. The contractual lease term for each of the office spaces are 12 months (which is the period the firm has enforceable right of occupancy for the office spaces) and are renewable on an annual basis. The firm applies the 'short-term lease' recognition exemption for these leases.

(iii) Other prepaid expenses include expenses incurred by the Company whose payments were made in advance but services have not been fully rendered within specific period intervals.

(iv) Reconciliation of loss allowance

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Opening balance	2,602	6,211
Write back	(2,602)	(3,609)
Impairment charge	177,556	-
	177,556	2,602

Notes to the financial statements-continued

13 Other receivables and prepayments - continued

13.2 Other receivables

Prepaid business acquisition expenses	**31 Dec 2024**	**31 Dec 2023**
	₦'000	**₦'000**
Withholding tax recoverable*	150,185	162,087
Sundry receivables	834,170	433,679
	984,355	595,766
Impairment allowance on other receivables	(177,556)	(2,602)
	806,799	**593,164**

*Sundry receivables this represents balance on contribution to claims pool.

14 Investment properties	**31 Dec 2024**	**31 Dec 2023**
	₦'000	**₦'000**
At 1 January	220,000	160,000
Fair value gain on investment properties	120,000	60,000
At 31 December	**340,000**	**220,000**

(i) Rental income of N3.5 million was recognised during the year.

	Title documents	Value at cost	Value in previous year	Fair value gain/loss	Closing value	Asset pledged / free
		₦'000	₦'000	₦'000	₦'000	
1	11c Shekinah Green Estate, Apo District, Federal Capital Territory, Abuja	80,000	110,000	60,000	170,000	Free
2	11c Shekinah Green Estate, Apo District, Federal Capital Territory, Abuja	80,000	110,000	60,000	170,000	Free

The Company possess Deed of Conveyance for the investment properties 1 and 2 above.

Measurement of fair values

Fair value hierarchy of the investment properties are as follows:

	Quoted prices in active market	**Significant observable inputs**	**Significant unobservable inputs**	**Total**
	Level 1	**Level 2**	**Level 3**	
Date of valuation - 31 December 2024	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Investment properties	-	-	340,000	340,000
Date of valuation - 31 December 2023				
Investment properties	-	-	220,000	220,000

Notes to the financial statements-continued

14 Investment properties - continued

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property as at 31 December 2024, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The fair values are determined by applying the direct market evidence comparative method of valuation to derive the open market value. This valuation model reflects the current price on actual transaction for similar properties in the neighborhood in recent time. References were made to prices of land and comparable properties in the neighborhood. The data obtained were analysed and adjustment was made to reflect differences in site area and the actual location, quality of construction and off-site facilities. The property is resident is the following address No. 11C Shekinah Green Estate, Apo District, Abuja. - No. 9C Shekinah Green Estate, Apo District, Abuja.	-Rentals for similar property - N6,000,000 -N8,000,000 -Rate of development in the area -Quality of the building and repairs. -Influx of people and/or businesses to the area - Price of similar property Abuja - N160,000,000 - N180,000,000	The estimated fair value would increase (decrease) if the rate of development in the area increases (decreases), quality of the building increases (decreases), influx of people and/or business to the area increases (decreases).

The valuation was done by Andy Bassey & Associate Estate Surveyors & Valuers with firm FRC number FRC/2012/0000000000487. The valuation report was signed by Andem Bassey (FNIVS, RSV) with FRC number FRC/2012/NIESV/00000000363.

15 Intangible assets

	31 Dec 2024	31 Dec 2023
Cost	**₦'000**	**₦'000**
At January	106,937	88,401
Addition during the year	9,568	31,713
Derecognition during the year	-	(13,177)
At 31 December	**116,505**	**106,937**
Accumulated Amortisation		
At January	73,836	67,557
Charge for the year	8,761	6,279
At 31 December	82,597	73,836
Carrying amount		
At 31 December	**33,908**	**33,101**

The intangible assets include computer software acquired for use in the Company's operation. The assets are usually amortized over their useful life most which do not exceed four (4) years. Useful life are reviewed at each financial year and adjusted if appropriate.

Notes to the financial statements-continued

16 Property and equipment

At 31 December 2024	Land	Buildings	Motor vehicles	Office furniture & fittings	Office machinery & equipment	Capital (work in progress)	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cost/valuation							
At 1 January 2024	1,439,150	581,182	1,988,558	167,999	320,938	275,881	4,773,707
Addition	-	1,063	67,228	78,381	159,596	160,167	466,435
Reclassification*		343,878	-	1,240	(1,240)	(343,878)	-
Derecognition**	-	-	-	(54,946)		-	(54,946)
Disposal	-	-	(112,400)	(2,978)	(1,163)	-	(116,541)
At 31 December 2024	1,439,150	926,123	1,943,386	189,696	478,131	92,170	5,068,655
Accumulated depreciation							
At 1 January 2024	-	103,957	824,687	157,201	235,613	-	1,321,458
Additions	-	12,776	382,519	14,572	57,096	-	466,963
Reclassification*	-	-		1,240	(1,240)	-	-
Derecognition**	-	-		(54,946)		-	(54,946)
Disposal			(87,258)	(2,686)	(1,077)		(91,021)
At 31 December 2024	-	116,733	1,119,948	115,381	290,392	-	1,642,454
Carrying amount							
At 31 December 2024	1,439,150	809,389	823,438	74,315	187,739	92,170	3,426,201
At 31 December 2023	1,439,150	477,224	1,163,871	10,798	85,325	275,881	3,452,249

*Reclassification relates to the completion of Company's building in Ilupeju. The Work-In-Progress was reclassified to building.

