



Unaudited Financial Statements
for the Period Ended
30 September, 2025

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Corporate Information

Company Registration Number 162306

Date of Incorporation Tuesday, March 26, 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

Chairman Chief Joshua Bernard Fumudoh

Other Directors Mr. Daniel Braie
Mr. Okanlawon Adelagun
Mrs. Funkazi Koroye-Crooks
Mr. Pius Otia
Mrs Valentina Marinho
Mr. Maxwell Ebibai
Mrs. Olayimika Phillips

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 Registrar
No. 8 Alhaji Bashorun Street
Ikoyi, Lagos.

Auditor KPMG Professional Services
KPMG Towers,
Bishop Aboyade Cole Street
Victoria Island, Lagos
www.kpmg.com/ng

Reinsurers African Reinsurance Corporation, Lagos, Nigeria
Swiss Reinsurance Company Ltd, Zurich, Switzerland
Continental Reinsurance Plc, Lagos, Nigeria
WAICA Reinsurance, Sierra Leone
Arab Insurance Company, Bahrain
Cathedral @ Underwriter Syndicates No. 2010 MMX, London
ZEP-RE (PTA Reinsurance Company), Nairobi, Kenya
Atrium Underwriting Limited @ Lloyd's Underwriter Syndicate, UK
Hannover Ruck SE, Hannover, Germany

Principal Bankers	Access Bank Plc.	Keystone Bank Limited.
	Ecobank Nigeria Plc.	Polaris Bank Limited.
	FCMB Limited.	Stanbic IBTC Bank Limited.
	Fidelity Bank Plc.	Union Bank Plc.
	First Bank of Nigeria Limited.	United Bank for Africa Plc.
	Guaranty Trust Bank Plc.	Unity Bank Plc.
	Heritage Bank Limited.	Zenith Bank Plc.

Actuary O & A Hedge Actuarial Consulting

FRC Registered No. FRC/2012/0000000000339

Certification Pursuant to Section 60(2) of Investment and Securities Act No. 29 of 2007

We the undersigned, hereby certify the following with regards to our unaudited financial statements for the period ended 30 September 2025 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
27 October 2025



Dr. Emmanuel Otitolaiye
Chief Financial Officer
FRC/2014/ICAN/00000008524
27 October 2025

FINANCIAL HIGHLIGHTS	30 Sept 2025	30 Sept 2024	Changes
	₦'000	₦'000	(%)
Comprehensive income statement			
Insurance revenue	19,299,412	16,428,475	17
Insurance service expenses	(12,637,990)	(10,797,860)	17
Insurance service result before reinsurance contracts held	6,661,421	5,630,615	18
Insurance service result	916,590	723,567	27
Investment and other income	6,054,749	7,068,893	(14)
Profit before taxation	3,344,066	4,381,626	(24)
Profit after taxation	3,117,482	4,162,545	(25)
Statement of financial position	30 Sept 2025	31 Dec 2024	
Total assets	71,094,510	65,677,300	8
Insurance contract liabilities	21,470,176	17,386,988	23

Our Performance

Insurance revenue grew by 17% to N19.2billion as at Sept 2025 from N16.4billion recorded in prior year. The insurance service result also grew to N962.02million as at Sept 2025 from N723.5million in prior year. The profit before tax, PBT reduced by 24% to N3.3billion as at Sept 2025 from N4.3billion 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 2025 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 client’s 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.

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.

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 4 April 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.

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

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.

This is now effective and has been adopted by the Company in preparing the financial statements.

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

The amendments do not have a material impact on the Company's financial statements.

Changes in material accounting policies and new standards

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.

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:

- ▶ A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- ▶ 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 Statement

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.

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.

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 Company applied a full retrospective approach for transition to IFRS 17. 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)

3 Summary of material accounting policies-continued

3.2 Insurance and reinsurance contracts accounting treatment- continued

3.2.2 Level of aggregation - continued

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.

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

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.

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

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.

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.

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.

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.

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.

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.

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 Agosto 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.

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 order 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:

- Inflation rate
- 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.

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.

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 Summary of material accounting policies - continued

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.

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.

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.

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.

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.

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 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.

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.

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.

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:

- 1 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.

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.

- 2 Claim payment pattern will be derived for each reserving class or portfolio (portfolio if there is only one reserving class).
- 3 Basically, the payment pattern provides probabilities to project the settlement of claims in future time periods.
- 4 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.
- 5 Existing reserving models (primarily the Basic Chain Ladder) will be used to derive the payment probabilities from the link ratios obtained from paid triangles.
- 6 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.
- 7 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.
- 8 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.
- 9 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.
- 10 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.

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.

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.

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).

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-employment 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.

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

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

Shareholding Structure/Free Float Status				
Description	30-Sep-25		31-Dec-24	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	15,400,000,000	100%	15,400,000,000	100%
Substantial Shareholdings (5% and above)				
Bayelsa State Ministry of Finance Incorporated	8,228,866,302	53.43%	8,228,866,302	53.43%
Stanbic IBTC Nominees			1,944,716,810	12.63%
Adeola Afolabi Tajudeen	920,000,000	5.97%		
Apel Asset Limited-Nominee	909,542,450	5.91%	876,723,566	5.69%
Total Substantial Shareholdings	10,058,408,752	65.31%	11,050,306,678	71.76%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Chief Joshua B. Fumudoh				
Mr. Tamunoye Alazigha				
Mrs.Funkazi Koroye-Crooks				
Mr. Maxwell Ebibai				
Mr. Olakunle Agbebi				
Mr. Bernard Griesel				
Mr. Daniel Braie				
Mr. Okanlawon Adelagun				
Total Directors' Shareholdings				
Other Influential Shareholdings				
Free Float in Units and Percentage	5,341,591,248	34.69%	4,349,693,322	28.24%
Free Float in Value	₦ 2,670,795,624.00		₦ 2,174,846,661.00	
(A) Linkage Assurance Plc with a free float percentage of 34.69%.as at 30 September 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.				
(B) Linkage Assurance Plc with a free float value of N2,670,795,624.00 as at 30 September 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.				

**Statement of financial position
As at 30 September 2025**

In thousands of Naira

Assets	Note	30 Sept 2025	31 Dec 2024
Cash and cash equivalents	7	5,968,954	5,416,681
Investment securities	8	51,990,620	47,632,402
Loans and receivables	8.5	619,601	337,144
Reinsurance contract assets	9.1	5,667,917	5,571,208
Premium receivable	11	876,105	948,117
Other receivables and prepayments	12	1,576,573	1,263,759
Right-of-use assets	13	29,101	7,880
Investment property	14	340,000	340,000
Intangible assets	15	27,276	33,908
Property and equipment	16	3,228,363	3,426,201
Statutory deposit	23	770,000	700,000
Total assets		71,094,510	65,677,300
Liabilities			
Insurance contract liabilities	9.2	21,470,176	17,386,988
Other technical liabilities	18	366,462	1,218,863
Other payables	19	913,854	1,850,248
Defined benefit obligations	20	108,348	93,950
Income tax liabilities	21	183,603	245,563
Deferred tax liabilities	22	2,036,859	2,036,859
Total liabilities		25,079,303	22,832,471
Equity			
Authorized share capital	24	15,400,000	15,400,000
Issued and fully paid share capital	24.1	7,700,000	7,700,000
Share premium	25	547,433	547,433
Contingency reserve	26	6,207,265	5,562,642
Retained earnings	27	7,031,153	4,558,293
Assets revaluation reserve	28	1,721,291	1,721,291
Fair value reserve	29	22,748,295	22,695,399
Re-measurement reserve	30	59,771	59,771
Total equity		46,015,207	42,844,829
Total liabilities and equity		71,094,510	65,677,300

The financial statements were approved on 27 October 2025 and signed on behalf of the Board of Directors



Chief Joshua B. Fumudoh
Chairman
FRC/2018/IODN/00000017911



Mr. Daniel Braie
Managing Director/CEO
FRC/2018/CHN/00000018082



Emmanuel Otitolaiye
Chief Financial Officer
FRC/2014/ICAN/00000008524

The summary of significant accounting policies and the accompanying notes form an integral part of these financial statements.

**Statement of profit or loss and other comprehensive income
for the period ending 30 September 2025**

<i>In thousands of Naira</i>		9 months to 30 Sept 2025	9 months to 30 Sept 2024	3 months to 30 Sept 2025	3 months to 30 Sept 2024
Insurance revenue	31	19,299,412	16,428,475	6,761,058	5,635,871
Insurance service expenses	32	(12,637,990)	(10,797,860)	(4,368,260)	(2,989,965)
Insurance service result before reinsurance contracts held		6,661,421	5,630,615	2,392,798	2,645,906
Allocation of reinsurance premiums	33	(7,017,230)	(6,190,051)	(2,823,317)	(2,678,232)
Amounts recoverable from reinsurers for incurred claims	34	1,272,398	1,283,002	597,098	250,568
Net expense from reinsurance contracts held		(5,744,832)	(4,907,049)	(2,226,219)	(2,427,664)
Insurance service result		916,590	723,567	166,579	218,243
Interest revenue calculated using the effective interest method	38.1	3,589,232	2,670,737	1,321,614	1,066,435
Net trading income	38.1a	2,722,267	2,097,858	1,201,998	109,406
Net fair value gain/loss on financial assets at fair value through profit or loss	38.1b	114,187	(56,687)	111,007	(19,152)
Other income	41	(314,689)	2,493,399	(93,758)	281,821
Total investment income		6,110,997	7,205,307	2,540,861	1,438,510
Insurance finance expenses for insurance contracts issued	39	(126,732)	(223,396)	7,815	(295,964)
Reinsurance finance income for reinsurance contracts held	39	70,484	86,982	12,195	115,813
Net insurance finance expenses/income		(56,248)	(136,414)	20,010	(180,151)
Net insurance and investment result		6,971,339	7,792,460	2,727,450	1,476,602
Other operating expense	42	(3,627,273)	(3,410,834)	(1,328,405)	(1,345,871)
Profit before taxation		3,344,066	4,381,626	1,399,045	130,731
Minimum tax	21.1	(226,584)	(219,081)	(69,952)	(6,536)
Profit after taxation		3,117,482	4,162,545	1,329,093	124,195
Other comprehensive income net of tax					
Items that may be reclassified subsequently to profit or loss:					
		-	-	-	-
Items that may not be reclassified subsequently to profit or loss					
Net fair value (loss)/gain on available-for-sale financial assets	43	52,896	(66,852)	(1,483)	16,266
Other comprehensive (loss)/income, net of taxes		52,896	(66,852)	(1,483)	16,266
Total comprehensive income for the year		3,170,378	4,095,693	1,327,610	140,461
Basic and diluted earnings per share (kobo)	44	20.2	29.7	9	1

The summary of significant accounting policies and the accompanying notes form an integral part of these financial statements.

**Statement of changes in equity
for the period ending 30 September 2025**

In thousands of naira

At 1 January 2025

Comprehensive income

Profit for the year

Other comprehensive income:

Net fair value changes on AFS financial assets

Total comprehensive income

Transfer to contingency reserve

At 30 September 2025

	Share capital	Share premium	Contingency Reserve	Asset revaluation reserve	Re-measurement reserve	Fair value reserve	Retained earnings	Total
At 1 January 2025	7,700,000	547,433	5,562,642	1,721,291	59,771	22,695,399	4,558,294	42,844,829
Profit for the year	-	-	-	-	-	-	3,117,482	3,117,482
Other comprehensive income:								
Net fair value changes on AFS financial assets	-	-	-	-	-	52,896	-	52,896
Total comprehensive income	-	-	-	-	-	52,896	3,117,482	3,170,378
Transfer to contingency reserve	-	-	644,623	-	-	-	(644,623)	-
	-	-	644,623	-	-	52,895.8	2,472,859	3,170,378
At 30 September 2025	7,700,000	547,433	6,207,265	1,721,291	59,771	22,748,295	7,031,153	46,015,207

Statement of changes in equity for the year ended 31 December 2024

In thousands of naira

At 1 January 2024

Comprehensive income

Profit for the year

Other comprehensive income:

Net Insurance finance income for insurance contracts issued

Remeasurement of defined benefit obligation

Net fair value changes on AFS financial assets

Net fair value changes on debt instrument at fair value through OCI

ECL writeback on debt instrument on fair value through OCI

Cost incurred related to the issuance of bonus shares

Total comprehensive income

Transfer to contingency reserve

Bonus share issue from retained earning

Cash dividends

At 31 December 2024

	Share capital	Share premium	Contingency Reserve	Asset revaluation reserve	Re-measurement reserve	Fair value reserve	Retained earnings	Total
At 1 January 2024	7,000,000	560,294	4,452,316	1,721,291	4,111	17,777,487	1,516,989	33,032,487
Profit for the year	-	-	-	-	-	-	5,551,631	5,551,631
Other comprehensive income:								
Net Insurance finance income for insurance contracts issued	-	-	-	-	55,660	-	-	55,660
Remeasurement of defined benefit obligation	-	-	-	-	-	4,973,795	-	4,973,795
Net fair value changes on AFS financial assets	-	-	-	-	-	(49,723)	-	(49,723)
Net fair value changes on debt instrument at fair value through OCI	-	-	-	-	-	(6,160)	-	(6,160)
ECL writeback on debt instrument on fair value through OCI	-	-	-	-	-	(6,160)	-	(6,160)
Cost incurred related to the issuance of bonus shares	-	(12,861)	-	-	-	-	-	-
Total comprehensive income	-	(12,861)	-	-	55,660	4,917,912	5,551,631	10,512,342
Transfer to contingency reserve	-	-	1,110,326	-	-	-	(1,110,326)	-
Bonus share issue from retained earning	700,000	-	-	-	-	-	(700,000)	-
Cash dividends	-	-	-	-	-	-	(700,000)	(700,000)
	700,000	-	1,110,326	-	-	-	(2,510,326)	(700,000)
At 31 December 2024	7,700,000	547,433	5,562,642	1,721,291	59,771	22,695,399	4,558,294	42,844,829

The summary of significant accounting policies and the accompanying notes form an integral part of these financial statements.

**Statement of cash flows
for the period ending 30 September 2025**

	Note	to 30 Sept 2025 ₹'000	31 Dec 2024 ₹'000
Cash flows from operating activities			
Premiums received from policy holders	44(b)	21,519,562	24,044,368
Premiums received in advance	18a	39,851	22,374
Deposit without details	20.2(a)	1,028	623,081
Reinsurance payments	44(d)	(10,865,709)	(11,502,518)
Claims paid	35	(4,023,590)	(4,578,686)
Reinsurance claim recoveries	44(c)	1,195,593	1,463,862
Salvage recovery	44(c)	97,997	87,480
Commission paid	44(e)	(6,421,899)	(8,536,607)
Maintenance expenses paid	37	(832,014)	(2,115,580)
Commission received	44(f)	1,880,856	1,797,492
Cash payment to and on behalf of employees	44(k)	(835,789)	(1,765,707)
Other operating cash receipts/(payments)	44(a)	(2,224,857)	(1,058,858)
Corporate tax paid	21	(226,584)	(160,177)
Net cash used in operating activities		(695,555)	(1,679,476)
Cash flows from Investing activities			
Purchase of properties and equipment	44(i)	(157,273)	(466,435)
Purchase of intangible assets	15	-	(9,568)
Proceeds from sale of property and equipment	44(j)	6,222	81,163
Purchase of investment securities	44(h)	(5,742,036)	(11,684,252)
Proceeds from sale of investment securities - FVTPL	44(h)	586,032	1,071,725
Proceeds from sale of investment securities - FVOCI	44(h)	-	1,014,903
Proceeds from sale of debt instrument at amortised cost	44(h)	1,609,788	5,380,458
Loans disbursed/derecognised	8.5(i)	(1,158,475)	(127,315)
Loan repayments	8.5(i)	876,018	198,888
Dividend received	38	1,940,387	2,236,441
Rental income received	41	3,800	3,500
Interest received	38	3,589,232	3,730,927
Net cash from investing activities		1,553,695	1,430,435
Financing activities			
Dividend paid		-	(700,000)
Regulatory costs of bonus share issuance			(12,861)
		-	(712,861)
Net decrease in cash and cash equivalents		858,140	(961,902)
Cash and cash equivalents at the beginning of the period		5,497,637	5,507,394
Impact of exchange difference on cash held		(386,846)	952,145
Cash and cash equivalents at end of the period	7	5,968,931	5,497,637

The summary of significant accounting policies and the accompanying notes form an integral part of these financial statements.