**Derecognition relates to assets that are fully utilised and are still being carried in the schedules.

At 31 December 2023	Land	Buildings	Motor vehicles	Office furniture & fittings	Office machinery & equipment	Capital (work in progress)	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cost/valuation							
At 1 January 2023	847,420	287,817	1,023,951	165,404	305,893	85,861	2,716,345
Additions	-	804	1,016,857	2,595	30,326	181,792	1,232,374
Disposal	-	-	(52,250)	-	(15,280)	-	(67,530)
Revaluation surplus	591,730	292,561	-	-	-	8,227	892,518
At 31 December 2023	1,439,150	581,182	1,988,558	167,999	320,938	275,881	4,773,707
Accumulated depreciation							
At 1 January 2023	-	99,246	671,609	150,731	210,081	-	1,131,666
Charge for the year	-	4,711	205,328	6,470	40,812	-	257,322
Disposal	-	-	(52,250)	-	(15,280)	-	(67,530)
At 31 December 2023	-	103,957	824,687	157,201	235,613	-	1,321,458
Carrying amount							
At 31 December 2023	1,439,150	477,224	1,163,871	10,798	85,325	275,881	3,452,249
At 31 December 2022	847,420	188,571	352,342	14,674	95,812	85,861	1,584,679

Notes to the financial statements-continued

16.1 Property and equipment

The fair value hierarchy of the property and equipment according IFRS 13 is shown below:

Class of PPE	31 December 2024			31 December 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Land	-	-	1,439,150	-	-	1,439,150
Building	-	-	926,123	-	-	581,182
	-	-	2,365,273	-	-	2,020,332

In December 2023, the Company's land and buildings were revalued. The Company engaged the services of an independent valuer, Andy Bassey & Associate Estate Surveyors & Valuers (FRC/2012/0000000000487) and the report was signed by Andem Bassey (FNIVS, RSV) with (FRC/2012/NIESV/00000000363). The Company revalues its land and buildings every three years as stated in its accounting policy.

a) There were no capitalized borrowing costs related to the acquisition of property and equipment during the year.

b) In the opinion of the directors, the market value of the Company's property and equipment is not less than the value shown in the financial statements as at year end.

c) The Company had no capital commitments as at the reporting date (December 2023: nil).

d) There was no item of property and equipment that has been pledged as security for borrowings as at the year ended 31 December 2024 (December 2023: nil).

e) An impairment assessment was conducted and no impairment indicator was identified.

f) The Company revalued the items of property and equipment in prior year.

Below table shows the details of the property and equipment carried at revalued amount:

Fair value hierarchy of the property and equipments are as follows:

	Quoted prices in active market	Significant observable inputs	Significant unobservable inputs	Total
	Level 1	Level 2	Level 3	
Date of valuation - 31 December 2023	₦'000	₦'000	₦'000	₦'000
Land and building	-	-	2,365,273	2,365,273

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of property, plant and equipment as at 31 December 2024, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The fair values are determined by applying the direct market evidence comparative method of valuation to derive the open market value. This valuation model reflects the current price on actual transaction for similar properties in the neighborhood in recent time. References were made to prices of land and comparable properties in the neighborhood. The data obtained were analysed and adjustment was made to reflect differences in site area and the actual location, quality of construction and off-site facilities. The properties are in the following addresses -No. 11C Shekinah Green Estate, Apo District, Abuja. - Linkage Plaza, Plot 20, Block 94, Lekki Scheme 1, Lekki-Epe Expressway, Eti-Osa L.G.A., Lagos State. (Office building complex on three floors. A Development land and other ancillary structures) - Linkage House, No. 11A, Coker Road, Ilupeju, Lagos State. - Central Business District, Swali-Attisa, Yenogoa L.G.A., Bayelsa State (Plot of land) - Plot 1 Trans Amadi Layout, along Port Harcourt – Aba Express Road, Port Harcourt, Rivers State. (Land).	-Rentals for similar property - N4,500,000 - N5,000,000 '-Rate of development in the area - N10,000,000 - N15,000,000 per annum 'Construction costs of similar office buildings - N350,000 - N400,000 per square meters '-Influx of people and/or businesses to the area '- Price of plot of land in the neighborhood Bayelsa - 15,000,000 '- Price of similar property Abuja - 100,000,000 -120,000,000	The estimated fair value would increase (decrease) if the rate of development in the area increases (decreases), quality of the building increases (decreases), influx of people and/or business to the area increases (decreases).

The valuation was done by Andy Bassey & Associate Estate Surveyors & Valuers with firm FRC number FRC/2012/0000000000487. The effective date of valuation was at 31st December 2023. The valuation report was signed by Andem Bassey (FNIVS, RSV) with FRC number FRC/2012/NIESV/00000000363.

Notes to the financial statements-continued

Name of property	Date of acquisition	Title document	Location	Carrying amount	Steps taken for perfection of document
Land and Building In Lekki express way	20-Nov-05	Deed of Assignment	Plot 20, Block 94, Lekki express way	1,358,225	Lagos State Governor Consent obtained on 26/09/2016
Land and Building at Ilupeju	12-Mar-02	Deed of Assignment	11A, Coker road, ilupeju, Lagos State	590,164	The company had applied to register the deed of assignment with the Lagos State Lands Registry
Land in Yenagoa	30-Apr-12	Letter of allocation by Bayelsa State Government	Central business district Swali, Yenagoa, Bayelsa State	72,150	The company had applied to register the allocation letter with the Bayelsa State Lands Registry
Linkage Millennium Tower, Port Harcourt	26-Sep-03	Deed of Assignment	Amadi layout along Port Harcourt/ Aba Express road	228,000	The company had applied to register the deed of assignment with the Rivers State Ministry of Lands
				2,248,539	

f) Land and building: historical costs

The Company has adopted the carrying value of land and buildings as at 1 January 2012 as the deemed cost of the assets. This represents the cost of the assets when the Company first adopted IFRS. If land and building were stated on the historical cost basis, the carrying amounts as at 31 December 2024 would be as follows:

	Land	Buildings
	₦'000	₦'000
Cost	1,439,150	926,123
Accumulated depreciation	-	(116,733)
Carrying amount	**1,439,150**	**809,389**

Notes to the financial statements-continued

17 Right-of-use assets

	31 Dec 2024	31 Dec 2023
Cost	**₦'000**	**₦'000**
At 1 January	35,387	35,387
Addition	2,100	-
At 31 December	37,487	35,387
Accumulated Depreciation		
At 1 January	21,878	13,642
Depreciation	7,729	8,236
At 31 December	29,607	21,878
Carrying amount		
At 31 December	7,880	13,509

The Company has rent contracts on properties in Uyo, Calabar and Yenagoa branches used in carrying out business operations and their lease payments have been paid in advance.

18 Statutory deposit

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Statutory deposit with CBN	700,000	700,000

The statutory deposit represents the Company's deposit with the Central Bank of Nigeria in compliance with the Insurance Act of Nigeria. The amount is not available for the day-to-day funding operations of the Company. It is therefore regarded as restricted cash.

19 Other technical liabilities

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Other technical liabilities (Note 18.1)	1,218,863	1,270,491

19.1 Other technical liabilities

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Commission payables to brokers	470,864	435,902
Premium received in advance	22,374	35,531
Other payables to agents and brokers	102,544	129,862
Deposit without details	623,081	669,196
	1,218,863	1,270,491

Movement in other technical liabilities	**₦'000**	**₦'000**
At 1 January	1,270,491	1,140,673
Addition in the year	-	995,431
Payment made in the year	(51,628)	(865,613)
At 31 December	**1,218,863**	**1,270,491**

(a) Other payables to agents and brokers represents business acquisition costs payable to agents and brokers as at 31 December 2024 N102,544 (2023: ₦129million)

Notes to the financial statements-continued

20 Other payables

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Due to auditors		26,724	5,388
NAICOM levy		247,361	163,333
Expenses payable	19(a)	1,165,756	765,521
Other payables	20.1	67,407	63,577
		1,507,248	997,819
Provision for litigation	19(b)	343,000	343,000
		1,850,248	1,340,819

(a) Expenses payable represents expenses incurred during the year by the Company but for which bills/invoices have not been received from vendors as at 31 December 2024.

(b) Provision for litigation represents estimated outflow for a court case against the Company in 2024 financial year. The case is being handled by Hybrid Solicitors with FRC number FRC/2021/00000013862; and solicitor's response was duly signed by Adepate Demilade with FRC number FRC/2021/002/00000022694. The total estimated liability as at December 2024 is N343million (2023: N343million). The case is currently being appealed at the Court of Appeal.

20.1 Other payables

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
National housing fund (NHF)	1,295	1,025
Pension for life agents/company	603	603
Withholding tax payables	-	622
Sundry payables	65,509	61,327
	67,407	63,577

Sundry payables relates to Vat payable, payroll tax, and legal fee tax.

21 Defined benefit obligations

The Company operates a defined benefit plan for qualifying employees on services rendered. With effect from 1 January 2014, employees who have served at least 5 years are entitled to a gratuity on a defined defined benefit scale which is graduated. The new benefit formula applies to benefit accruing from services rendered in the prior and future years. The Company commenced funding of plan in 2017.

Actuarial valuation of the defined benefit obligation was carried out by O&A Hedge Actuarial Consulting with FRC number FRC/2019/00000012909. The valuation report was signed by Layemo B. Abraham with FRC number FRC/2016/NAS/00000015764.

	Defined benefit liability		Fair value of plan assets		Defined benefit liability/(asset)	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
At 1 January	283,210	186,753	(115,080)	(102,432)	168,130	84,321
Current service cost	58,448	53,512	-	-	58,448	53,512
Interest cost	55,261	37,396	(28,879)	-	26,382	37,396
Contribution by employer	-	-	(87,500)	(42,000)	(87,500)	(42,000)
Benefits paid by employer	(92,072)	(28,274)	92,072	28,274	-	-
Remeasurement gain	-	-	(18,676)	1,078	(18,676)	1,078
Actuarial loss/(gain) on liability arising from:						
Assumptions	24,112	(11,375)	-	-	24,112	(11,375)
Experience	(15,679)	53,814	-	-	(15,679)	53,814
Demographic	(61,266)	(8,616)	-	-	(61,266)	(8,616)
At 31 December	252,013	283,210	(158,063)	(115,080)	93,950	168,130

		31 Dec 2024	31 Dec 2023
	-	₦'000	₦'000
At 1 January		283,210	186,753
Current service cost		58,448	53,512
Interest cost		55,261	37,396
Benefits paid		(92,072)	(28,274)
Actuarial (gain)/loss		(52,833)	33,823
Retirement benefits obligation		252,013	283,210

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Discount rate	18.57%	15.57%
Rate of salary increase	17.94%	15.09%
Rate of inflation	14.59%	16.44%

Notes to the financial statements-continued

21 Defined benefit obligations - continued

	31 Dec 2024	31 Dec 2023
The amounts recognised in profit or loss	**₦'000**	**₦'000**
Current service cost	58,448	53,512
Interest cost	55,261	37,396
Expected return on asset	(28,879)	(17,434)
Total, included in staff costs	84,829	73,474

Sensitivity analysis

The result of the valuation are highly sensitive to the underlying assumptions. The variability of the liability cost is expected to be higher for this small scheme size as seen in the table below.

31 Dec 2024	Base result	1%	-1%
Discount rate (1% movement)	**₦'000**	**₦'000**	**₦'000**
Defined benefit obligation	252,013	237,578	261,600
Change in relation to base result		-5.70%	3.80%
Salary Increase rate (1% movement)			
Defined benefit obligation	252,013	268,018	237,387
Change in relation to base result		6.40%	-5.80%
Mortality rate (10% movement)			
Defined benefit obligation	252,013	252,287	251,761
Change in relation to base result		0.11%	-0.10%

31 Dec 2023	Base result	1%	-1%
Discount rate (1% movement)	**₦'000**	**₦'000**	**₦'000**
Defined benefit obligation	283,210	266,860	294,106
Change in relation to base result		-5.80%	6.70%
Salary Increase rate (1% movement)			
Defined benefit obligation	283,210	301,388	266,660
Change in relation to base result		6.40%	-5.80%
Mortality rate (10% movement)			
Defined benefit obligation	283,210	283,498	282,947
2023 change in relation to base result		0.10%	-0.09%

Actual experience resulting into a change in any of the key assumptions might change the value of the liability disclosed as shown in the "Sensitivity Table" above

For example, in a standard defined benefit scheme pension arrangement, adding or deducting 1% from the discount rate assumption could result in a 14-16% change in the value of liability for the actives with a term of, say, 20 years to retirement. The weighted average term to retirement for the Linkage Assurance Gratuity Scheme is around 11.29 years.

The Sensitivity Table above illustrates the effect of:
The discount rate assumption on the defined benefit obligation if there was an increase or decrease of 1% to discount rate. This could result in decrease or increase of about 4 to 6%respectively.

The salary increase assumption on the defined benefit obligation, if there was an increase or decrease of 1% to the rate of salary increase. In this case, we might expect a change of about 6-7% in the defined benefit obligation. Sensitivity of the defined gratuity benefit obligation considers the mortality assumption by allowing for impact of 1year age rating up or down.

Higher than expected mortality level while keeping the past service at their present level might be expected to bring forward the amount that would eventually be paid on expensive future gratuity benefits, producing a decrease to the base defined gratuity benefit obligation (-0.11%).