Notes to the financial statements

5. Segment reporting

Operating segments

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

The following is an analysis of the Company's revenue and result by reportable segment for the period ending 30 September 2025

Income:	Fire N'000	Accident N'000	Motor N'000	Marine N'000	Aviation N'000	Bond N'000	Engineering N'000	Oil & Gas N'000	Agric N'000	Total N'000
Insurance revenue	3,158,293	1,960,678	5,137,548	1,421,554	399,711	4,219	1,298,804	5,904,156	14,448	19,299,412
Insurance service expense excl. acq. cash flows when incurred	(1,687,735)	(1,755,589)	(3,738,691)	(1,334,521)	(586,917)	(1,730)	(781,149)	(2,746,888)	(4,769)	(12,637,990)
Insurance Service Result for insurance contract held	1,470,557	205,089	1,398,857	87,033	(187,206)	2,489	517,655	3,157,268	9,679	6,661,421
Allocation of reinsurance premium	-1,219,311	-640,491	-155,596	-547,385	-12,635	-2,419	-665,700	-3,768,948	-4,745	(7,017,230)
Amount Recoverable from reinsure for incurred claims	308,715	330,475	149,394	340,189	-39,147	34	185,230	-2,550	58	1,272,398
Net Income or Expenses from reinsurance contract held	-910,596	-310,016	-6,202	-207,196	-51,782	-2,385	-480,470	-3,771,498	-4,687	(5,744,832)
Insurance Service Result	559,962	(104,927)	1,392,655	(120,163)	(238,988)	104	37,184	(614,230)	4,992	916,590

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 segment performance.

The revenue of marine & aviation segment does not meet the quantitative thresholds and therefore does not qualified as a reporting segment. The segments is accordingly reported as 'Others'.

- NOTES INSURANCE -Insurance revenue wrt insurance revenue	FIRE N'000	ACCIDENT N'000	MOTOR N'000	MARINE N'000	AVIATION N'000	BOND N'000	ENGINEERING N'000	OIL&GAS N'000	AGRIC N'000	Total N'000
Liabilities for remaining coverage bop	968,223	499,633	1,481,864	490,450	530,364	7,118	641,426	2,619,497	5,659	7,244,234
Liabilities for remaining coverage eop	1,251,458	727,894	2,815,291	506,225	266,673	7,610	814,434	3,035,635	7,003	9,432,223
Changes in asset for acquisition cash flows	- 283,235	- 228,261	- 1,333,427	- 15,775	- 263,691	- 492	- 173,008	- 416,138	- 1,344	(2,187,989)
Interest accreted (incl. change of rates) to insurance contracts	65,166	47,922	150,898	3,515	52,983	21	1,940	162,485	165	53,788
Elimination of Loss component in movement of liabilities	-	-	-	-	-	-	-	-	-	-
Premiums received	3,441,528	2,188,939	6,470,975	1,437,329	136,021	4,711	1,471,812	6,320,294	15,792	21,487,401
Amortisation of insurance acq. cash flows	967,874	646,836	1,666,709	444,997	92,696	1,204	406,523	1,729,335	3,962	5,960,136
Insurance acquisition cash flows	- 1,033,040	- 694,758	- 1,817,607	- 448,512	- 39,714	- 1,183	- 408,463	- 1,566,850	- 3,797	(6,013,924)
Insurance revenue	3,158,293	1,960,678	5,137,548	1,421,554	399,711	4,219	1,298,804	5,904,156	14,448	19,299,412

Notes to the financial statements

- NOTES INSURANCE - Insurance service expense - wrt insurance service expense

Liabilities for incurred claims bop	2,079,549	2,217,967	825,088	1,612,771	1,923,461	9,693	1,172,355	1,487,346	1,608	11,329,838
Liabilities for incurred claims eop	1,986,285	2,585,453	1,590,251	2,298,698	1,441,028	9,861	1,183,338	2,182,161	1,748	13,278,823
	93,264	367,486	765,163	685,927	482,433	168	10,983	694,815	140	(1,948,985)
Interest accreted (incl. change of rates) to insurance contracts	19,200	11,932	4,662	29,615	29,615	176	12,379	19,562	56	126,733
Investment component	-	-	-	-	-	-	-	-	-	-
Elimination of Loss component in movement of liabilities	-	-	-	-	-	-	-	-	-	-
Amortisation of insurance acq. cash flows	- 967,874.33	- 646,836.23	- 1,666,709.40	- 444,996.60	- 92,696.22	- 1,203.66	- 406,523.02	- 1,729,334.63	- 3,961.90	(5,960,136)
Claims and other expenses paid	- 832,325.46	- 753,198.94	- 1,311,480.73	- 233,211.84	- 1,006,268.87	- 182.41	- 376,022.06	- 342,300.21	- 611.48	(4,855,602)
Insurance service expenses	- 1,687,735.42	- 1,755,589.20	- 3,738,691.34	- 1,334,520.83	- 586,917.08	- 1,729.91	- 781,149.40	- 2,746,887.89	- 4,769.04	(12,637,990)
Acquisition cash flows recognised when incurred	-	-	-	-	-	-	-	-	-	-
Insurance service result before reinsurance contracts held	1,470,557.44	205,089.26	1,398,856.88	87,032.94	187,205.94	2,489.29	517,654.56	3,157,268.07	9,678.98	6,661,421

NOTES INSURANCE - Allocation of reinsurance Premium

Assets for remaining coverage bop	409,086.00	225,631.00	56,169.00	273,435.00	143,186.00	4,368.00	163,497.00	829,315.00	2,681.00	2,107,368
Assets for remaining coverage eop	561,648.00	423,303.00	158,526.00	252,169.00	124,475.00	2,226.00	464,933.00	2,357,154.00	1,619.00	4,346,053
Changes in asset for remaining coverage.	152,562	197,672	102,357	21,266	18,711	2,142	301,436	1,527,839	1,062	2,238,685
Changes in fees & commission for remaining coverage.	- 47,434	- 64,243	- 35,276	- 9,105	- 5,549	- 538	- 52,049	- 87,514	- 263	- 271,062
Interest accreted	-	-	-	-	-	-	-	-	-	-
Premiums paid	- 1,324,439	- 773,920	- 222,677	- 535,224	- 527	- 815	- 915,087	- 5,209,272	- 3,946	- 8,984,853
Allocation of reinsurance premium	- 1,219,311	- 640,491	- 155,596	- 547,385	- 12,635	- 2,419	- 665,700	- 3,768,948	- 4,745	- 7,017,230
Assets recoverable on incurred claims bop	1,173,607	1,252,276	127,124	785,614	923,323	-	516,375	217,290	959	4,996,568
Assets recoverable for incurred claims eop	1,187,558	1,339,945	124,045	1,097,754	522,195	34	553,890	219,482	961	5,045,864
Changes to amount recoverable for incurred claims.	13,951	87,669	3,079	312,140	401,128	34	37,515	2,192	2	49,296
Interest accreted	- 1,180	- 11,266	- 1,180	- 19,779	- 23,350	-	- 9,046	- 4,742	- 56	- 70,487
Investment component	-	-	-	-	-	-	-	-	-	-
Amounts received	295,944	254,072	153,653	47,828	385,331	-	156,761	-	-	1,293,589
Amounts recoverable from reinsurers	308,715	330,475	149,394	340,189	39,147	34	185,230	2,550	58	1,272,398
Net income from reinsurance contracts held	- 910,596	- 310,016	- 6,202	- 207,196	- 51,782	- 2,385	- 480,470	- 3,771,498	- 4,687	- 5,744,832
Insurance Service result	559,962	- 104,927	1,392,655	- 120,163	- 238,988	104	37,184	- 614,230	4,992	916,590

9 months to 30 Sept 2024

Insurance Rev wrt insurance revenue	FIRE N'000	ACCIDENT N'000	MOTOR N'000	MARINE N'000	AVIATION N'000	BOND N'000	ENGINEERING N'000	OIL&GAS N'000	AGRIC N'000	Total N'000
Changes in Liability for remaining coverage	-346,329	-240,449	-179,704	-261,144	-285,025	5,684	-252,251	-901,496	-6,113	(2,466,827)
Changes in asset for acquisition cash flows	58,694	39,559	19,678	45,238	57,294	-1,151	48,560	155,832	-969	422,735
Interest accreted (incl. change of rates) to insurance contracts	-	-	-	-	-	-	-	-	-	-
Premiums received	3,057,183	1,608,428	3,934,862	1,415,937	1,240,095	9,122	1,131,938	6,479,065	18,669	18,895,299
Amortisation of insurance acq. cash flows	885,464	579,285	1,021,638	426,274	360,572	4,028	315,151	1,903,614	4,637	5,500,664
Insurance acquisition cash flows	-944,159	-618,844	-1,041,317	-471,511	-417,866	-2,877	-363,711	-2,059,446	-3,668	(5,923,398)
Insurance revenue	2,710,854	1,367,979	3,755,158	1,154,793	955,070	14,806	879,687	5,577,569	12,557	16,428,473
Insurance serv eexpense	-	-	-	-	-	-	-	-	-	-
Liabilities for incurred claims bop	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
Liabilities for incurred claims eop	3,550,164	2,554,959	1,027,400	869,228	765,167	12,004	1,331,326	2,785,817	11,339	12,907,405
	-10,078	-142,561	-14,668	264,285	-422,849	-9,270	-965,742	-264,040	2,588	(1,562,336)
Interest accreted (incl. change of rates) to insurance contr	111,172	31,162	21,685	116	4,510	149	6,725	47,566	312	223,397
Elimination of Loss component in movement of liabilities	0	0	0	0	0	0	0	0	0	-

Notes to the financial statements

Amortisation of insurance acq. cash flows	-885,464	-579,285	-1,021,638	-426,274	-360,572	-4,028	-315,151	-1,903,614	-4,635	(5,500,662)
Claims and other expenses paid	-573,205	-700,762	-1,040,507	-666,090	-175,893	-354	-164,532	-636,194	-724	(3,958,259)
Insurance service expense	(1,357,575)	(1,391,446)	(2,055,128)	(827,963)	(954,803)	(13,503)	(1,438,700)	(2,756,282)	(2,459)	(10,797,860)
Assets for remaining coverage bop	469,946	194,244	7,567	162,065	-	1,016	104,804	384,370	135	1,324,147
Assets for remaining coverage eop	411,316	288,307	30,433	308,965	319,180	1,754	209,619	776,033	6,081	2,351,688
Change in prepaid asset LRC	(58,630)	94,063	22,866	146,900	319,180	738	104,815	391,663	5,946	1,027,541
Changes in fees & commission for remainig coverage.	20,410	(30,950)	(8,473)	(44,152)	(10,956)	(221)	(24,305)	7,260	(1,486)	(92,873)
Interest accreted	-	-	-	-	-	-	-	-	-	-
Investment component										-
Premiums paid	(863,530)	(455,417)	(84,406)	(488,308)	(1,097,169)	(1,724)	(418,008)	(3,708,479)	(7,677)	(7,124,718)
Allocation of reinsurance premium	(901,750)	(392,304)	(70,013)	(385,560)	(788,945)	(1,207)	(337,498)	(3,309,556)	(3,217)	(6,190,050)
Assets recoverable on incurred claims bop	2,058,437	1,237,097	134,563	482,468	56,850	-	186,920	376,947	8,357	4,541,639
Assets recoverable for incurred claims eop	1,775,400	1,242,151	67,126	423,333	56,850	-	894,066	398,546	5,929	4,863,401
Change in prepaid asset LIC	(283,037)	5,049	(67,437)	(59,135)	0	0	707,146	21,599	(2,428)	321,757
Interest accreted	(60,298)	(14,816)	(196)	(1,700)	(585)	0	(3,512)	(5,750)	(125)	(86,982)
Investment component										-
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-	-	-	-	-
Amounts received	193,633	370,077	280,860	127,271	0	0	28,753	47,628	0	1,048,222
Amounts recoverable from reinsurers	(149,702)	360,310	213,227	66,436	(585)	0	732,387	63,477	(2,553)	1,282,997
Net income/(expense) from reinsurance contracts held	- 1,051,452.00	- 31,994.00	143,214.00	- 319,124.00	- 789,530.00	- 1,207.00	394,889.00	- 3,246,078.63	- 5,770.00	(4,907,053)
Insurance service result	301,826	(55,461)	1,843,244	7,706	(789,264)	96	(164,124)	(424,792)	4,328	723,567

Notes to the financial statements

6 Capital and Risk Management

6.1 Capital Management – Objectives, Policies and Approaches.

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 equity 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 and processes to its capital structure during the period.

Analysis of shareholders funds		
<i>In thousand of Naira</i>		
	9 months to 30 Sept 2025	31 Dec 2024
Total assets	71,094,510	65,677,300
Less: Total liabilities	25,079,303	22,832,471
Shareholders funds as at year end	46,015,207	42,844,829
Adjustment for non-capital items	27,276	33,908
Available capital resources	45,987,931	42,810,921
Changes in available capital	7%	12%

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 N45,987,985 (2024: N42,810,921) amounting to an increase over the comparative period.

The Minimum Capital Requirement

The statutory minimum capital requirement for Non-life business is ₦3billion.

<i>In thousands of naira</i>		
	9 months to 30 Sept 2025	31 Dec 2024
Total shareholders' funds	46,015,207	42,844,829
Regulatory required capital	3,000,000	3,000,000
Excess over minimum capital	43,015,207	39,844,829
Capitalisation rate	1534%	1428%

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

	9 months to 30 Sept 2025	31 Dec 2024
Share capital	7,700,000	7,700,000
Share premium	547,433	547,433
Retained earnings/ accumulated losses	7,031,153	4,558,293
Contingency reserve	6,207,265	5,562,642
Excess of admissible assets over liabilities	21,485,851	18,368,368
Less the amount of own shares held (Treasury shares)	-	-
Capital Requirement	21,485,851	18,368,368

Notes to the financial statements- continued

6 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 30 September 2025 is as follows:

Assets	Total 30 Sept 2025	Admissible 30 Sept 2025	Non-admissible 30 Sept 2025	Total 31 Dec 2024	Admissible 31 Dec 2024	Non-admissible 31 Dec 2024
Cash and cash equivalents:						
- Bank and cash balances	3,181,274	3,181,274	-	3,567,443	3,567,443	-
- Placement with financial institutions	2,787,679	2,787,679	-	1,849,238	1,849,238	-
Financial assets:						
- Treasury bills	5,756,143	5,756,143	-	5,382,227	5,382,227	-
Treasury bills FVOCI	340,680	340,680	-	-	-	-
- Government bonds	9,842,233	9,842,233	-	8,216,561	8,216,561	-
- Corporate bonds -Quoted	265,765	265,765	-	473,072	473,072	-
- Corporate bonds -Unquoted	605,762	-	605,762	2,308,837	-	2,308,837
- Mutual funds	2,080,841	335,715	1,745,126	1,598,301	1,598,301	-
- Quoted shares	2,618,799	2,618,799	-	1,897,830	1,897,830	-
- Unquoted shares	24,935,415	190,298	24,745,117	25,521,447	190,298	25,331,149
- Loan to policyholders	-	-	-	-	-	-
- Mortgage loans	269,647	-	269,647	-	-	-
- Loan to staff	255,939	255,939	-	337,146	189,547	147,599
Other loans	94,015	-	94,015	-	-	-
- Commercial paper	2,764,916	2,764,916	-	1,523,965	1,523,965	-
- Other loans and invested assets						
(Investment notes and Loans to						
Financial companies)	2,780,068	1,127,498	1,652,570	710,163	710,163	-
Other receivables and prepayments	1,576,573	349,075	1,227,498	1,263,758	141,749	1,122,009
Insurance contract assets	-	-	-	-	-	-
Reinsurance contract assets	5,667,917	5,667,917	-	5,571,208	5,571,208	-
Premium receivable	876,105	876,105	-	948,117	948,117	-
Investment property	340,000	340,000	-	340,000	340,000	-
Land and building	2,241,218	1,000,000	1,241,218	2,248,539	1,000,000	1,248,539
Property and equipment (excluding						
land & building)	987,145	987,145	-	1,177,661	1,177,661	-
Intangible assets	27,276	-	27,276	33,908	-	33,908
Right-of-use assets	29,101	-	29,101	7,880	-	7,880
Statutory deposit	770,000	770,000	-	700,000	700,000	-
Total assets	71,094,510	39,457,181	31,637,329	65,677,300	35,477,378	30,199,921
Liabilities						
Insurance contract liabilities	(21,470,176)	(21,470,176)	-	(17,386,989)	(17,386,989)	-
Reinsurance contract liabilities	-	-	-	-	-	-
Other technical liabilities	(366,462)	(366,462)	-	(1,218,863)	(1,218,863)	-
Defined Benefit Obligation	(108,348)	(108,348)	-	(93,950)	(93,950)	-
Current tax liabilities	(183,604)	(183,604)	-	(245,563)	(245,563)	-
Deferred tax liabilities	(2,036,859)	-	(2,036,859)	(2,036,859)	-	(2,036,859)
Other payables	(913,854)	(913,854)	-	(1,850,248)	(1,850,248)	-
Total liabilities	(25,079,303)	(23,042,444)	(2,036,859)	(22,832,471)	(20,795,613)	(2,036,859)
Excess of total admissible assets						
over admissible liabilities		16,414,737	-	-	14,681,765	-
Required solvency margin: Higher of ;						
a. 15% of Net premium		1,593,254	-	-	2,040,006	-
b. Minimum capital required		3,000,000	-	-	3,000,000	-
Excess of solvency margin over minimum capital base		13,414,737	-	-	11,681,765	-
Level of Solvency (available solvency/required solvency*100)		547	-	-	489	-

Notes to the financial statements

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.

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. 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.

(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.

Insurance risk concentration per policy type

Line of business	9 months to 30 Sept 2025			30 Sept 2024		
	Insurance revenue	Insurance expense	Net	Insurance revenue	Insurance expense	Net
<i>In thousands of naira</i>						
Fire	3,158,293	(1,687,735)	1,470,557	2,710,854	(1,357,575)	1,353,278
Accident	1,960,678	(1,755,589)	205,089	1,367,981	(1,391,446)	(23,465)
Motor	5,137,548	(3,738,691)	1,398,857	3,755,158	(2,055,128)	1,700,030
Marine	1,421,554	(1,334,521)	87,033	1,154,793	(827,963)	326,830
Aviation	399,711	(586,917)	(187,206)	955,070	(954,803)	266
Bond	4,219	(1,730)	2,489	14,806	(13,503)	1,303
Engineering	1,298,804	(781,149)	517,655	879,687	(1,438,700)	(559,013)
Oil & Gas	5,904,156	(2,746,888)	3,157,268	5,577,569	(2,756,282)	2,821,287
Agric	14,448	(4,769)	9,679	12,557	(2,459)	10,098
	19,299,412	(12,637,990)	6,661,421	16,428,475	(10,797,860)	5,630,615

(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.

(f) Insurance risk concentration per policy type

Line of business	9 months to 30 Sept 2025			30 Sept 2024		
	Allocation of reinsurance premium	Amounts recoverable on incurred claims	Net	Allocation of reinsurance premium	Amounts recoverable on incurred claims	Net
<i>In thousands of naira</i>						
Fire	(1,219,311)	308,715	(910,596)	(901,750)	(149,702)	(1,051,452)
Accident	(640,492)	330,475	(310,017)	(392,306)	360,310	(31,996)
Motor	(155,596)	149,394	(6,202)	(70,013)	213,227	143,214
Marine	(547,385)	340,189	(207,196)	(385,560)	66,436	(319,124)
Aviation	(12,635)	(39,147)	(51,781)	(788,945)	(585)	(789,530)
Bond	(2,419)	34	(2,385)	(1,207)	-	(1,207)
Engineering	(665,700)	185,230	(480,470)	(337,498)	732,387	394,889
Oil & Gas	(3,768,948)	(2,550)	(3,771,498)	(3,309,556)	63,477	(3,246,079)
Agric	(4,745)	58	(4,687)	(3,217)	(2,553)	(5,770)
	(7,017,230)	1,272,398	(5,744,832)	(6,190,052)	1,282,998	(4,907,055)

Notes to the financial statements

7 Cash and cash equivalents

	9 months to 30 Sept 2025	31 Dec 2024
	N'000	N'000
Cash and cash equivalents comprise:		
Cash in hand	1,203	3,353
Balances with banks	3,180,071	3,564,089
Short term deposit	2,858,625	1,920,185
	6,039,899	5,487,627
Allowance for impairment (see (b) below)	(70,946)	(70,946)
Cash and bank balance as at the period	5,968,954	5,416,681

(a) 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.

(b) Allowance for impairment

Balance as at the beginning of the year	70,946	89,676
Write off (see (i) below)	-	(18,730)
Balance as at the end of the year	70,946	70,946

(i) This relates to short term investments in Moribund banks – Assurance bank, Peak Merchant Bank, Mani bank, Central Point Merchant Bank, Triumph Bank and Deap Capital Management & Trust Ltd that were previously impaired but now

8 Financial assets

The Company's financial assets comprise fair value through profit or loss financial assets, available-for-sale financial assets, loans and receivables and unquoted equity at cost.

	9 months to 30 Sept 2025	31 Dec 2024
	N'000	N'000
Equity instrument at fair value through profit or loss (note 8.1)	2,995,481	2,102,495
Equity instrument at fair value through OCI (note 8.2)	27,266,574	26,915,082
Debt instruments measured at FVOCI	2,891,270	2,575,364
Held to maturity (note 8.6)	18,837,294	16,039,460
	51,990,620	47,632,402

Financial instrument classification

In thousands of Naira

- Listed
- Unlisted

9 months to 30 Sept 2025			
Fair Value through Profit or Loss	Available for Sale	Held to Maturity	Total
2,995,481	4,636,396	18,026,884	25,658,761
-	25,521,448	810,410	26,331,858
2,995,481	30,157,844	18,837,294	51,990,619
2,995,481	-	18,837,294	21,832,776
-	30,157,844	-	30,157,844
2,995,481	30,157,844	18,837,294	51,990,620

Financial instrument classification

In thousands of Naira

- Listed
- Unlisted

31 Dec 2024			
Fair Value through Profit or Loss	Fair Value through OCI	Amortised cost	Total
2,102,495	3,968,999	810,410	6,881,904
-	25,521,447	15,229,052	40,750,499
2,102,495	29,490,446	16,039,462	47,632,403
2,102,495	-	16,039,462	18,141,957
-	29,490,446	-	29,490,446
2,102,495	29,490,446	16,039,462	47,632,403

8.1 Fair value through profit or loss

The movement in the investment at fair value through profit or loss is as follows:

	9 months to 30 Sept 2025	31 Dec 2024
<i>In thousands of Naira</i>		
Balance as at the beginning of the year	2,102,496	2,443,132
Addition during the period	667,018	516,247
Disposal during the period	(586,032)	(1,041,819)
	2,183,482	1,917,560
Realised gain of financial assets at FVTPL	812,000	184,935
Balance as at the end of the period	2,995,481	2,102,495

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.

Notes to the financial statements

8.2 Available for sale

Available for sale financial assets comprise:

	9 months to 30 Sept 2025	31 DEC 2024
	N'000	N'000
Equity Instruments measured at fair value through OCI		
Unquoted equities - at FVTOCI (see (a) below)	25,521,448	25,521,447
Equity mutual funds	1,745,126	1,393,635
	<u>27,266,574</u>	<u>26,915,082</u>
Debt Instruments measured at fair value through OCI		
Bonds at FVTOCI	2,891,270	2,575,364
	<u>30,157,844</u>	<u>29,490,446</u>
Reconciliation of carrying amount		
<i>In thousands of naira</i>		
	9 months to 30 Sept 2025	31 DEC 2024
Balance as at the beginning of the year	29,490,446	21,315,486
Additions during the period	667,398	1,744,080
Fair value gain/(loss) - equity	-	7,519,996
Fair value gain-bond	-	(74,214)
Disposal during the period	-	(1,014,903)
Balance as at the end of the period	<u>30,157,844</u>	<u>29,490,446</u>

- (a) The unquoted equities carried at fair value above represent the 117,647,058 ordinary shares of N1 each of Stanbic IBTC Pension Managers Limited held by Linkage Assurance Plc.

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	N24.802 billion	N17.943 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 (N million)									
	Terminal growth rate of FCF									
		6.12%	6.62%	7.12%	7.62%	8.12%	8.62%	9.12%	9.62%	10.12%
W A C C	29.82%	274,278	277,089	280,021	283,084	286,285	289,635	293,144	296,823	300,686
	30.32%	268,890	271,550	274,323	277,217	280,238	283,396	286,701	290,163	293,793
	30.82%	263,721	266,241	268,866	271,602	274,457	277,438	280,554	283,814	287,230
	31.32%	258,759	261,148	263,635	266,224	268,924	271,740	274,682	277,756	280,974
	31.82%	253,991	256,258	258,615	261,069	263,624	266,288	269,067	271,969	275,003
	32.32%	249,406	251,559	253,796	256,122	258,543	261,065	263,693	266,436	269,300
	32.82%	244,994	247,040	249,165	251,372	253,668	256,057	258,545	261,139	263,845
	33.32%	240,746	242,692	244,711	246,807	248,986	251,251	253,609	256,065	258,625
	33.82%	236,652	238,504	240,424	242,417	244,486	246,637	248,872	251,199	253,623

At 31 December 2023

	Equity Value (N million)									
	Terminal growth rate of FCF									
		6.12%	6.62%	7.12%	7.62%	8.12%	8.62%	9.12%	9.62%	10.12%
W A C C	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

8.5 Loans and receivables at 30 Sept 2025

In thousands of Naira

Due from third parties (see note a below)
Loan to staff
Loan to policy holders
Ex-staff loans

Gross Amount	Impairment	Carrying Amount
N'000	N'000	N'000
94,015	-	94,015
531,022	(5,436)	525,586
13,655	(13,655)	-
59,655	(59,655)	-
698,347	(78,746)	619,601

Loans and receivables at Dec. 2024

In thousands of Naira

Due from third parties (see note a below)
Loan to staff
Loan to policy holders
Ex-staff loans

Gross Amount	Impairment	Carrying Amount
N'000	N'000	N'000
-	-	-
342,580	(5,436)	337,144
13,655	(13,655)	-
59,655	(59,655)	-
415,890	(78,746)	337,144

8.5(i) Movement during the year

As at 1 January

Loans disbursement

Loan repayments

As at end of the period

9 months to 30 Sept 2025	31 DEC 2024
N'000	N'000
415,890	487,463
1,158,475	127,315
(876,018)	(198,888)
698,347	415,890

(a) Breakdown of Due from third parties

Name of third parties

In thousand of Naira

Pine Hill Leasing

Credite Capital Finance and Invest

Total

9 months to 30 Sept 2025	31 DEC 2024
N'000	N'000
53,925	-
40,091	-
94,016	-

(b) Impairment allowance

In thousands of Naira

Balance at the beginning of the year

Movement during the period

Balance at the end of the period

9 months to 30 Sept 2025	31 DEC 2024
N'000	N'000
(78,746)	(49,164)
-	(29,582)
(78,746)	(78,746)

Loans and 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. The impairment allowance of N78.7million consists of N13.65 million on Loans to policy holders and N59.655million on ex-staff loans and N5.4million of loan to staff.

8.6 Held to maturity

In thousands of Naira

Balance at the beginning of the year

Redemption/Repayment during the period

Additions during the period

Impairment loss

Balance at the end of the period

9 months to 30 Sept 2025	31 DEC 2024
N'000	N'000
16,110,042	12,066,575
(1,609,788)	(5,380,458)
14,500,254	6,686,117
4,407,620	9,423,925
18,907,874	16,110,042
(70,580)	(70,581)
18,837,294	16,039,461

Notes to the financial statements

9 Reinsurance contract assets and insurance contract liabilities

9.1 Reinsurance contract assets

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024	Changes during the year
Reinsurance asset for remaining coverage (note 10(a))	4,207,769	1,969,086	2,238,683
Reinsurance asset for loss component (note 10 c)	138,285	138,285	-
Reinsurance asset for Risks Adjustments (note 10 (d))	407,269	377,270	29,999
Reinsurance asset for incurred claims (note 10(b))	4,638,595	4,619,305	19,290
Deferred commission revenue (see (i) below)	(635,451)	(364,389)	(271,062)
Reinsurance contract liabilities	(3,088,550)	(1,168,349)	(1,920,201)
	5,667,917	5,571,208	2,016,910

(i) Deferred commission revenue represents the acquisition commission income received in advance on insurance contract policies ceded to reinsurers and co-insurers with maturity beyond the reporting period. The movement during the year is shown below:

	30 Sept 2025 N'000	31 DEC 2024 N'000	Changes during the year
9.2 Insurance contract liabilities			
Liability for incurred claims (note 17.1(a))	12,342,830	10,473,845	1,868,985
RISK ADJUSTMENT RESERVE - LIC	935,993	855,994	79,999
Liability for remaining coverage (excluding loss component) (note 17.5)	9,141,565	6,953,575	2,187,990
Liability for Loss Component	290,658	290,658	-
	22,711,046	18,574,072	4,136,974
Asset for acquisition cash flow cost (see note 17.2)	(1,240,870)	(1,187,084)	(53,786)
Total insurance contract liabilities	21,470,176	17,386,988	4,083,188

9.3 Reinsurance contract assets and Insurance contract liabilities

	9 months to 30 Sept 2025			31 DEC 2024		
	Asset	Liabilities	Net	Asset	Liabilities	Net
Reinsurance contracts assets	(5,667,917)	-	(5,667,917)	(5,571,208)	-	(5,571,208)
Insurance contract liabilities	-	21,470,176	21,470,176	-	17,386,988	17,386,988
	(5,667,917)	21,470,176	15,802,259	(5,571,208)	17,386,988	11,815,780

		9 months to 30 Sept 2025			31 DEC 2024		
	Note	Asset	Liabilities	Net	Asset	Liabilities	Net
9.4 Reinsurance contracts assets							
Fire	9.6(a)	(831,376)	-	(831,376)	(1,380,578)	-	(1,380,578)
Accident	9.6(b)	(1,467,614)	-	(1,467,614)	(493,580)	-	(493,580)
Motor	9.6(c)	(415,566)	-	(415,566)	(957,475)	-	(957,475)
Marine	9.6(d)	(1,064,791)	-	(1,064,791)	(384,327)	-	(384,327)
Aviation	9.6(e)	(930,526)	-	(930,526)	(1,120,151)	-	(1,120,151)
Bond	9.6(f)	1,388	-	1,388	(273,375)	-	(273,375)
Engineering	9.6(g)	(334,970)	-	(334,970)	(959,487)	-	(959,487)
Oil & Gas	9.6(h)	(625,620)	-	(625,620)	(1,584)	-	(1,584)
Agric	9.6(i)	1,158	-	1,158	(651)	-	(651)
Total reinsurance contracts assets		(5,667,917)	-	(5,667,917)	(5,571,208)	-	(5,571,208)