Whereas a reduced level of mortality or an improvement would mean more survivors to qualify for higher future gratuity benefit payments (+0.10%). If only death gratuity had been considered in isolation, we would expect a higher cost in death gratuity payments with higher mortality vice versa and this might change the conclusion here in on the effect of change in mortality.

Gratuity Benefit Scale :

Length of Service	**Benefit Payable**
Less than 5 years	Nil
5 years	25% of guaranteed annual total emolument
6 years	30% of guaranteed annual total emolument
7 years	35% of guaranteed annual total emolument
8 years	40% of guaranteed annual total emolument
9 years	50% of guaranteed annual total emolument
10 years & above	75% of guaranteed annual total emolument

Notes to the financial statements-continued

21 Defined benefit obligations - continued

The summary of the expected benefit or contributions to defined benefit is illustrated below.

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Within next 12 months (next annual reporting period)	38,650	77,050
Between 2 and 5 years	448,545	342,534
Between 5 and 10 years	645,713	545,479
Above 10 years	5,703,639	3,637,675
Total expected payments	6,836,547	4,602,738

22 Income tax liabilities

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
At the beginning of the year		174,585	157,845
Charge for the year	22.1	231,155	182,153
Payment during the year		(160,177)	(89,218)
At the end of the year		245,563	174,585

22.1 Tax expense

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Tertiary education tax		30,074	26,608
Information technology levy		52,821	51,377
Police trust fund levy		266	257
Current tax charge		83,161	78,242
Minimum tax		147,994	103,911
Current tax		231,155	182,153
Deferred tax credit	22.3	(500,701)	-
		(269,546)	182,153
Minimum tax		147,994	103,911
Total tax		(417,541)	78,242
Tax recognised in the profit or loss		(269,546)	182,153

Minimum Tax has been presented separately from Income tax to align with the Company's policy.

Notes to the financial statements-continued

22 Income tax liabilities- continued

22.2 Reconciliation of tax charge

The income tax expense for the year can be reconciled to the accounting profit as follows;

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Profit before tax	5,282,084	5,463,747
Expected income tax expense at statutory rate calculated at 30%	1,584,625	1,639,124
Information technology levy	52,821	51,377
Tertiary education tax	30,074	26,608
Disallowable expenses	117,305	393,954
Tax-exempt income	(1,789,153)	(1,758,906)
Loss utilized during the year	(437,814)	(274,173)
Police trust fund levy	266	257
Balancing charge	24,335	-
	(417,541)	78,242

22.3 Deferred taxation

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

		31 Dec 2024		31 Dec 2023	
		Gross Amount	Tax effect	Gross Amount	Tax effect
		₦'000	₦'000	₦'000	₦'000
Tax losses		2,416,964	725,089	4,315,372	1,294,612
Temporary difference on asset		918,449	275,535	377,687	113,306
Allowance for impairment		325,889	107,543	100,669	30,201
Gain on revaluation of PPE		-	-	(892,518)	(267,755)
Unrealised exchange gain		(1,982,784)	(654,319)		
Defined benefit obligation		93,950	46,853	(51,528)	(15,458)
Defined benefit obligation- gratuity Actuarial Gain		-	(15,849)		
Fair value (gain)/loss on financial assets	8.2.1	(25,217,108)	(2,521,711)	(3,324,461)	(997,338)
Total		(23,444,639)	(2,036,859)	525,221	157,566
Deferred tax asset/(liability) recognised - P/L		-	500,701	-	-
Deferred tax asset/(liability) recognised - OCI		-	(2,537,560)	-	-
Unrecognized deferred tax asset		-	-	-	157,566

Notes to the financial statements-continued

23	**Issued and fully paid**	Notes	31 Dec 2024	31 Dec 2023
	Ordinary shares of 50k each 15,400,000,000 (2023: 14,000,000,000 units)		₦'000	₦'000
	At 1 January		7,000,000	7,000,000
	Addition - Bonus issue*		700,000	-
	At 31 December		7,700,000	7,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at the meetings of the Company.

*During the period, the Company issued bonus shares of 1,400,000,000 ordinary shares of 50 Kobo each on the basis of one (1) new ordinary share for every ten (10) ordinary shares at 50 Kobo per share to its existing shareholders. This was approved by NAICOM on 16 July 2024.

24	**Share premium**	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	At 1 January	560,294	560,294
	Regulatory costs of bonus share issuance	(12,861)	-
	At the end of the year	547,433	560,294

Share premium represents the excess paid by the Company's shareholders over the nominal value for their shares (2023:₦560,294,000).

Cost incurred related to the issuance of bonus shares are the filling fee, bank charges and professional fees.

25	**Contingency reserve**		31 Dec 2024	31 Dec 2023
			₦'000	₦'000
	At 1 January		4,452,316	3,395,997
	Transfer from retained earnings	26	1,110,326	1,056,319
	As at 31 December		5,562,642	4,452,316

Contingency reserve for general insurance business is calculated in accordance with section 21(2) and 22(1)(b) of the Insurance Act of Nigeria, as the higher of 3% of gross premiums and 20% of net profit for the year.

26	**Retained earnings**		31 Dec 2024	31 Dec 2023
			₦'000	₦'000
	At 1 January		1,516,988	(2,708,287)
	Profit for the year		5,551,631	5,281,594
	Transfer to contingency reserve	25	(1,110,326)	(1,056,318)
	Bonus share issue	23	(700,000)	-
	Cash dividend		(700,000)	-
	At 31 December		4,558,293	1,516,988

27 Other reserves

Other reserves include fair value, asset revaluation and re-measurement reserves. The fair value reserve comprises the cumulative net change in the fair value of the Company's other comphensive investments while the re-measurement reserve comprises the actuarial gains and losses on defined benefits post employment plan. These are presented below:

27.1	**Fair value reserve**	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	At 1 January	17,777,487	14,459,291
	Fair value gain of unquoted equities*	4,971,762	3,267,000
	Fair value loss on bonds at fair value through other comprehensive income	(49,723)	75,966
	ECL on debt instrument on fair value through OCI	(4,127)	(24,770)
	At 31 December	22,695,399	17,777,487

*The increase in the fair value reserve to ₦5 billion was as a result of the valuation of the unquoted equity in Stanbic IBTC Pension Management Limited (SIPML), Energy & Allied Insurance Pool, Nigeria (EAIPN) and WAICA Re-Insurance Corporation Plc as at 31 December 2024 (2023:₦3.3 billion).