Notes to the financial statements

9.5 Insurance contract liabilities

	Note	9 months to 30 Sept 2025			31 DEC 2024		
		Asset N'000	Liabilities N'000	Net N'000	Asset N'000	Liabilities N'000	Net N'000
Fire	9.7(a)	-	2,995,587	2,995,587	-	2,870,781	2,870,781
Accident	9.7(b)	-	3,176,778	3,176,778	-	2,628,954	2,628,954
Motor	9.7(c)	-	4,095,823	4,095,823	-	2,148,131	2,148,131
Marine	9.7(d)	-	2,713,069	2,713,069	-	2,014,881	2,014,881
Aviation	9.7(e)	-	1,706,383	1,706,383	-	2,399,524	2,399,524
Bond	9.7(f)	-	16,303	16,303	-	15,624	15,624
Engineering	9.7(g)	-	1,875,527	1,875,527	-	1,693,474	1,693,474
Oil & Gas	9.7(h)	-	4,882,671	4,882,671	-	3,609,233	3,609,233
Agric	9.7(i)	-	8,035	8,035	-	6,386	6,386
Total insurance contract liabilities		-	21,470,176	21,470,176	-	17,386,988	17,386,988

9.6 2025 Comprehensive reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss componet N'000	Loss componet N'000	PV of Future cashflows N'000	Risk adjustment N'000	N'000
Reinsurance contract assets as at begin of period	651,198	-	4,619,305	377,267	5,647,770
Reinsurance contract liabilities as at begin of period	(76,564)	-	-	-	(76,564)
Net reinsurance contract assets/(liabilities) as at begin	574,634	-	4,619,305	377,267	5,571,206
An allocation of reinsurance premiums	(7,017,230)	-	-	-	(7,017,230)
Amount recoverable from reinsurers for Incurred claims			1,242,398	30,000	1,272,398
Changes to amounts recoverable for incurred claims		-	(21,191)		(21,191)
Recoveries on incurred claims and other expenses		-	1,263,589	30,000	1,293,589
Net income or expense from reinsurance contracts held	(7,017,230)	-	1,242,398	30,000	(5,744,832)
Reinsurance finance income		-	70,487	-	70,487
Total changes in the statement of comprehensive income	(7,017,230)	-	1,312,885	30,000	(5,674,345)
Cash flows					
Premiums paid	8,984,853	-			8,984,853
Amounts received		-	(1,293,589)		(1,293,589)
Total cash flows	8,984,853	-	(1,293,589)	-	7,691,264
Other movements		-			-
Net reinsurance contract assets/(liabilities) as at end	2,542,257	-	4,638,601	407,267	7,588,125
Reinsurance contract liabilities as at end of period	(1,920,208)	-	-	-	(1,920,208)
Net reinsurance contract assets/(liabilities) as at end	622,049	-	4,638,601	407,267	5,667,917

2024 Comprehensive reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss componet N'000	Loss componet N'000	PV of Future cashflows N'000	Risk adjustment N'000	N'000
Reinsurance contract assets as at begin of period	304,129	-	4,012,927	528,707	4,845,763
Reinsurance contract liabilities as at begin of period	(821,119)	-	-	-	(821,119)
Net reinsurance contract assets/(liabilities) as at begin	(516,990)	-	4,012,927	528,707	4,024,644
An allocation of reinsurance premiums	(8,613,402)	-	-	-	(8,613,402)
Amount recoverable from reinsurers for Incurred claims			2,274,299	(151,440)	2,122,859
Changes to amounts recoverable for incurred claims		-	722,957	(151,440)	571,517
Amounts recovery for Incurred claims and other		-	1,551,342	-	1,551,342
Net income or expense from reinsurance contracts held	(8,613,402)	-	2,274,299	(151,440)	(6,490,543)
Reinsurance finance income		-	(116,579)		(116,579)
Total changes in the statement of comprehensive	(8,613,402)	-	2,157,720	(151,440)	(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/(liabilities) as at end	574,636	-	4,619,305	377,267	5,571,208

Notes to the financial statements-continued

9.6(a)
Fire

2025

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	-	-	1,092,491	81,116	1,173,607
Reinsurance contract liabilities as at begin of period	(53,456)	-	-	-	(53,456)
Net reinsurance contract assets/(liabilities) as at begin	(53,456)	-	1,092,491	81,116	1,120,151
An allocation of reinsurance premiums	(1,219,309)	-	-	-	(1,219,309)
Amount recoverable from reinsurers for Incurred claims	-	-	302,835	5,880	308,715
Changes to amounts recoverable for incurred claims	-	-	6,891	5,880	12,771
Recoveries on incurred claims and other expenses	-	-	295,944	-	295,944
Net income or expense from reinsurance contracts held	(1,219,309)	-	302,835	5,880	(910,594)
Reinsurance finance income	-	-	1,180	-	1,180
Total changes in the statement of comprehensive income	(1,219,309)	-	304,015	5,880	(909,414)
Cash flows					
Premiums paid	1,324,439	-	-	-	1,324,439
Amounts received	-	-	(295,944)	-	(295,944)
Total cash flows	1,324,439	-	(295,944)	-	1,028,495
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	51,674	-	1,100,563	86,996	1,239,232
Reinsurance contract liabilities as at end of period	(407,859)	-	-	-	(407,859)
Net reinsurance contract assets/(liabilities) as at end	(356,185)	-	1,100,563	86,996	831,373

2024

Fire

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	-	-	1,820,590	237,844	2,058,434
Reinsurance contract liabilities as at begin of period	(251,247)	-	-	-	(251,247)
Net reinsurance contract assets/(liabilities) as at begin	(251,247)	-	1,820,590	237,844	1,807,187
An allocation of reinsurance premiums	(1,123,734)	-	-	-	(1,123,734)
Amount recoverable from reinsurers for Incurred claims	-	-	(308,594)	(156,728)	(465,322)
Changes to amounts recoverable for incurred claims	-	-	(752,273)	(156,728)	(909,001)
Recoveries on incurred claims and other expenses	-	-	443,679	-	443,679
Net income or expense from reinsurance contracts held	(1,123,734)	-	(308,594)	(156,728)	(1,589,056)
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
Reinsurance contract liabilities as at end of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	(53,456)	-	1,092,491	81,116	1,120,151

Notes to the financial statements-continued

2025

9.6(b) Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims- Accident

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	128,298	0	1,122,016	130,264	1,380,578
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	128,298	-	1,122,016	130,264	1,380,578
An allocation of reinsurance premiums	(640,489)	-	-	-	(640,489)
Amount recoverable from reinsurers for Incurred claims	-	-	323,912	6,563	330,475
Changes to amounts recoverable for incurred claims	-	-	69,840	6,563	76,403
Recoveries on incurred claims and other expenses	-	-	254,072	-	254,072
Net income or expense from reinsurance contracts held	(640,489)	-	323,912	6,563	(310,014)
Reinsurance finance income	-	-	11,266	-	11,266
Total changes in the statement of comprehensive income	(640,489)	-	335,178	6,563	(298,748)
Cash flows					
Premiums paid	773,920	-	-	-	773,920
Amounts received	-	-	(254,072)	-	(254,072)
Total cash flows	773,920	-	(254,072)	-	519,848
Net reinsurance contract assets/(liabilities) as at end	261,729	-	1,203,122	136,827	1,601,677
Reinsurance contract liabilities as at end of period	(134,061)	-	-	-	(134,061)
Net reinsurance contract assets/(liabilities) as at end	127,668	-	1,203,122	136,827	1,467,616

2024 Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims- Accident

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	125,417	0	1,093,522	143,577	1,362,515
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	125,417	-	1,093,522	143,577	1,362,515
An allocation of reinsurance premiums	(587,048)	-	-	-	(587,048)
Amount recoverable from reinsurers for Incurred claims	-	-	436,661	(13,313)	423,348
Changes to amounts recoverable for incurred claims	-	-	13,472	(13,313)	159
Recoveries on incurred claims and other expenses	-	-	423,189	-	423,189
Net income or expense from reinsurance contracts held	(587,050)	-	436,661	(13,313)	(163,702)
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/(liabilities) as at end	128,298	-	1,122,016	130,264	1,380,578

Notes to the financial statements-continued

9.6(c)

2025

Motor

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	257,204	-	111,584	15,539	384,327
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	257,204	-	111,584	15,539	384,327
An allocation of reinsurance premiums	(155,596)	-	-	-	(155,596)
Amount recoverable from reinsurers for Incurred claims			147,720	1,674	149,394
Changes to amounts recoverable for incurred claims			(5,933)	1,674	(4,259)
Recoveries on incurred claims and other expenses	-		153,653	-	153,653
Net income or expense from reinsurance contracts held	(155,596)	-	147,720	1,674	(6,202)
Reinsurance finance income	-	-	1,180	-	1,180
Total changes in the statement of comprehensive income	(155,596)	-	148,900	1,674	(5,022)
Cash flows					
Premiums paid	222,677		-	-	222,677
Amounts received		-	(153,653)	-	(153,653)
Total cash flows	222,677	-	(153,653)	-	69,024
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	324,285	-	106,831	17,213	448,329
Reinsurance contract liabilities as at end of period	(32,763)		-	-	(32,763)
Net reinsurance contract assets/(liabilities) as at end	291,522	-	106,831	17,213	415,566

2024

Motor

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	54,487	0	116,868	17,693	189,047
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	54,487		116,868	17,693	189,047
An allocation of reinsurance premiums	(169,556)	-	-	-	(169,556)
Amount recoverable from reinsurers for Incurred claims		-	374,884	(2,154)	372,730
Changes to amounts recoverable for incurred claims		-	(6,857)	(2,154)	(9,011)
Recoveries on incurred claims and other expenses		-	381,741	-	381,741
Net income or expense from reinsurance contracts held	(169,556)	-	374,884	(2,154)	203,174
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/(liabilities) as at end	257,204	-	111,584	15,539	384,327
Reinsurance contract liabilities as at end of period	-		-	-	-
Net reinsurance contract assets/(liabilities) as at end	257,204	-	111,584	15,539	384,327

Notes to the financial statements-continued

9.6(d)

2025

Marine

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	171,861	-	778,048	7,567	957,475
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	171,861	-	778,048	7,567	957,475
An allocation of reinsurance premiums	(547,385)	-	-	-	(547,385)
Amount recoverable from reinsurers for Incurred claims			335,723	4,466	340,189
Changes to amounts recoverable for incurred claims			287,895	4,466	292,361
Recoveries on incurred claims and other expenses	-		47,828	-	47,828
Net income or expense from reinsurance contracts held	(547,385)	-	335,723	4,466	(207,196)
Reinsurance finance income	-	-	19,779	-	19,779
Total changes in the statement of comprehensive income	(547,385)	-	355,502	4,466	(187,417)
Cash flows					
Premiums paid	535,224		-	-	535,224
Amounts received		-	(47,828)	-	(47,828)
Total cash flows	535,224	-	(47,828)	-	487,396
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	159,700	-	1,085,721	12,033	1,257,455
Reinsurance contract liabilities as at end of period	(192,664)		-	-	(192,664)
Net reinsurance contract assets/(liabilities) as at end	(32,964)	-	1,085,721	12,033	1,064,791

2024

Marine

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	123,407	-	426,648	55,818	605,873
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	123,407	-	426,648	55,818	605,873
An allocation of reinsurance premiums	(585,221)	-	-	-	(585,221)
Amount recoverable from reinsurers for Incurred claims		-	490,317	(48,251)	442,066
Changes to amounts recoverable for incurred claims		-	349,827	(48,251)	301,576
Recoveries on incurred claims and other expenses	-		140,490	-	140,490
Net income or expense from reinsurance contracts held	(585,221)	-	490,317	(48,251)	(143,155)
Reinsurance finance income		-	1,573		1,573
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/(liabilities) as at end	171,861	-	778,048	7,567	957,475
Reinsurance contract liabilities as at end of period	-		-	-	-
Net reinsurance contract assets/(liabilities) as at end	171,861	-	778,048	7,567	957,475

Notes to the financial statements-continued

9.6(e)

2025

Aviation

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	36,162	-	857,430	65,895	959,487
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	36,162	-	857,430	65,895	959,487
An allocation of reinsurance premiums	(12,635)	-	-	-	(12,635)
Amount recoverable from reinsurers for Incurred claims	-	-	(44,096)	4,949	(39,147)
Changes to amounts recoverable for incurred claims	-	-	(429,427)	4,949	(424,478)
Recoveries on incurred claims and other expenses	-	-	385,331	-	385,331
Net income or expense from reinsurance contracts held	(12,635)	-	(44,096)	4,949	(51,782)
Reinsurance finance income	-	-	23,350	-	23,350
Total changes in the statement of comprehensive income	(12,635)	-	(20,746)	4,949	(28,432)
Cash flows					
Premiums paid	-	-	-	-	-
Amounts received	(527)	-	(385,331)	-	(385,858)
Total cash flows	(527)	-	(385,331)	-	(385,858)
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	23,000	-	451,353	70,844	545,197
Reinsurance contract liabilities as at end of period	385,329	-	-	-	385,329
Net reinsurance contract assets/(liabilities) as at end	408,329	-	451,353	70,844	930,526

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Aviation

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	-	-	50,222	6,629	56,851
Reinsurance contract liabilities as at begin of period	(149,579)	-	-	-	(149,579)
Net reinsurance contract assets/(liabilities) as at begin	(149,579)	-	50,222	6,629	(92,728)
An allocation of reinsurance premiums	(968,033)	-	-	-	(968,033)
Amount recoverable from reinsurers for Incurred claims	-	-	805,635	59,266	864,901
Changes to amounts recoverable for incurred claims	-	-	805,635	59,266	864,901
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(968,033)	-	805,635	59,266	(103,132)
Reinsurance finance income	-	-	1,573	-	1,573
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/(liabilities) as at end	36,162	-	857,430	65,895	959,487
Reinsurance contract liabilities as at end of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	36,162	-	857,430	65,895	959,487

Notes to the financial statements-continued

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Bond

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss component	Loss component	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	1,585	0	-	-	1,585
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	1,585	-	-	-	1,585
An allocation of reinsurance premiums	(2,419)	-	-	-	(2,419)
Amount recoverable from reinsurers for Incurred claims	-	-	(0)	34	34
Changes to amounts recoverable for incurred claims	-	-	(0)	34	34
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(2,419)	-	(0)	34	(2,385)
Reinsurance finance income	-	-	-	-	-
Total changes in the statement of comprehensive income	(2,419)	-	(0)	34	(2,385)
Cash flows					
Premiums paid	815	-	-	-	815
Amounts received	-	-	-	-	-
Total cash flows	815	-	-	-	815
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	(19)	-	(0)	34	15
Reinsurance contract liabilities as at end of period	(1,403)	-	-	-	(1,403)
Net reinsurance contract assets/(liabilities) as at end	(1,422)	-	(0)	34	(1,388)

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Bond

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss component	Loss component	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	-	-	-	-	-
Reinsurance contract liabilities as at begin of period	(436)	-	-	-	(436)
Net reinsurance contract assets/(liabilities) as at begin	(436)	-	-	-	(436)
An 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/(liabilities) as at end	1,585	-	-	-	1,585
Reinsurance contract liabilities as at end of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	1,585	-	-	-	1,585

Notes to the financial statements-continued

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2025

Engineering

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period		0	451,263	65,116	516,379
Reinsurance contract liabilities as at begin of period	(22,798)	-	-	-	(22,798)
Net reinsurance contract assets/(liabilities) as at begin	(22,798)	-	451,263	65,116	493,581
An allocation of reinsurance premiums	(665,700)	-	-	-	(665,700)
Amount recoverable from reinsurers for Incurred claims			182,070	3,160	185,230
Changes to amounts recoverable for incurred claims			25,309	3,160	28,469
Recoveries on incurred claims and other expenses	-		156,761	-	156,761
Net income or expense from reinsurance contracts held	(665,700)		182,070	3,160	(480,470)
Reinsurance finance income	-	-	9,046	-	9,046
Total changes in the statement of comprehensive income	(665,700)	-	191,116	3,160	(471,424)
Cash flows					
Premiums paid	915,087		-	-	915,087
Amounts received		-	(156,761)	-	(156,761)
Total cash flows	915,087	-	(156,761)	-	758,326
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	226,588	-	485,618	68,276	780,482
Reinsurance contract liabilities as at end of period	(445,513)		-	-	(445,513)
Net reinsurance contract assets/(liabilities) as at end	(218,924)	-	485,618	68,276	334,970

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Engineering

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	-	0	164,628	22,293	186,921
Reinsurance contract liabilities as at begin of period	(112,766)	-	-	-	(112,766)
Net reinsurance contract assets/(liabilities) as at begin	(112,766)	-	164,628	22,293	74,155
An 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	(22,798)	-	451,263	65,116	493,581
Reinsurance contract liabilities as at end of period	-		-	-	-
Net reinsurance contract assets/(liabilities) as at end	(22,798)	-	451,263	65,116	493,581

Notes to the financial statements-continued

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Oil & Gas

2025

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss	Loss	PV of Future	Risk	Total
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Reinsurance contract assets as at begin of period	56,088	-	205,657	11,630	273,375
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	56,088	-	205,657	11,630	273,375
An allocation of reinsurance premiums	(3,768,948)	-	-	-	(3,768,948)
Amount recoverable from reinsurers for Incurred claims	-	-	(5,822)	3,272	(2,550)
Changes to amounts recoverable for incurred claims	-	-	(5,822)	3,272	(2,550)
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(3,768,948)	-	(5,822)	3,272	(3,771,498)
Reinsurance finance income	-	-	4,742	-	4,742
Total changes in the statement of comprehensive income	(3,768,948)	-	(1,080)	3,272	(3,766,756)
Cash flows					
Premiums paid	5,209,272	-	-	-	5,209,272
Amounts received	-	-	-	-	-
Total cash flows	5,209,272	-	-	-	5,209,272
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	1,496,412	-	204,577	14,902	1,715,892
Reinsurance contract liabilities as at end of period	(1,090,271)	-	-	-	(1,090,271)
Net reinsurance contract assets/(liabilities) as at end	406,141	-	204,577	14,902	625,620

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Oil & Gas

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss	Loss	PV of Future	Risk	Total
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Reinsurance contract assets as at begin of period	-	-	333,064	43,880	376,944
Reinsurance contract liabilities as at begin of period	(307,090)	-	-	-	(307,090)
Net reinsurance contract assets/(liabilities) as at begin	(307,090)	-	333,064	43,880	69,854
An allocation of reinsurance premiums	(4,703,684)	-	-	-	(4,703,684)
Amount recoverable from reinsurers for Incurred claims	-	-	(2,685)	(32,250)	(34,935)
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/(liabilities) as at end	56,088	-	205,657	11,630	273,375
Reinsurance contract liabilities as at end of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	56,088	-	205,657	11,630	273,375

Notes to the financial statements-continued

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2025

Agriculture

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	-	-	820	140	960
Reinsurance contract liabilities as at begin of period	(309)	-	-	-	(309)
Net reinsurance contract assets/(liabilities) as at begin	(309)	-	820	140	651
An allocation of reinsurance premiums	(4,745)	-	-	-	(4,745)
Amount recoverable from reinsurers for Incurred claims	-	-	56	2	58
Changes to amounts recoverable for incurred claims	-	-	56	2	58
Recoveries on incurred claims and other expenses	-	-	-	-	-
Net income or expense from reinsurance contracts held	(4,745)	-	56	2	(4,687)
Reinsurance finance income	-	-	(56)	-	(56)
Total changes in the statement of comprehensive income	(4,745)	-	0	2	(4,743)
Cash flows					
Premiums paid	3,946	-	-	-	3,946
Amounts received	-	-	-	-	-
Total cash flows	3,946	-	-	-	3,946
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	(1,108)	-	820	142	(146)
Reinsurance contract liabilities as at end of period	(1,012)	-	-	-	(1,012)
Net reinsurance contract assets/(liabilities) as at end	(2,120)	-	820	142	(1,158)

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Agriculture

Reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Reinsurance contract assets as at begin of period	818	0	7,386	973	9,177
Reinsurance contract liabilities as at begin of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at begin	818	-	7,386	973	9,177
An allocation of reinsurance premiums	(6,517)	-	-	-	(6,517)
Amount recoverable from reinsurers for Incurred claims	-	-	(6,641)	(833)	(8,972)
Changes to amounts recoverable for incurred claims	-	-	(6,641)	(833)	(8,972)
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
Reinsurance contract liabilities as at end of period	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	(309)	-	820	140	651

Notes to the financial statements-continued

9.7 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.

30 Sept 2025

	Liabilities for remaining coverage		Liability for Incurred Claims	Risk Adjustment	Total
	Non - loss component	Loss component			
	₦'000	₦'000	₦'000		₦'000
Net insurance contract liabilities as at begin	5,766,494	290,657	10,473,846	855,991	17,386,987
Insurance revenue	19,299,412	-			19,299,412
Incurred claims and other expenses	(832,014)	-	(4,023,588)	-	(4,855,602)
Amortisation of insurance acquisition cash flows	(5,960,136)	-	-	-	(5,960,136)
Losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(1,822,252)	-	(1,822,252)
Insurance service expenses	(6,792,150)	-	(5,845,840)	-	(12,637,990)
Insurance service result before reinsurance cost	12,507,262	-	(5,845,840)	-	6,661,421
Insurance finance expenses	-	-	(126,733)	-	(126,733)
Total changes in the statement of comprehensive income	12,507,262	-	(5,972,573)	-	6,534,688
Cash flows:					
Premiums received	21,519,562	-	-	-	21,519,562
Claims paid	-	-	(4,023,588)	-	(4,023,588)
Other expenses paid	(832,014)	-	-	-	(832,014)
Insurance acquisition cash flows	(6,013,924)	-	-	-	(6,013,924)
Total cash flows	14,673,624	-	(4,023,588)	-	10,650,036
Other movements	(32,159)	-	-	-	(32,159)
Insurance contract liabilities as at end of period	7,900,697	290,657	12,422,831	855,991	21,470,176

Dec 2024

	Liabilities for remaining coverage		Liability for Incurred Claims	Risk Adjustment	Total
	Non - loss component	Loss component			
	₦'000	₦'000	Total ₦'000		₦'000
Net insurance contract liabilities as at begin	3,981,246	14,475	10,024,350	1,320,716	15,340,788
Adjustment to liability for remaining coverage / loss	(1,785,250)	(276,182)	-	-	(2,061,432)
Insurance revenue	22,505,281	(276,182)			22,229,099
Incurred claims and other expenses	(2,115,580)	-	(4,578,686)	-	(6,694,266)
Amortisation of insurance acquisition cash flows	(8,023,461)	-	-	-	(8,023,461)
Losses	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(718,587)	464,727	(253,860)
Insurance service expenses	(10,139,041)	-	(5,297,273)	464,727	(14,971,587)
Insurance service result for insurance contract	12,366,240	(276,182)	(5,297,273)	464,727	7,257,511
Insurance finance expenses	-	-	269,094	-	269,094
Total changes in the statement of comprehensive income	12,366,240	(276,182)	(5,028,179)	464,727	7,526,605
Cash flows:					
Premiums received	24,044,368	-	-	-	24,736,095
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	13,459,763	-	(4,578,686)	-	9,572,804
Other movements	691,727	-	-	-	691,727
Insurance contract liabilities as at end of period	5,766,496	290,657	10,473,843	855,989	17,386,987

Notes to the financial statements-continued

2025

9.7(a) Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Fire

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	791,233	-	1,935,815	143,733	2,870,781
Insurance contract assets as at begin of period	791,233	-	1,935,815	143,733	2,870,781
Net insurance contract liabilities as at begin	791,233	-	1,935,815	143,733	2,870,781
Insurance revenue	3,158,293	-	-	-	3,158,293
Incurred claims and other expenses	(133,259)	-	(699,066)	-	(832,325)
Amortisation of insurance acquisition cash flows	(967,874)	-	-	-	(967,874)
Changes to liabilities for incurred claims	-	-	128,143	(15,679)	112,464
Insurance service expenses	(1,101,134)	-	(570,923)	(15,679)	(1,687,735)
Insurance service result before reinsurance contract held	2,057,159	-	(570,923)	(15,679)	1,470,557
Insurance finance expenses	-	-	(19,200)	-	(19,200)
Total changes in the statement of comprehensive income	2,057,159	-	(590,123)	(15,679)	1,451,357
Cash flows					
Premiums received	3,441,528	-	-	-	3,441,528
Claims paid	-	-	(699,066)	-	(699,066)
Other expenses paid (share of management expenses)	(133,258)	-	-	-	(133,258)
Insurance acquisition cash flows	(1,033,040)	-	-	-	(1,033,040)
Total cash flows	2,275,229	-	(699,066)	-	1,576,163
Other movements	-	-	-	-	-
Net insurance contract liabilities as at end	1,009,303	-	1,826,872	159,412	2,995,587

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	706,308	-	3,089,302	450,783	4,246,394
Net insurance contract liabilities as at begin	706,308	-	3,089,302	450,783	4,246,394
Insurance revenue	3,727,608	-	-	-	3,727,608
Incurred claims and other expenses paid	-	-	(963,035)	-	(963,035)
Other insurance service expenses	-	-	(328,081)	-	(328,081)
Amortisation of insurance acquisition cash flows	(1,253,799)	-	-	-	(1,253,799)
Changes to liabilities for incurred claims	-	-	1,111,076	307,050	1,418,126
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 changes	-	-	42,411	-	42,411
	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
Insurance contract liabilities as at end of period	791,233	-	1,935,815	143,733	2,870,781

Notes to the financial statements-continued

9.7(b) 2025 Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Accident

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	410,989	(0)	1,987,248	230,718	2,628,954
Net insurance contract liabilities as at begin	410,989	(0)	1,987,248	230,718	2,628,954
Insurance revenue	1,960,678	-	-	-	1,960,678
Incurred claims and other expenses	(84,758)	-	(668,441)	-	(753,199)
Amortisation of insurance acquisition cash flows	(646,836)	-	-	-	(646,836)
Changes to liabilities for incurred claims	-	-	(338,053)	(17,501)	(355,554)
Insurance service expenses	(731,594)	-	(1,006,494)	(17,501)	(1,755,589)
Insurance service result before reinsurance contract held	1,229,084	-	(1,006,494)	(17,501)	205,089
Insurance finance expenses	-	-	(11,932)	-	(11,932)
Total changes in the statement of comprehensive income	1,229,084	-	(1,018,426)	(17,501)	193,157
Cash flows					
Premiums received	2,188,939	-	-	-	2,188,939
Claims paid	-	-	(668,441)	-	(668,441)
Other expenses paid (share of management expenses)	(84,758)	-	-	-	(84,758)
Insurance acquisition cash flows	(694,758)	-	-	-	(694,758)
Total cash flows	1,409,423	-	(668,441)	-	740,982
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	591,326	(0)	2,337,233	248,219	3,176,778
Insurance contract liabilities as at end of period	591,326	(0)	2,337,233	248,219	3,176,778

2024 Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Accident

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	311,546	14,476	2,058,248	354,148	2,738,418
Net insurance contract liabilities as at begin	311,546	14,476	2,058,248	354,148	2,738,418
Insurance revenue	1,883,716	14,476	-	-	1,898,192
Incurred claims and other expenses paid	-	-	(784,903)	-	(784,903)
Other insurance service expenses	-	-	(171,166)	-	(171,166)
Amortisation of insurance acquisition cash flows	(757,209)	-	-	-	(757,209)
Changes to liabilities for incurred claims	-	-	44,644	123,430	168,074
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	(0)	1,987,247	230,718	2,628,954

Notes to the financial statements-continued

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9.7(c)

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

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	1,323,043	-	724,236	100,853	2,148,132
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	1,323,043	-	724,236	100,853	2,148,132
Insurance revenue	5,137,548				5,137,548
Incurred claims and other expenses	(250,563)	-	(1,060,918)	-	(1,311,481)
Amortisation of insurance acquisition cash flows	(1,666,709)	-	-	-	(1,666,709)
Changes to liabilities for incurred claims	-	-	(756,037)	(4,464)	(760,501)
Insurance service expenses	(1,917,272)	-	(1,816,955)	(4,464)	(3,738,691)
Insurance service result before reinsurance contract held	3,220,276	-	(1,816,955)	(4,464)	1,398,857
Insurance finance expenses	-	-	(4,662)	-	(4,662)
Total changes in the statement of comprehensive income	3,220,276	-	(1,821,617)	(4,464)	1,394,195
Cash flows					
Premiums received	6,470,975	-	-	-	6,470,975
Claims paid	-	-	(1,060,918)	-	(1,060,918)
Other expenses paid (share of management expenses)	(250,563)				(250,563)
Insurance acquisition cash flows	(1,817,607)	-	-	-	(1,817,607)
Total cash flows	4,402,805	-	(1,060,918)	-	3,341,887
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	2,505,571	-	1,484,935	105,317	4,095,823
Net insurance contract liabilities as at end	2,505,571	-	1,484,935	105,317	4,095,823

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

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	1,383,324	-	871,588	141,145	2,396,057
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	1,383,324	-	871,588	141,145	2,396,057
Insurance revenue	5,073,032				5,073,032
Incurred claims and other expenses paid	-	-	(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)
Changes to liabilities for incurred claims	-	-	137,053	40,293	177,346
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
Insurance contract liabilities as at end of period	1,323,043	-	724,236	100,852	2,148,131

Notes to the financial statements-continued

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9.7(d)

Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Marine

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Insurance contract liabilities as at begin of period	402,111	-	1,597,234	15,536	2,014,881
Insurance contract assets as at begin of period					
Insurance contract liabilities as at begin of period	402,111	-	1,597,234	15,536	2,014,881
Insurance revenue	1,421,554				1,421,554
Incurred claims and other expenses	(55,655)	-	(177,557)	-	(233,212)
Amortisation of insurance acquisition cash flows	(444,997)	-	-	-	(444,997)
Changes to liabilities for incurred claims	-	-	(644,401)	(11,911)	(656,312)
Insurance service expenses	(500,651)	-	(821,958)	(11,911)	(1,334,521)
Insurance service result before reinsurance contract held	920,902	-	(821,958)	(11,911)	87,033
Insurance finance expenses	-	-	(29,615)	-	(29,615)
Total changes in the statement of comprehensive income	920,902	-	(851,573)	(11,911)	57,418
Cash flows					
Premiums received	1,437,329	-	-	-	1,437,329
Claims paid	-	-	(177,557)	-	(177,557)
Other expenses paid (share of management expenses)	(55,655)	-	-	-	(55,655)
Insurance acquisition cash flows	(448,512)	-	-	-	(448,512)
Total cash flows	933,163	-	(177,557)	-	755,606
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	414,371	-	2,271,251	27,447	2,713,069
Insurance contract assets as at end of period	414,371	-	2,271,251	27,447	2,713,069