Notes to the financial statements-continued

27 Other reserves - continued

27.2 Re-measurement reserve

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
At 1 January	4,111	55,639
Defined benefits actuarial gain	52,833	(50,450)
Remeasurement gain/(loss)	18,676	(1,078)
Deferred tax impact	(15,849)	-
As at 31 December	59,771	4,111

27.3 Assets revaluation reserve

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
At 1 January	1,721,291	828,773
Revaluation gain on property and equipment	-	892,518
As at 31 December	1,721,291	1,721,291

The asset revaluation reserves comprises cumulative net revaluation change on revalued property and equipment. The last revaluation of land and buildings was done in December 2023.

28 Insurance revenue

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Insurance revenue	22,229,099	14,835,202

Insurance revenue per business class is as follows:

		31 Dec 2024	31 Dec 2023
		₦'000	₦'000
(i)	Fire	3,727,608	3,155,572
	Accident	1,898,192	1,540,838
	Motor	5,073,032	3,772,284
	Marine	1,609,003	980,913
	Aviation	1,064,601	552,517
	Bond	18,538	10,342
	Engineering	1,221,800	791,356
	Oil & Gas	7,596,986	3,956,532
	Agriculture	19,339	74,848
	Total Insurance revenue	22,229,099	14,835,202

Notes to the financial statements-continued

29	**Insurance service expenses**	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Incurred claims expenses	4,578,686	4,479,667
	Other insurance service expense	2,115,580	1,807,896
	Amortization of insurance aquistion cashflows	8,023,461	4,201,202
	Changes that relates to past service/ adjustment	253,861	306,638
		14,971,588	10,795,403

Breakdown of insurance service expense per business class is as follows:

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Fire	1,126,788	2,050,751
Accident	1,545,204	2,010,988
Motor	3,070,816	2,765,213
Marine	1,941,002	845,297
Aviation	2,642,340	453,233
Bond	13,538	5,388
Engineering	1,574,015	572,111
Oil & Gas	3,060,051	2,065,057
Agriculture	(2,165)	27,365
	14,971,588	10,795,403

30	**Allocation of reinsurance premiums**	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Allocation of reinsurance premiums	8,613,401	6,466,167

31	**Amounts recoverable from reinsurers for incurred claims**	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Claims recovered	571,515	530,228
	Changes adjustments to incurred claims	1,551,342	2,157,736
		2,122,857	2,687,964
	Net expense from reinsurance contracts held	6,490,544	3,778,203

32	**Interest income calculated using the effective interest method**		31 Dec 2024	31 Dec 2023
			₦'000	₦'000
	Interest on placement	32.1	556,846	380,382
	Interest income on treasury bills	32.1	814,657	200,876
	Interest income on bonds	32.1	914,853	805,398
	Other investment income		1,281,071	906,235
	Investment income per statement of profit or loss and OCI	32.1	3,567,427	2,292,891

Notes to the financial statements-continued

32 Interest income calculated using the effective interest method

		31 Dec 2024	31 Dec 2023
32.1	Below is the details of interest and other investment income	₦'000	₦'000
	Interest on placement	556,846	380,382
	Interest income from treasury bills	814,657	200,876
	Interest income from FGN bonds	432,052	361,801
	Interest income from state bonds	62,828	39,296
	Interest income from corporate bonds	419,973	391,648
	Promissory note	439,099	331,536
	Interest income from corporate investment notes	333,597	200,387
	Commercial paper	362,916	229,881
	Dividend from mutual funds	134,596	139,064
	Interest from loans	10,318	18,019
	Stock redemption (FLOUR MILLS)	545	-
		3,567,427	2,292,891

33	Net trading income		31 Dec 2024	31 Dec 2023
			₦'000	₦'000
	Dividend income	33.1	2,236,441	3,414,223
	Gain on disposal of investment	33.2	317,560	173,000
	Realised gains on financial assets at FVTPL	33.3	435,027	643,956
			2,989,028	4,231,179

33.1	Breakdown of dividend income	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Stanbic IBTC Holdings Plc	282	1,042
	Zenith Bank Plc	42,236	32,085
	Nigeria Breweries Plc	-	102
	Dangote Sugar Plc	-	11,369
	United Bank for Africa Plc	16,068	8,365
	Stanbic IBTC Pension Managers	2,102,294	3,296,965
	Guaranty Trust Bank Plc	26,640	22,540
	Berger Paints Plc	21	4
	Conoil Plc	64	45
	Access Bank Limited	16,256	3,220
	United Capital Plc	11,346	-
	Dangote Cement Plc	-	13,191
	May and Baker Plc	6	6
	MTN Nigeria Communication Plc	-	15,273
	Nestle Nig. Plc	-	444
	Friesland Campina WAMCO Plc	-	233
	Okomu Oil Palm Plc	10,367	2,025
	Flour Mill Nig. Plc	736	921
	SIAML PENSION ETF 40	-	3,237
	JULIUS BERGER PLC	1,327	1,120
	MRS Oil	72	-
	Waica Reinsurance Corp. Plc	8,726	-
	Total Energy Marketing Plc	-	2,037
		2,236,441	**3,414,223**

*The dividend earned on the equity investment held in Stanbic IBTC Pension Managers during the year accounted for a significant portion of the total dividend earned in the year.

Notes to the financial statements-continued

33.2	**Breakdown of gain on disposal of investment**		**31 Dec 2024**	**31 Dec 2023**
			₦'000	**₦'000**
	Disposal gain on sale of 8,000,000 Units of ACCESSCORP		70,364	-
	Disposal gain on sale of 10,000,000Units of Zenith Bank		78,021	-
	Disposal loss on sale of 10.6% NTB Sept 2024		(19,079)	-
	Loss on disposal of 8.625% FBN OCT 2025 Eurobond		(1,077)	-
	Disposal gain on 16.47% FGN SUKUK SEP. 2024 @ a clean		23,992	-
	Disposal gain on sale of FGN APR 2029 Bond		7,930	-
	Disposal gain on full redemption of Managed portfolio with		-	149
	Disposal gain on sale of 6,392,971Units of GTCO Shares		-	13,583
	Disposal gain on sale of 600,000Units of GTCO Shares		-	3,180
	Disposal gain on sale of 8,126,885 Units of Dangote Sugar		-	15,714
	Disposal gain on sale of 197,065 Units of Dangote Cement		-	2,759
	Disposal gain on sale of 302,935 Units of Dangote Cement		-	4,547
	Disposal gain on sale of 1,137,000 Units of MTN Shares		-	21,940
	Disposal gain on sale of 13,514 Units of Nestle Shares		-	1,888
	Disposal gain on sale of 1,367,600 Units of ACCESSCORP		-	7,130
	Disposal gain on sale of 523,000Units of GTCO Shares		-	7,396
	Disposal gain on sale of 2,141,916 Units of UBA Shares		-	7,711
	Disposal gain on sale of 232,854 Units of Dangote Cement		-	3,960
	Disposal gain on sale of 448,242 Units of Stanbic IBTC		-	7,396
	Disposal gain on sale of 107,757Units of Total Energies		-	4,340
	Disposal gain on sale of 5,962,799 Units of UBA Shares		-	4,877
	Disposal gain on sale of 5,746,816Units of GTCO Shares		-	20,114
	Disposal gain on sale of 8,897,291 Units of ACCESSCORP		-	15,570
	Disposal gain on sale of 1,024,486 Units of Dangote Sugar		-	8,196
	Disposal gain on 81,081 units of 15.64% FGN Sukuk 2032		-	6,746
	Disposal gain on sale of 1,975,514 Units of Dangote Sugar		-	15,804
	Disposal gain on sale of UCAP Shares		56,797	-
	Disposal Gain on Okomu Oil shares		21,566	
	Disposal Gain on Julius Berger Shares		14,454	
	Disposal Gain on FGN Eurobond Bond		62,355	-
	Disposal gain on sale of GTCO Shares		22,582	
	Disposal loss on sale of MTN Shares		(20,345)	
			317,560	173,000

33.3	**Breakdown of realised gains and fair value on financial assets at FVTPL**		**31 Dec 2024**	**31 Dec 2023**
			₦'000	**₦'000**
	Realised gain from fund managers		42,964	9,786
	Realised gain from equity investment		392,063	634,168
			435,027	643,954
	Net fair value loss on financial assets at fair value through profit or loss	35	(56,687)	(29,880)
			378,340	614,074

Notes to the financial statements-continued

34	**Other income**	**31 Dec 2024**	**31 Dec 2023**
		₦'000	**₦'000**
	Sundry Income*	64,073	336,462
	Gain on disposal of PPE	55,643	26,194
	Fair value change on investment properties	120,000	60,000
	Rental income	3,500	6,500
		243,216	429,156
	**Foreign exchange gain (see (i) below)	2,604,476	2,232,544
	***Bad and doubtful debt recovery	-	11,929
		2,847,692	2,673,629

* Sundry income relates to interest on current accounts and interest on staff loans.

** Exchange gain relates to exchange gains on foreign-denominated transactions which were consummated during the year.

i.	**Foreign exchange gain**	**31 Dec 2024**	**31 Dec 2023**
		₦'000	**₦'000**
	Unrealised exchange gain	1,982,784	1,565,822
	Realised exchange gain	621,692	666,722
		2,604,476	2,232,544

35	**Net fair value loss on financial assets at fair value through profit or loss**	**31 Dec 2024**	**31 Dec 2023**
		₦'000	**₦'000**
	Fair value change on FVTPL securities	(56,687)	(29,880)
		(56,687)	(29,880)

*This includes fair value losses on investments in bonds and equity securities.

Notes to the financial statements - continued

36	Net Insurance finance income	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Insurance finance income for the insurance contract held	269,094	(543,036)
	Insurance finance expense for the reinsurance contract held	(116,578)	195,752
		152,516	(347,284)

37	Other expense		31 Dec 2024		31 Dec 2023	
		Note	Maintenance expenses	Management expenses	Maintenance expenses	Management expenses
			₦'000	₦'000	₦'000	₦'000
	Staff cost		820,758	1,231,138	654,218	981,328
	Director emolument		84,375	126,563	75,382	113,073
	Pension contribution		11,658	17,487	12,947	19,421
	Retirement benefit		55,760	83,640	13,156	19,733
	Current service cost		-	-	29,281	43,922
	Outsourcing cost		175,374	263,060	110,601	165,901
	Advertising & publicity		14,404	21,605	10,457	15,686
	Marketing expenses		12,952	19,427	13,816	20,725
	Medical		23,592	35,387	19,926	29,889
	Staff training & development		142,636	213,954	81,017	121,526
	Corporate expenses		774,072	-	787,094	-
	AGM expenses		-	35,975	-	37,542
	Bank charges		-	124,564	-	51,400
	Computer consumables		-	1,158	-	-
	Depreciation of PPE	16	-	466,963	-	257,321
	Amortisation intangible assets	15	-	8,761	-	6,280
	Amortisation of ROU		-	7,729	-	8,235
	Diesel and fuel		-	273,864	-	163,935
	Entertainment		-	8,717	-	3,728
	Fines and penalties		-	4,316	-	7,470
	Industrial training fund		-	13,826	-	11,211
	Insurance expenses		-	106,214	-	35,696
	Insurance supervision fee		-	279,066	-	188,238
	Legal and secretarial expenses		-	45,739	-	72,495
	Retail agents expenses		-	58,993	-	49,070
	Lighting & heating		-	31,730	-	11,710
	Maintenance expense		-	150,526	-	119,055
	Newspapers & periodicals		-	567	-	1,397
	Postage and telephone		-	35,481	-	27,504
	Consultancy expenses		-	313,189	-	269,938
	Rent and rates		-	38,666	-	30,326
	Stationaries		-	23,115	-	17,942
	Subscriptions, contributions & donations		-	39,021	-	20,665
	Transport and business travels		-	23,906	-	13,095
	Withholding tax & VAT		-	307,444	-	180,464
	Audit fee		-	36,185	-	18,812
	Rebranding expenses		-	228,752	-	216,232
	Asset derecognition		-	-	-	18,411
	Others		-	439,696	-	148,340
	Total		2,115,580	5,116,425	1,807,896	3,517,714

Notes to the financial statements - continued

38 Credit loss write back/ (expense)

	Note	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
Impairment write back on cash	7	8,720	31,649
Impairment write back/charge on bonds at amortised cc	8.3.2	323,823	(157,088)
Impairment write back on bonds at FVOCI	8.2.1	6,160	24,770
Impairment on other receivables		(177,556)	-
Impairment loss on loan receivables		(29,582)	-
		131,566	(100,669)

39 Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the net profit/(loss) for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding at the reporting date. The following reflects the income and share data used in the basic and diluted earnings per share computations:

	31 Dec 2024	Restated 31 Dec 2023
	₦'000	₦'000
Profit attributable to ordinary shareholders	5,551,631	5,281,594
Weighted average number of ordinary shares*	15,400,000	15,400,000
Basic and diluted earnings per share (Kobo)	36.0	34.3

*Weighted average number of ordinary shares for prior year was adjusted retrospectively for the bonus share issued during the year.