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Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Marine

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Insurance contract liabilities as at begin of period	229,353	-	1,094,400	39,112	1,362,865
Insurance contract liabilities as at begin of period	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)
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
changes	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	(0)	1,597,235	15,535	2,014,881

Notes to the financial statements-continued

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9.7(e) Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Aviation

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Insurance contract liabilities as at begin of period	216,756	259,306	1,786,191	137,270	2,399,524
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	216,756	259,306	1,786,191	137,270	2,399,524
Insurance revenue	399,711	-	-	-	399,711
Incurred claims and other expenses	(5,267)	-	(1,001,002)	-	(1,006,269)
Amortisation of insurance acquisition cash flows	(92,696)	-	-	-	(92,696)
Changes to liabilities for incurred claims	-	-	525,245	(13,197)	512,048
Insurance service expenses	(97,963)	-	(475,757)	(13,197)	(586,917)
Insurance service result	301,748	-	(475,757)	(13,197)	(187,206)
Insurance finance expenses	-	-	(29,615)	-	(29,615)
Total changes in the statement of comprehensive income	301,748	-	(505,372)	(13,197)	(216,821)
Cash flows					
Premiums received	136,021	-	-	-	136,021
Claims and other expenses paid	-	-	(1,001,002)	-	(1,001,002)
Other expenses paid (share of management expenses)	(5,267)	-	-	-	(5,267)
Insurance acquisition cash flows	(39,714)	-	-	-	(39,714)
Total cash flows	91,040	-	(1,001,002)	-	(909,962)
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	6,049	259,306	1,290,561	150,467	1,706,383
Insurance contract liabilities as at end of period	6,049	259,306	1,290,561	150,467	1,706,383

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

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Insurance contract liabilities as at begin of period	79,279	-	314,384	27,935	421,598
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	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)
Changes to liabilities for incurred claims	-	-	(1,537,225)	(109,336)	(1,646,561)
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
changes	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	2,399,524

Notes to the financial statements-continued

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9.7(f) Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Bond

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Insurance contract liabilities as at begin of period	5,930	-	9,493	200	15,624
Insurance contract assets as at begin of period					
Net insurance contract (assets)/liabilities as at begin	5,930	-	9,493	200	15,624
Insurance revenue	4,219				4,219
Incurred claims and other expenses	(182)	-	-	-	(182)
Amortisation of insurance acquisition cash flows	(1,204)	-	-	-	(1,204)
Changes to liabilities for incurred claims	-	-	(253)	(91)	(344)
Insurance service expenses	(1,386)	-	(253)	(91)	(1,730)
Insurance service result	2,833	-	(253)	(91)	2,489
Insurance finance expenses	-	-	176	-	176
Total changes in the statement of comprehensive income	2,833	-	(77)	(91)	2,665
Cash flows					
Premiums received	4,711	-	-	-	4,711
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	(182)				(182)
Insurance acquisition cash flows	(1,183)	-	-	-	(1,183)
Total cash flows	3,346	-	-	-	3,346
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	6,442	-	9,570	291	16,303
Insurance contract assets as at end of period	6,442	-	9,570	291	16,303
	-	-	-	-	-

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

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	N'000	N'000	N'000	N'000	N'000
Insurance contract liabilities as at begin of period	9,178	-	2,413	322	11,913
Insurance contract assets as at begin of period					
Net insurance contract (assets)/liabilities as at begin	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)
Changes to liabilities for incurred claims	-	-	(6,691)	122	(6,569)
Insurance service expenses	(5,727)	-	(7,933)	122	(13,538)
Insurance service result before reinsurance contract held	12,811	-	(7,933)	122	5,000
Insurance finance expenses	-	-	(390)	-	(390)
Total changes in the statement of comprehensive income	12,811	-	(8,323)	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	5,930	-	9,492	202	15,624

Notes to the financial statements-continued

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9.7(g) Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Engineering

	Liabilities for remaining coverage		Liability for Incurred claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	489,768	31,352	1,024,518	147,837	1,693,474
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	489,768	31,352	1,024,518	147,837	1,693,474
Insurance revenue	1,298,804	-	-	-	1,298,804
Incurred claims and other expenses	(56,990)	-	(319,032)	-	(376,022)
Amortisation of insurance acquisition cash flows	(406,523)	-	-	-	(406,523)
Changes to liabilities for incurred claims	-	-	9,822	(8,426)	1,396
Insurance service expenses	(463,513)	-	(309,210)	(8,426)	(781,149)
Insurance service result before reinsurance contract held	835,291	-	(309,210)	(8,426)	517,655
Insurance finance expenses	-	-	(12,379)	-	(12,379)
Total changes in the statement of comprehensive income	835,291	-	(321,589)	(8,426)	505,276
Cash flows					
Premiums received	1,471,812	-	-	-	1,471,812
Claims paid	-	-	(319,032)	-	(319,032)
Other expenses paid (share of management expenses)	(56,990)	-	-	-	(56,990)
Insurance acquisition cash flows	(408,463)	-	-	-	(408,463)
Total cash flows	1,006,359	-	(319,032)	-	687,327
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	660,838	31,352	1,027,075	156,263	1,875,527
Insurance contract assets as at end of period	660,838	31,352	1,027,075	156,263	1,875,527

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Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Engineering

	Liabilities for remaining coverage		Liability for Incurred claims		Total
	Non - loss	Loss	PV of Future	Risk	
	componet	componet	cashflows	adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	251,819	(0)	301,909	63,675	617,402
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	251,819	(0)	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)
Changes to liabilities for incurred claims	-	-	(749,952)	(84,162)	(834,114)
Interest Accreted	-	-	-	-	-
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
changes	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

Notes to the financial statements-continued

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9.7(h) Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Oil and gas

	Liabilities for remaining coverage		Liability for Incurred Claims		Total N'000
	Non - loss component	Loss component	PV of Future cashflows	Risk adjustment	
	N'000	N'000	N'000	N'000	
Insurance contract liabilities as at begin of period	2,121,887	(0)	1,407,737	79,609	3,609,233
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	2,121,887	(0)	1,407,737	79,609	3,609,233
Insurance revenue	5,904,156	-	-	-	5,904,156
Incurred claims and other expenses	(244,728)	-	(97,572)	-	(342,300)
Amortisation of insurance acquisition cash flows	(1,729,335)	-	-	-	(1,729,335)
Changes to liabilities for incurred claims	-	-	(666,527)	(8,726)	(675,253)
Insurance service expenses	(1,974,063)	-	(764,099)	(8,726)	(2,746,888)
Insurance service result before reinsurance contract held	3,930,093	-	(764,099)	(8,726)	3,157,268
Insurance finance expenses	-	-	(19,562)	-	(19,562)
Total changes in the statement of comprehensive income	3,930,093	-	(783,661)	(8,726)	3,137,706
Cash flows					
Premiums received	6,320,294	-	-	-	6,320,294
Claims paid	-	-	(97,572)	-	(97,572)
Other expenses paid (share of management expenses)	(244,728)	-	-	-	(244,728)
Insurance acquisition cash flows	(1,566,850)	-	-	-	(1,566,850)
Total cash flows	4,508,716	-	(97,572)	-	4,411,144
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	2,700,511	(0)	2,093,826	88,335	4,882,671
Insurance contract liabilities as at end of period	2,700,511	(0)	2,093,826	88,335	4,882,671

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

	Liabilities for remaining coverage		Liability for Incurred Claims		Total N'000
	Non - loss component	Loss component	PV of Future cashflows	Risk adjustment	
	N'000	N'000	N'000	N'000	
Insurance contract liabilities as at begin of period	1,008,346	(0)	2,279,727	242,049	3,530,123
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	1,008,346	(0)	2,279,727	242,049	3,530,123
Insurance revenue	7,596,986	-	-	-	7,596,986
Incurred claims expenses	-	-	(471,256)	-	(471,256)
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	-	-	828,781	162,437	991,218
Interest Accreted	-	-	-	-	-
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
changes	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	(0)	1,407,736	79,612	3,607,411

Notes to the financial statements-continued

9.7(i)	2025				
	Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Agriculture				
	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	4,779	-	1,373	234	6,386
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at begin	4,779	-	1,373	234	6,386
Insurance revenue	14,448				14,448
Incurred claims and other expenses	(611)	-	-	-	(611)
Amortisation of insurance acquisition cash flows	(3,962)	-	-	-	(3,962)
Changes to liabilities for incurred claims	-	-	(191)	(5)	(196)
Investment components	-	-	-	-	-
Insurance service expenses	(4,573)	-	(191)	(5)	(4,769)
Insurance service result before reinsurance contract held	9,875	-	(191)	(5)	9,679
Insurance finance expenses	-	-	56	-	56
Total changes in the statement of comprehensive income	9,875	-	(135)	(5)	9,735
Cash flows					
Premiums received	15,792	-	-	-	15,792
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	(611)	-	-	-	(611)
Insurance acquisition cash flows	(3,797)	-	-	-	(3,797)
Total cash flows	11,384	-	-	-	11,384
Other movements	-	-	-	-	-
Net insurance contract liabilities as at end	6,288	-	1,507	239	8,035
Insurance contract liabilities as at end of period	6,288	-	1,507	239	8,035

	2024				
	Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Agriculture				
	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at begin	2,090	0	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)
Changes to liabilities for incurred claims	-	-	11,130	1,316	12,446
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	-	-	-	-	-
Insurance contract liabilities as at end of period	6,602	0	1,373	234	8,209

Notes to the financial statements

10a Movement in reinsurance asset on remaining coverage excluding loss component

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	1,969,086	1,316,483
Additions during the period	2,238,683	652,603
Balance at the end of the period	<u>4,207,769</u>	<u>1,969,086</u>

10b Movement in reinsurance asset on incurred claims

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	4,619,305	4,012,926
Movement during the year (see note 17.1(a))	19,290	606,379
Balance at the end of the period	<u>4,638,595</u>	<u>4,619,305</u>

10c Movement in reinsurance asset for loss component

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	138,285	7,664
Additions during the period	-	130,621
Balance at the end of the period	<u>138,285</u>	<u>138,285</u>

10d Movement in reinsurance asset for risks Adjustments

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	377,270	528,707
Additions during the period	29,999	(151,437)
Balance at the end of the period	<u>407,269</u>	<u>377,270</u>

10e Movement in deferred commission revenue

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	364,389	306,332
Additions during the period	271,062	58,057
Balance at the end of the period	<u>635,451</u>	<u>364,389</u>

10f Analysis of liability for incurred claims (LIC) based on nature

The movement in claims reported by policy holders is shown below:

	30 Sept 2025			31 DEC 2024		
<i>In thousands of Naira</i>	Liability for incurred claims	Reinsurance asset for incurred claims	Net	Liability for incurred claims	Reinsurance Asset for Incurred Claims	Net
Balance at the beginning of the year	10,473,845	4,619,299	5,854,546	10,024,351	4,012,927	6,011,424
Movement during the period	1,868,985	19,296	1,849,689	449,494	606,372	(156,878)
Balance at the end of the period	<u>12,342,830</u>	<u>4,638,595</u>	<u>7,704,235</u>	<u>10,473,845</u>	<u>4,619,299</u>	<u>5,854,546</u>

10g Analysis of liability/asset for incurred claims per class of business:

	30 Sept 2025			31 DEC 2024		
<i>In thousands of Naira</i>	Liability for Incurred Claims	Reinsurance asset for incurred claims	Net	Liability for Incurred Claims	Reinsurance Asset for Incurred Claims	Net
Motor	1,484,934	106,832	1,378,102	724,235	111,585	612,650
Fire	1,826,873	1,100,562	726,311	1,935,816	1,092,490	843,326
General accident	2,337,233	1,203,117	1,134,116	1,987,248	1,122,011	865,237
Engineering	1,027,075	485,614	541,461	1,024,518	451,259	573,259
Marine	2,271,252	1,085,720	1,185,532	1,597,235	778,046	819,189
Bond	9,569	-	9,569	9,493	-	9,493
Aviation	1,290,560	451,352	839,208	1,786,190	857,429	928,761
Oil & Gas	2,093,826	204,579	1,889,247	1,407,737	205,660	1,202,077
Agric	1,508	819	689	1,373	819	554
	<u>12,342,830</u>	<u>4,638,595</u>	<u>7,704,235</u>	<u>10,473,845</u>	<u>4,619,299</u>	<u>5,854,546</u>

The Liability Adequacy Test (LAT) as at 31 December 2024 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.

10h Asset for acquisition cost cash flow

Asset for acquisition cost cash flow represents commissions on unearned premium relating to the unexpired period of risks and comprise:

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Motor	309,719	158,821
Fire	242,156	176,990
Accident	136,569	88,647
Engineering	122,245	120,305
Marine	91,854	88,339
Bond	1,168	1,189
Aviation	1,318	54,301
Oil & Gas	335,125	497,610
Agric	716	881
	<u>1,240,870</u>	<u>1,187,082</u>

Notes to the financial statements

10i Movement in the asset for acquisition costs cash flow

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	1,187,082	741,520
(Decrease) / increase during the period (see note 36.1)	53,788	445,562
Balance at the end of the period	<u>1,240,870</u>	<u>1,187,082</u>

10j Liability/Asset for risk adjustment

RISK ADJUSTMENT LIC- ACCIDENT
RISK ADJUSTMENT LIC - ENGINEERING
RISK ADJUSTMENT LIC - MARINE
RISK ADJUSTMENT LIC- MOTOR
RISK ADJUSTMENT LIC- FIRE
RISK ADJUSTMENT LIC- OIL & GAS
RISK ADJUSTMENT LIC- AVIATION
RISK ADJUSTMENT LIC - BOND
RISK ADJUSTMENT LIC- AGRIC

9 months to 30 Sept 2025			31 DEC 2024		
Liability for risk	Asset for risk adjustment	Net	Liability for risk adjustment	Asset for risk adjustment	Net
248,220	136,828	111,392	230,719	130,265	100,454
156,263	68,276	87,987	147,837	65,116	82,721
27,446	12,034	15,412	15,536	7,568	7,968
105,317	17,213	88,104	100,853	15,539	85,314
159,412	86,996	72,416	143,733	81,117	62,616
88,335	14,903	73,432	79,609	11,630	67,979
150,468	70,843	79,625	137,271	65,894	71,377
292	34	258	201	-	201
240	142	98	235	140	95
935,993	407,269	528,724	855,994	377,269	478,725

10k Liability/Asset for Loss Component

ACCIDENT
ENGINEERING
MARINE
MOTOR
FIRE
OIL & GAS
AVIATION
BOND
AGRIC

9 months to 30 Sept 2025			31 Dec 2024		
Liability for loss	Asset for loss component	Net	Liability for loss component	Asset for loss component	Net
-	-	-	-	-	-
31,352	13,809	17,543	31,352.00	13,809.00	17,543.00
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
259,306	124,475	134,831	259,306.00	124,475	134,831.00
-	-	-	-	-	-
-	-	-	-	-	-
290,658	138,284	152,374	290,658	138,284	152,374

10l Breakdown of liability for remaining coverage per class of business (LRC):

In thousands of Naira

	30 Sept 2025			31 DEC 2024		
	Liability for remaining coverage	Asset for remaining coverage	Net	Liability for remaining coverage	Asset for remaining coverage	Net
Motor	2,815,291	158,526	2,656,765	1,481,864	56,169	1,425,695
Fire	1,251,458	561,648	689,810	968,223	409,086	559,137
General accident	727,894	423,303	304,591	499,633	225,631	274,002
Engineering	783,082	451,124	331,958	610,074	149,688	460,386
Marine	506,225	252,169	254,056	490,450	273,435	217,015
Bond	7,610	2,226	5,384	7,118	4,368	2,750
Aviation	7,367	-	7,367	271,058	18,711	252,347
Oil & Gas	3,035,635	2,357,154	678,481	2,619,497	829,315	1,790,182
Agric	7,003	1,619	5,384	5,659	2,681	2,978
	9,141,565	4,207,769	4,933,796	6,953,576	1,969,084	4,984,492

10m The movement in the liability for remaining coverage is shown below:

In thousands of Naira

	30 Sept 2025			31 DEC 2024		
	Liability for incurred claims	Asset for remaining coverage	Net	Liability for incurred claims	Asset for remaining coverage	Net
Balance at the beginning of the year	6,953,576	1,969,084	4,984,492	4,596,976	1,324,018	3,272,958
Movement	2,187,989	2,238,685	(50,696)	2,356,600	645,066	1,711,534
Balance at the end of the period	9,141,565	4,207,769	4,933,796	6,953,576	1,969,084	4,984,492

The movement in the liability for loss component is shown below:

In thousands of Naira

	30 Sept 2025			31 DEC 2024		
	Liability Loss Component	Reinsurance asset for loss component	Net	Liability Loss Component	Reinsurance asset for loss component	Net
Balance at the beginning of the year	290,658	138,285	152,373	14,476	7,664	6,812
Movement	-	-	-	276,182	130,621	145,561
Balance at the end of the period	290,658	138,285	152,373	290,658	138,285	152,373

Notes to the financial statements

11 Trade receivables

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Due from broker	876,105	948,117
Due from agents		
	876,105	948,117

11a Analysis of debtors in days

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Within 30 days	876,105	948,117
More than 30 days	-	-
	876,105	948,117

11b Reconciliation of trade receivable

	9 months to 30 Sept 2025	31 DEC 2024
	N'000	N'000
Trade receivable at 1 January	948,117	278,764
Gross premium written during the year	21,487,401	24,736,095
Premium received in advance	(39,851)	(22,374)
Premium received from policy holders	(21,519,562)	(24,044,368)
	876,105	948,117

12 Other receivables and prepayments

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Prepayments (see (a) below)	759,583	456,960
Other receivables (see (b) below)	994,546	984,355
	1,754,129	1,441,315
Allowance for impairment	(177,556)	(177,556)
	1,576,573	1,263,759

(a) Prepayments

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Prepaid staff benefits (see note (i) below)	349,075	141,749
Deposits with stock broker (see note b (ii) below)	111,662	111,662
Prepaid rent (see ii below)	12,777	13,425
Other prepaid expenses (see (iii) below)	286,069	190,124
	759,583	456,960

- (i) Prepaid staff benefits represents amounts prepaid to staff of the Company with respect to rent advance (N27.4million), furniture grant (N11.6million), staff fleet premium advance (N2.5million), car loan encashment (N247.5million) and management housing grant (N59.9million).
- (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.

(b) Other receivables

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Prepaid business acquisition expenses		-
Withholding tax recoverable	75,602	150,185
Sundry receivables (see (i) below)	918,944	834,170
	994,546	984,355
Impairment allowance on other receivable (see (ii) below)	(177,556)	(177,556)
	816,990	806,799

- (i) This represents majorly the balances of sundry receivable N176.5m, investments receivable of N564.6b, cash advance purchases of N9.5m, investment for unclaimed dividends of N145.6m and NIIP third party portal wallet of N22.7m

(ii) Movement in allowance for impairment

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	177,556	2,602
Impairment charge/write back	-	174,954
Balance at the end of the period	177,556	177,556

Notes to the financial statements

13 Right-of-use assets

	9 months to 30 Sept 2025	31 DEC 2024
Cost	N'000	N'000
Balance at the beginning of the year	37,487	35,387
Addition during the period	30,700	2,100
Balance at the end of the period	<u>68,187</u>	<u>37,487</u>
Accumulated Amortisation		
Balance at the beginning of the year	29,607	21,878
Charge for the period	9,479	7,729
Balance at the end of the period	<u>39,086</u>	<u>29,607</u>
Carrying amount		
Balance at the end of the period	<u>29,101</u>	<u>7,880</u>

14 Investment properties

(a) The balance in this account can be analysed as follows:

S/N Location of asset	Carrying amount as at 1 January 2025	Additions	Disposals	Reclassification	Fair value gain/(loss)	Carrying amount as at 30 June 2025
	N'000	N'000	N'000	N'000	N'000	N'000
1 No. 9C Shekinah Green Estate, Apo District, Abuja.	170,000	-	-	-	-	170,000
2 No. 11C Shekinah Green Estate, Apo District, Abuja.	170,000	-	-	-	-	170,000
	<u>340,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>340,000</u>

The Company possess Deed of Conveyance for the investment properties 1 and 2 above.

(b) Reconciliation of carrying amount

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	340,000	220,000
Fair value gain/(loss)	-	120,000
Balance at the end of the period	<u>340,000</u>	<u>340,000</u>

(c) Measurement of fair values

(i) Fair value hierarchy of the investment properties are as follows:

<i>In thousands of Naira</i>	9 months to 30 Sept 2025	31 DEC 2024
Level 1	-	-
Level 2	-	-
Level 3	340,000	340,000
	<u>340,000</u>	<u>340,000</u>

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

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 neighbourhood in recent time. References were made to prices of land and comparable properties in the neighbourhood. 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.	-Rentals for similar property -Rate of development in the area -Quality of the building and repairs. -Influx of people and/or businesses to the area	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 as at Dec. 2024 by Andy Bassey & Associate Estate Surveyors & Valuers with firm FRC number FRC/2012/00000000487. The valuation report was signed by Andem Bassey (FNIVS, RSV) with FRC number FRC/2012/NIESV/00000000363.

Notes to the financial statements

15 Intangible assets

In thousands of Naira

Cost

	9 months to 30 Sept 2025	31 DEC 2024
Balance at the beginning of the year	116,505	106,937
Addition during the period	-	9,568
Reclassification	(4,853)	-
Balance at the end of the period	111,651	116,505

Accumulated Amortisation

Balance at the beginning of the year	82,597	73,836
Charge for the period	6,631	8,761
Reclassification	(4,853)	-
Balance at the end of the period	84,375	82,597

Net Book Value

Balance at the end of the period	27,276	33,908
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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 4 years. .

16 Property and equipment

9 months to 30 Sept 2025

In thousands of Naira

Cost/valuation

	Land	Buildings	Motor Vehicles	Office furniture & fittings	Machinery & Equipment	Building (Work in progress)	Total
At 1 January 2025	1,439,150	926,123	1,943,386	189,696	478,131	92,170	5,068,655
Additions	-	7,118	41,565	28,875	76,776	2,939	157,273
Reclassification	-	(103,957)	-	-	-	-	(103,957)
Disposal	-	-	(6,600)	(3,934)	(3,954)	-	(14,489)
Write off (see note 41)	-	-	-	(22,784)	(63,466)	-	(86,250)
30 September 2025	1,439,150	829,283	1,978,351	191,853	487,487	95,109	5,021,232

Accumulated depreciation

At 1 January 2025	-	116,733	1,119,949	115,382	290,390	-	1,642,454
Charge for the year	-	14,440	259,860	19,733	59,556	-	353,589
Disposal	-	-	(6,600)	(3,934)	(2,431)	-	(12,965)
Write off (see note 41)	-	-	-	(22,784)	(63,466)	-	(86,250)
Reclassification	-	(103,957)	-	-	-	-	(103,957)
30 September 2025	-	27,216	1,373,208	108,397	284,049	-	1,792,870

Carrying amount

30 September 2025	1,439,150	802,068	605,142	83,456	203,437	95,109	3,228,363
At 31 December 2024	1,439,150	809,390	823,437	74,314	187,740	92,170	3,426,201

Notes to the financial statements
Property and equipment
At 31 December 2024

In thousands of Naira

Cost/valuation

	Land	Buildings	Motor Vehicles	Office furniture & fittings	Office Machinery &	Building (Work in progress)	Total
At 1 January 2024	1,439,150	581,182	1,988,558	167,999	320,938	275,880	4,773,707
Additions	-	1,063	67,228	78,381	159,596	160,167	466,436
Reclassification		343,878		1,240	(1,240)	(343,878)	-
Derecognition	-	-	-	(54,946)		-	(54,946)
Disposal	-	-	(112,400)	(2,978)	(1,163)	-	(116,542)
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
Charge for the year	-	12,776	382,519	14,572	57,095	-	466,963
Reclassification	-	-	-	1,240	(1,240)	-	-
Derecognition	-	-	-	(54,946)		-	(54,946)
Disposal	-	-	(87,258)	(2,686)	(1,076)	-	(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	3,426,200
At 31 December 2023	1,439,150	477,224	1,163,871	10,798	85,325	275,881	3,452,249

The fair value hierarchy of the property and equipment according IFRS 13 is shown below:

Class of PPE

In thousands of Naira

	30 Sept 2025			31 December 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Land	-	-	1,439,150	-	-	1,439,150
Building	-	-	829,283	-	-	926,123
	-	-	2,268,433	-	-	2,365,273

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/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 2024: nil)
- d) There was no item of property and equipment that has been pledged as security for borrowings as at the period ended 30 September 2025 (December 2024: nil)
- e) An impairment assessment was conducted and no impairment indicator was identified.

Below table shows the details of the property and equipment carried at revalued amount:

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	258,000	The company had applied to register the deed of assignment with the Lagos State Lands Registry
Land in Yenagoo	30-Apr-12	Letter of allocation by Bayelsa State Government	Central business district Swali, Yenagoo, 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
				1,916,375	

Notes to the financial statements

17 Hypothecation

In thousands of Naira

Assets

Cash and cash equivalents	5,618,954	350,000	5,968,954
Financial assets	20,335,035	28,764,315	49,099,349
Loans and receivables	619,601	-	619,601
Premium receivables		876,105	876,105
Reinsurance assets	5,667,917	-	5,667,917
Other receivables and prepayments	-	1,576,573	1,576,573
Investment properties	340,000	-	340,000
Intangible assets	-	27,276	27,276
Property and equipment	-	3,228,363	3,228,363
Right-of-use assets	-	29,101	29,101
Statutory deposit	-	770,000	770,000
Total assets	32,581,507	35,621,733	68,203,239

Liabilities

Insurance contract liabilities	21,470,176	-	21,470,176
Premium payables	-	366,462	366,462
Other payables	-	913,854	913,854
Defined benefit obligations	-	108,348	108,348
Income tax liabilities	-	183,603	183,603
Deferred tax liabilities	-	2,036,859	2,036,859
Total liabilities	21,470,176	3,609,126	25,079,302

GAP

18 Other technical liabilities

Insurance payables (note 19.1)

18a Insurance payables

Commission payables to brokers	194,236	470,864
Premium received in advance	39,851	22,374
Deposit without details	1,028	623,081
Other payables to agents and brokers	131,347	102,544
	366,462	1,218,863

18b Movement in insurance payables

Balance at the beginning of the year	1,218,863	2,797,802
Addition/(payment) in the period	(852,401)	(1,033,674)
Balance at the end of the period	366,462	1,218,863

30 Sept 2025			31 DEC 2024		
Shareholders			Shareholders		
Insurance fund	fund	Total	Insurance fund	fund	Total
5,618,954	350,000	5,968,954	5,399,418	58,566	5,457,984
20,335,035	28,764,315	49,099,349	16,244,126	31,725,420	47,969,546
619,601	-	619,601			-
	876,105	876,105		948,120	948,120
5,667,917	-	5,667,917	6,739,557		6,739,557
-	1,576,573	1,576,573	-	1,263,759	1,263,759
340,000	-	340,000	340,000	-	340,000
-	27,276	27,276	-	33,908	33,908
-	3,228,363	3,228,363	-	3,426,201	3,426,201
-	29,101	29,101	-	7,880	7,880
-	770,000	770,000	-	700,000	700,000
32,581,507	35,621,733	68,203,239	28,723,102	38,163,854	66,886,955
21,470,176	-	21,470,176	17,386,990	-	17,386,990
-	366,462	366,462	-	1,764,130	1,764,130
-	913,854	913,854	-	2,473,333	2,473,333
-	108,348	108,348	-	93,950	93,950
-	183,603	183,603	-	285,863	285,863
-	2,036,859	2,036,859	-	414,938	414,938
21,470,176	3,609,126	25,079,302	17,386,990	5,032,214	22,419,204
11,111,331	32,012,606	43,123,937	11,336,112	33,131,640	44,467,752

9 months to 30 Sept 2025 31 DEC 2024

₦'000 ₦'000

366,462 1,218,863

366,462 1,218,863

9 months to 30 Sept 2025 31 DEC 2024

₦'000 ₦'000

194,236 470,864

39,851 22,374

1,028 623,081

131,347 102,544

366,462 1,218,863

9 months to 30 Sept 2025 31 DEC 2024

₦'000 ₦'000

1,218,863 2,797,802

(852,401) (1,033,674)

366,462 1,218,863

Notes to the financial statements

19 Other payables

	9 months to 30 Sept 2025	31 DEC 2024
	₦'000	₦'000
Due to Auditors	20,710	26,724
NAICOM levy	214,874	247,361
Expenses payable (see note 19a)	328,411	1,165,752
Other payables (see note 19b(i))	6,859	67,411
	570,854	1,507,248
Provision for litigation (see note 19b(ii))	343,000	343,000
	913,854	1,850,248

19a Expenses payable

	9 months to 30 Sept 2025	31 DEC 2024
	₦'000	₦'000
Expenses accrued (see (i) below)	328,411	1,165,756
	328,411	1,165,756

(i) This represents expenses incurred during the year by the Company but for which bills/invoices have not been received from vendors as at 30 Sept 2025.

19b Other liabilities

i Other payables

	9 months to 30 Sept 2025	31 DEC 2024
	₦'000	₦'000
National Housing Fund (NHF)	1,330	1,295
Pension for Life agents/Company	604	603
Withholding Tax Payables	(3,566)	-
Sundry payables	8,491	65,513
	6,859	67,411

ii Provisions

	9 months to 30 Sept	31 DEC 2024
	₦'000	₦'000
Provision for litigation (see (i) below)	343,000	343,000

(i) This 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 Adepte Demilade with FRC number FRC/2021/002/00000022694. The total estimated liability as at 30 Sept 2025 is N343million (2024: N343million). The case is currently being appealed at the Court of Appeal.

20 Defined benefit obligations

	Defined benefit liability		Fair value of plan assets		Defined benefit liability / (asset)	
	9 months to 30 Sept	31 Dec 2024	9 months to 30 Sept	31 DEC 2024	9 months to 30 Sept	31 DEC 2024
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
At the beginning of the year	252,014	283,210	(158,064)	(115,081)	93,950	168,130
Current service cost	-	58,448	-	-	-	58,448
Interest cost (income)	-	55,261	-	(28,879)	-	26,382
Contribution by employer	35,171	-	(20,773)	(87,500)	14,398	(87,500)
Benefits paid by the employer	-	(92,072)	-	92,072	-	-
Actuarial (gain)/loss on liability arising from:				(18,676)	-	(18,676)
- Demography	-	24,112	-	-	-	24,112
- Assumptions	-	(15,679)	-	-	-	(15,679)
- Experience	-	(61,266)	-	-	-	(61,266)
At the end of the period	287,185	252,014	(178,837)	(158,064)	108,348	93,950

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 as at Dec. 2024 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.