40 Cash flow reconciliation

40.1 Recovery and recoverable from reinsurers

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Reinsurance claims recoveries	1,463,862	1,449,082
Salvage recovery	87,480	81,868
	1,551,342	1,530,950

40.2 Reinsurance premium paid

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Reinsurance premium cost (Note 29)	9,794,692	6,979,055
Facultative outwards	1,341,363	920,705
Due to reinsurers as at end of the period	-	(1,534,809)
Movement in treaty premium surplus	366,463	595,728
	11,502,518	6,960,679

40.3 Commission paid

	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Commission payable to brokers at 1 January	435,902	264,463
Commission cost (Note 36.1)	4,237,732	2,615,057
Business acquisition cost (Note 36.1)	4,231,293	1,772,127
Commission payable to brokers at 31 December	(470,864)	(435,902)
Other payables to agents and brokers	102,544	10,574
	8,536,607	4,226,319

Notes to the financial statements - continued

40.4	Commission received	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Movement	-	46,581
	Commission income earned during the year	1,657,037	1,444,511
	Lead underwriting commission	140,455	16,108
	Commission income received during the year	1,797,492	1,507,200

	Interest received	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Interest income earned during the year	3,567,427	2,292,891

40.5	Movement in investment securities		31 Dec 2024	31 Dec 2023
			₦'000	₦'000
i	**Addition**			
	Fair value through P/L	8.1.1	352,747	1,130,041
	Fair value through OCI	8.2.1	1,744,080	1,054,153
	Amortised cost	8.3.1	9,423,925	5,772,631
			11,520,752	7,956,825
				-
ii	**Disposal**			
	Fair value through P/L	8.1.1	(1,071,725)	(294,514)
	Fair value through OCI	8.2.1	(1,014,903)	-
	Amortised cost	8.3.1	(5,380,458)	(975,700)
			(7,467,086)	(1,270,214)

		31 Dec 2024	31 Dec 2023
40.6	**Purchase of property and equipment**	₦'000	₦'000
	Addition for the year per movement schedule	466,435	1,232,374
	Cash flow on addition to property and equipment	466,435	1,232,374

40.7	**Sale of property and equipment**	31 Dec 2024	31 Dec 2023
	In thousands of Naira	₦'000	₦'000
	Costs of assets disposed	116,541	67,530
	Accumulated depreciation on assets disposed	(91,021)	(67,530)
	Gain on disposal	55,643	26,194
	Proceeds on sale of disposed asset	81,163	26,194

40.8	**Cash payment to and on behalf of employees (excluding maintenance expenses)**	31 Dec 2024	31 Dec 2023
		₦'000	₦'000
	Staff cost	1,231,138	981,328
	Director emolument	126,563	113,073
	Pension contribution	17,487	19,421
	Retirement benefits	92,072	19,733
	Contract staff cost	263,060	165,901
	Medical	35,387	29,889
		1,765,707	1,329,345

In 2023, total cash payment to and on behalf of employees included to management and maintenance expenses. Maintenance expenses has now been excluded in the above note and it is now shown separately in the cashflow to make the financial statements more relevant to the user.

Notes to the financial statements - continued

41 Related party disclosures

Transactions are entered into by the Company during the year with related parties. Unless specifically disclosed, these transactions occurred under terms that are no less favourable than those with third parties.

41.1 Sale of insurance contracts

During the year, the Company had contracts with the following Directors (and close relations).

Name	31 Dec 2024	31 Dec 2023
	₦'000	₦'000
Chief Joshua Bernard Fumudoh	4,376	1,705
Mr. Olakunle Bomo Agbebi	-	374
Mr. Daniel Braie	1,014	394
	5,389	2,473

41.2 Other related party transactions

Linkage Assurance Plc is represented on the Board of Stanbic IBTC Pension Manager by a member of the key management personnel. IBTC Pension Managers is one of the Pension Funds Administrators (PFAs) to some of the Company's staff.

The Chairman of the Board of Directors, Chief Joshua B. Fumudoh acquired 30,132,348 units of the Company's shares from the secondary market during 2024 financial year.

42 Compensation of key management personnel

Key management personnel refers to those persons having authority and responsibility for planning, directing and controlling the activities of Linkage Assurance Plc. It comprises both executive and non-executive directors. The remuneration of directors during the year was as follows:

a. Directors

Remuneration paid to the company's directors (excluding pension contribution)	31 Dec 2024	31 Dec 2023
Short-term employee benefits:	₦'000	₦'000
Fees and allowances	210,938	188,455
Long-term employee benefits:		
Post employment pension benefits	-	25,570
	210,938	214,025
b. Amount paid to the chairman	67,745	41,903
c. Amount paid to the highest paid director	67,745	41,903

42 Compensation of key management personnel - continued

The number of directors who received fees and other emoluments (excluding pension contributions and certain benefit) in the following ranges was:

	Number 2024	Number 2023
Below ₦1,000,000	1	3
₦1,000,001 - ₦4,000,000	3	-
₦4,000,001 - ₦7,000,000	-	2
₦7,000,001 and above	8	7
	12	12

Notes to the financial statements - continued

d. Employees

The average number of persons employed by the Linkage Assurance during the period was as follows:

	Number 2024	Number 2023
Executive directors	2	2
Management (Managers & above)	25	31
Non-management	119	121
	146	154

e. Compensation for the above staff:

The average number of persons employed by the Linkage Assurance during the period was as follows:

	31 Dec 2024 ₦'000	31 Dec 2023 ₦'000
Executive directors	48,541	48,541
Other staff (excluding executive directors)	668,977	688,852
	717,518	737,394

f. The number of employees of Linkage Assurance, other than Directors, who received emoluments in the following ranges (excluding pension contributions and certain benefits) were:

Emolument range	Number 31 Dec 2024	Number 31 Dec 2023
₦500,000 - ₦1,000,000	13	15
₦1,000,001 - ₦1,500,000	11	5
₦1,500,001 - ₦2,000,000	7	7
₦2,000,001 - ₦2,500,000	52	44
₦2,500,001 - ₦3,000,000	5	17
₦3,000,001 - Above	83	85
	171	173

43 Contravention

The Company was fined ₦4.3 million by NAICOM during the year (2023: ₦7.4 million).

Details	Regulator/ Beneficiary	₦'000
BEING PENALTY IMPOSED BY NAICOM FOR APPOINTMENT OF TECHNICAL UNDERWRITER WITHOUT NAICOM APPROVAL- NATIONAL INSURANCE COMMISSION	NAICOM	3,615
PAYMENT OF PENALTY IMPOSED FOR APPOINTMENT OF C.C.O(MR. IMO OKORIE IMO) WITHOUT NAICOM APPROVAL VIA REMITA (RRR - 1311-4967-5775) - NATIONAL INSURANCE COMMISSION	NAICOM	500
IMPOSED FINE ON THE COMPANY FOR NOISE POLLUTION AT OUR ILUPEJU OFFICE DURING CUSTOMER SERVICE WEEK	Emmanuel Udegha	201
Total		**4,316**

44 Events after the reporting date

There are no significant events after the reporting date which could have had a material effect on the financial affairs of the Company as at 31 December 2024 and on the profit or loss and other comprehensive income for the year ended.

45 Contingent liabilities

The Company is involved in pending litigations with claims of ₦168million (31 December 2023: ₦28.83million). Based on legal advice, the Directors are of the opinion that no liability will eventuate therefrom.

46 Commitments

The Company had no capital commitments at the reporting date.

Other National Disclosures

Value Added Statement

For the year ended 31 December 2024

	31 Dec 2024 **₦'000**	%	**31 Dec 2023** **₦'000**	%
Insurance revenue	22,229,099		14,835,202	
	-		-	
Bought in materials and services - local	(18,335,778)		(12,163,431)	
	-		-	
Non-trading items	9,479,026		9,067,151	
	-		-	
Value added	13,372,347		11,738,922	
			-	
Distribution:			-	
			-	
Employees and directors (staff cost)	2,051,896	15	1,635,546	22
	-		-	
Government (taxes)	(269,546)	1	103,911	1
	-		-	
Asset replacement (depreciation/amortisation)	475,724	-	265,556	-
Contingency reserve	5,562,642	42	4,452,316	5
	-		-	
Expansion (retained on the business)	5,551,631	42	5,281,594	72
Value added	**13,372,347**	100	11,738,922	100

Five-Year Financial Summary

			Restated	Restated	
	31 Dec 2024	31 Dec 2023	31 Dec 2022	1 Jan 2022	31 Dec 2021
	₦'000	₦'000	₦'000	₦'000	₦'000
Statement of financial position					
Assets					
Cash and cash equivalents	5,416,681	5,507,393	4,188,442	3,468,721	3,476,697
Investment securities	47,632,402	35,825,193	25,982,584	27,295,045	27,584,351
Loan and receivables	337,144	382,113	249,121	141,658	-
Premium receivables	948,117	278,764	199,857	81,468	81,468
Reinsurance contract assets	5,571,208	4,024,644	4,903,079	4,779,584	4,639,643
Deferred acquisition cost	-	-	-	-	432,828
Other receivables and prepayments	1,263,759	890,333	779,997	308,434	308,434
Investment property	340,000	220,000	160,000	157,500	157,500
Intangible assets	33,908	33,101	20,844	36,866	36,866
Property and equipment	3,426,201	3,452,249	1,584,679	1,467,178	1,467,178
Right-of-use assets	7,880	13,509	21,744	25,221	25,221
Statutory deposit	700,000	700,000	700,000	500,000	500,000
Total assets	**65,677,300**	**51,327,300**	**38,790,347**	**38,261,674**	**38,710,185**
Liabilities					
Insurance contract liabilities	17,386,988	15,340,788	13,191,889	11,830,992	11,635,256
Other technical liabilities	1,218,863	1,270,491	1,022,333	702,584	765,141
Provision and other payables	1,507,248	997,819	399,250	547,941	1,053,785
Provision for litigation	343,000	343,000	343,000	346,000	-
Define benefit obligations	93,950	168,130	84,322	89,660	89,660
Income tax liabilities	245,563	174,585	157,845	60,257	60,257
Total liabilities	**22,832,471**	**18,294,813**	**15,198,639**	**13,577,434**	**13,604,099**
Capital and reserves					
Issued and paid-up share capital	7,700,000	7,000,000	7,000,000	7,000,000	7,000,000
Share premium	547,433	560,294	560,294	560,294	560,294
Contingency reserve	5,562,642	4,452,316	3,395,997	2,882,618	2,882,618
Assets revaluation reserve	1,721,291	1,721,291	828,773	828,773	828,773
Re-measurement reserve	59,771	4,111	55,639	5,040	5,040
Fair value reserve	22,695,399	17,777,487	14,459,291	17,346,660	17,346,660
Retained earnings	4,558,293	1,516,989	(2,708,286)	(3,517,299)	(3,517,299)
Total equity	**42,844,829**	**33,032,487**	**23,591,708**	**24,684,240**	**25,106,086**
Total liabilities and equity	**65,677,300**	**51,327,300**	**38,790,347**	**38,261,674**	**38,710,185**
Statement of profit or loss and other comprehensive income					
Insurance revenue	22,229,099	14,835,202	12,506,552	11,161,499	11,161,499
Insurance service result before reinsurance contracts held	7,257,511	4,039,799	1,734,437	5,428,543	5,428,543
Insurance service result	766,967	261,595	(1,201,436)	(2,584,189)	(2,584,189)
Profit/(loss) before taxation	5,282,084	5,463,747	1,874,983	(3,878,914)	(3,878,914)
Taxation	269,546	(182,153)	(129,292)	(209,074)	(111,724)
Profit/(loss) after taxation	5,551,631	5,281,594	1,745,691	(3,990,638)	(3,990,638)
Transfer to contingency reserve	1,110,326	1,056,319	-	334,845	334,845
Dividend	(700,000)	-	-	(500,000)	(500,000)
Transfer to revenue reserve	-	4,225,275	1,745,691	(4,325,483)	(4,325,483)
Basic earnings per share (kobo)	36.0	37.7	12.5	(28.5)	(28.5)