Notes to the financial statements

21 Income tax liabilities

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
At the beginning of the period	245,563	174,585
Charge for the period (note 21.1)	226,584	231,155
Payment during the period	(288,544)	(160,177)
At the end of the period	183,603	245,563

21.1 Tax charge

In thousands of Naira

	9 months to 30 Sept 2025	31 DEC 2024
Tertiary education tax	-	30,074
Information technology	-	52,821
Police Trust Fund levy	-	266
Current tax charge/(credit)	167,203	83,161
Minimum tax	-	147,994
Back duty assessment	59,381	-
Current tax	226,584	231,155
Deferred tax credit	-	(500,702)
	226,584	(269,547)
Minimum tax	-	147,994
Total tax	226,584	(417,542)
Tax recognised in the Profit or Loss	226,584	(269,548)

22 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. The Company did not have net deferred tax assets/(liabilities) that were recognized during the year.

	30 Sept 2025		31 Dec 2024	
<i>In thousands of Naira</i>	Gross Amount	Tax effect	Gross Amount	Tax Effect
At the beginning of the year		2,036,859		
Tax losses	-	-	2,416,964	725,089
Temporary difference on asset	-	-	918,449	275,535
Allowance for impairment	-	-	325,889	107,543
Unrealised exchange gain	-	-	1,982,784	(654,319)
Defined benefit obligation	-	-	93,950	46,853
Defined benefit obligation- gratuity actuarial gain	-	-	-	(15,850)
Fair value (gain)/loss on financial assets	-	-	25,217,108	(2,521,711)
	2,036,859		(23,444,640)	(2,036,859)
Deferred tax asset/(liability) recognised - P/L				500,702
Deferred tax asset/(liability) recognised - OCI				(2,537,561)

Notes to the financial statements

23	Statutory deposit	30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	Statutory deposit with CBN	770,000	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.		
24	Share capital	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	Authorized - ordinary shares of 50k each (30,800,000,000 units)	15,400,000	15,400,000
24.1	Issued and fully paid	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	Authorised - ordinary shares of 50k each (15,400,000,000 units)		
	At the beginning of the year	7,700,000	7,000,000
	Additions - Bonus issue	-	700,000
	At the end of the period	7,700,000	7,700,000
	(a) 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.		
25	Share premium	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	At the beginning of the year	547,433	560,294
	Cost incurred related to issuance of bonus	-	(12,861)
	At the end of the period	547,433	547,433
	Share premium as at September 2025 :N547,433,000 (2024 N547,433,000). This represents the excess paid by shareholders over the nominal value for their shares.		
26	Contingency reserve	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	At the beginning of the year	5,562,642	4,452,316
	Transfer from retained earnings (see Note 28)	644,623	1,110,326
	At the end of the period	6,207,265	5,562,642
	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 period.		
27	Retained earnings	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	At the beginning of the year	4,558,294	1,516,989
	Profit for the period	3,117,482	5,551,631
	Transfer to contingency reserve	(644,623)	(1,110,326)
	Bonus share issue	-	(700,000)
	Cash dividend	-	(700,000)
	At the end of the of period	7,031,153	4,558,294
28	Assets revaluation reserve	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	At the beginning of the year	1,721,291	1,721,291
	Revaluation gain/(loss) on property and equipment	-	-
	At the end of the period	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.		
	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 available-for-sale investments while the re-measurement reserve comprises the actuarial gains and losses on defined benefits post employment plan. These are presented		
29	Fair value reserve	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	Balance as at January 1	22,695,399	17,777,487
	Fair value (loss)/gain on unquoted equity	52,896	4,973,795
	Fair value gain on bonds at fair value through other comprehensive income	-	(49,723)
	ECL on debt instrument on fair value through OCI	-	(6,160)
	Balance as at end of period	22,748,295	22,695,399
30	Re-measurement reserve	9 months to 30 Sept 2025	31 DEC 2024
		₦'000	₦'000
	Balance as at January 1	59,771	4,111
	Defined benefits actuarial gain/(loss)	-	71,509
	Deferred tax impact	-	(15,849)
	Balance as at end of period	59,771	59,771

Notes to the financial statements

	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
31 Insurance revenue	19,299,412	16,428,475

31.1 Breakdown of insurance revenue per business class is as follows:	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Fire	3,158,293	2,710,854
Accident	1,960,678	1,367,981
Motor	5,137,548	3,755,158
Marine	1,421,554	1,154,793
Aviation	399,711	955,070
Bond	4,219	14,806
Engineering	1,298,804	879,687
Oil & Gas	5,904,156	5,577,569
Agric	14,448	12,557
	19,299,412	16,428,475

31.2 Insurance revenue	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Changes to liabilities for remaining coverage and loss component	(2,187,987)	(2,466,825)
Change in asset for acquisition cash flows	53,786	422,735
Premium received	21,487,401	18,895,299
Amortisation of insurance acquisition cash flows	5,960,136	5,500,664
Acquisition cash flows	(6,013,924)	(5,923,398)
	19,299,412	16,428,475

31.3 Premium received	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Direct premium (note 31.1)	21,227,675	18,604,506
Inward premium (note 31.1)	259,726	290,793
	21,487,401	18,895,299

31.3a Breakdown of premium received per business class is as follows:

9 months to 30 Sept 2025

	Direct premium	Inward premium	Total
	₦'000	₦'000	₦'000
Fire	3,395,345	46,183	3,441,528
Accident	2,174,143	14,796	2,188,939
Motor	6,380,644	90,331	6,470,975
Marine	1,372,795	64,534	1,437,329
Aviation	136,021	-	136,021
Bond	4,711	-	4,711
Engineering	1,442,137	29,675	1,471,812
Oil & Gas	6,306,087	14,207	6,320,294
Agric	15,792	-	15,792
	21,227,675	259,726	21,487,401

30 Sept 2024

	Direct premium	Inward premium	Total
	₦'000	₦'000	₦'000
Fire	3,011,219	45,964	3,057,183
Accident	1,597,368	11,060	1,608,428
Motor	3,867,953	66,909	3,934,862
Marine	1,298,770	117,167	1,415,937
Aviation	1,205,209	34,886	1,240,095
Bond	9,122	-	9,122
Engineering	1,117,131	14,807	1,131,938
Oil & Gas	6,479,065	-	6,479,065
Agric	18,669	-	18,669
	18,604,506	290,793	18,895,299

Notes to the financial statements

32 Insurance service expenses	9 months to 30 Sept 2024	30 Sept 2024
	₦'000	₦'000
Changes to liabilities for incurred claims	1,948,984	1,562,336
Interest accreted (including change of rates) to insurance contracts	(126,732)	(223,397)
Claims and other expenses paid	4,855,602	3,958,259
Amortisation of insurance acquisition cash flows	5,960,136	5,500,662
	12,637,990	10,797,860
32.1 Breakdown of insurance service expense per business class is as follows:	9 months to 30 Sept 2024	30 Sept 2024
	₦'000	₦'000
Fire	1,687,735	1,357,575
Accident	1,755,589	1,391,446
Motor	3,738,691	2,055,128
Marine	1,334,521	827,963
Aviation	586,917	954,803
Bond	1,730	13,503
Engineering	781,149	1,438,700
Oil & Gas	2,746,888	2,756,282
Agric	4,769	2,459
	12,637,990	10,797,860
33 Allocation of reinsurance premium	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Changes in asset for remaining coverage and loss component	(1,967,623)	(934,667)
Reinsurance premium paid (see 33.1 below)	8,984,853	7,124,718
	7,017,230	6,190,051
33.1 Reinsurance premium paid	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Premium paid (Treaty)	9,499,888	7,091,594
Premium paid Facultative outwards	1,365,821	1,191,403
	10,865,709	8,282,997
Less: Fees and commission income	(1,880,856)	(1,158,279)
	8,984,853	7,124,718
Changes in asset for remaining coverage and loss component	(2,238,683)	(1,027,541)
Changes in fees and commission income for remaining coverage	271,060	92,874
	7,017,230	6,190,051
33.2 Fees and commission income	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Fire	607,746	412,518
Accident	377,650	220,521
Motor	108,759	46,461
Marine	248,008	278,118
Aviation	527	42,098
Bond	372	739
Engineering	230,848	147,751
Oil & Gas	305,534	7,661
Agric	1,412	2,412
	1,880,856	1,158,279
34 Amounts recoverable from reinsurers for incurred claims	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Changes in assets recoverable for incurred claims	49,294	321,762
Interest accreted	(70,484)	(86,982)
Recovery received	1,293,588	1,048,222
	1,272,398	1,283,002
35 Net claims incurred	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Gross claims paid	4,023,590	3,225,962
Movement in liability for claim incurred -IBNR	399,999	299,999
Movement in liability for claim incurred	1,468,985	1,262,335
Total liability for claim incurred claims incurred	5,892,574	4,788,296
Salvage recovery	(97,997)	(71,640)
Claims recovered and recoverable from reinsurers (see note 35.1 below)	(1,214,886)	(1,298,346)
	4,579,691	3,418,310

Notes to the financial statements

35.1 Analysis of claims recovered and recoverable from reinsurers	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Reinsurance claims recoveries (see note 44c)	1,293,589	976,585
Change in re-insurance recoverable (see note 10b)	19,294	321,761
	1,312,883	1,298,346
36 Analysis of acquisition cash flows costs	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Commission expense	3,157,787	3,181,569
Business acquisition cost	2,856,137	2,741,829
Changes in asset for acquisition cash flows (see note 17.2a)	(53,788)	(422,735)
	5,960,136	5,500,663
37 Analysis of maintenance expenses	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Staff costs (see note 41)	293,996	322,613
Directors' emoluments (see note 41)	77,383	74,498
Retirement benefit cost (see note 41)	28,912	37,996
Other operating expenses (note 41)	431,723	297,190
	832,014	732,298
The above expenses represent part of the entity's operating expenses that were allocated to operations (Insurance service expense). Non-specific operating expense of the entity are allocated between operational and administrative expenses in the ratio 40:60 respectively.		
38 Investment income	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Dividend income (see note 38.2a)	1,940,387	1,728,828
Interest income (see note 38.1)	3,589,232	2,670,737
Investment income per statement of profit or loss and OCI	5,529,619	4,399,565
Gain on disposal of investment (see note 38.2b)	564,239	252,868
Realised Loss/Gain on Financial Assets FVTPL (see note 38.2c below)	217,641	116,162
	6,311,499	4,768,595
Net fair value gain/(loss) on financial assets at fair value through profit or loss	114,187	(56,687)
Total investment income	6,425,686	4,711,908
38.1 Interest income calculated using the effective interest method	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Interest on placement	469,079	471,118
Interest income on treasury bills	884,807	552,475
Interest income on bonds	854,589	686,723
Other investment income (see note 38.2 below)	1,380,757	960,421
	3,589,232	2,670,737
38.1a Net Trading Income:		
Dividend income (see note 38.2a below)	1,940,387	1,728,828
Gain on disposal of investment (see note 38.2b below)	564,239	252,868
Realised gain on Financial Assets FVTPL (see note 38.2c below)	217,641	116,162
	2,722,267	2,097,858
38.1b Net fair value gain/losses on financial assets at fair value through profit or loss	114,187	(56,687)
Total net investment income and other similar income	6,425,686	4,711,908
38.2 Breakdown of other investment income	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
Interest From Fgn Promissory Notes	235,713	341,489
Interest From Investment/Debt Notes	324,593	244,539
Interest From Commercial Papers	449,574	253,286
Dividend From Mutual Fund Investment	173,897	109,703
Interest Income From Loans	26,160	11,404
Income from investment receivables	123,044	-
Commission Received on Bond Auction	67	-
INTEREST FROM CALL PLACEMENT	2,407	-
QUOTED STOCK RECOVERY	45,301	-
	1,380,756	960,421

Notes to the financial statements

	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
38.2a Breakdown of dividend income		
Access Holdings Plc	-	13,006
United Capital Plc	-	11,346
Zenith Bank Plc	-	42,236
Guaranty Trust Holding Company Plc	-	19,440
NIGERIA LIABILITY INSURANCE . POOL 2	25,981	-
UCAP	4,050.00	-
Berger Paint Plc	-	16
Stanbic Ibtc Pension Mgr	1,758,097	1,622,329
UNICAP	6,750	-
GTCO	31,168	-
Fidelity	5,625	-
Zenith Bank Plc	39,721	-
NGX Group	10,814	-
Stanbic Ibtc Holdings Plc	-	282
United Bank For Africa Plc	10,800	8,868
Okomu Oil Plc	-	9,900
May And Baker Plc	8	6
FIDSON HEALTHCARE	47	-
Julius Berger Nig. Plc	-	1,327
MRS Oil	4,590	72.00
SIAML Pension ETF 40	6,830	-
ACCESSCORP	13,415	-
STANBIC-IBTC	202	-
BERGER PAINT	20	-
OKOMU	22,268	-
	1,940,386	1,728,828

*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 period.

	9 months to 30 Sept 2025	30 Sept 2024
	₦'000	₦'000
38.2b Breakdown of gain on disposal of investment		
Disposal gain on sale of 8,000,000 Units of ACCESSCORP Shares	48,360	40,863
Disposal gain on sale of 10,000,000Units of Zenith Bank Shares	192,276	49,907
Disposal gain on sale of GTCO Shares	26,500	-
Disposal loss on sale of 10.6% NTB Sept 2024	-	(19,079)
Disposal gain on 16.47% FGN SUKUK SEP. 2024 @ a clean price of N99.60	-	23,992
Being disposal gain on sale of FBN Eurobond	-	(1,077)
FGN 2029 Bond	11,360	-
FGN 2031 Bond	6,661	-
FGN 2034 Bond	(2,180)	-
Disposal gain on sale of OKOMUOIL Shares	93,330	-
Disposal gain on sale of NGXGROUP Shares	37,744	-
Disposal gain on sale of FGN APR 2029 Bond	-	3,090
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 5m units of 19.30% FGN FEB 2029	27,450	-
Disposal gain on the sale of 19.20% NTB 21 MAY 2026	19,154	-
Disposal gain on sale of GTCO Shares	65,063	-
Disposal gain on the sale of 9.248% EUROBOND 1/21/49	20,555	-
Disposal gain on the sale of NTB 03-SEP-26	17,966	-
	564,239	252,868

Notes to the financial statements

38.2c Breakdown of Fair value gain on Financial Assets FVTPL

9 months to 30 Sept 2025	30 Sept 2024
₦'000	₦'000
Fair Value Gain With Fund Managers	8,800
Fair Value Gain On Equity Investment	41,644
	74,518
	216,162

39 Net insurance finance income/expense

9 months to 30 Sept 2025	30 Sept 2024
₦'000	₦'000
Insurance finance expense/Income from insurance contracts issued	(126,732)
Insurance finance income/expense from reinsurance contracts held	(223,396)
	86,982
Net insurance finance expense	(136,414)

41 Other income

9 months to 30 Sept 2025	30 Sept 2024
₦'000	₦'000
Sundry income (see note (a) below)	62,135
Gain on sale of property & equipment	62,389
Rental income	55,922
	3,500
	121,811
Exchange loss/gains (see (b) below)	(386,846)
	2,371,588
	2,493,399

a Sundry income relates to interest on current accounts and interest on staff loans.

b Exchange gain relates to exchange gains on foreign-denominated transactions which were consummated during the year.

42 Maintenance and management expenses

In thousands of Naira

	9 months to 30 Sept 2025		30 Sept 2024	
	Maintenance Expenses	Management Expenses	Maintenance Expenses	Management Expenses
Staff cost	293,996	440,995	322,613	483,919
Director emoluments	77,383	116,074	74,498	111,748
Pension contribution	8,812	13,218	8,940	13,411
Retirement benefits	20,100	30,150	29,056	43,584
Outsourcing cost	134,606	201,910	117,630	176,445
Advertising & publicity	11,465	17,198	12,566	18,850
Marketing expenses	10,712	16,068	9,790	14,685
Medical	22,295	33,442	16,992	25,487
Staff training & development	122,946	184,420	69,170	103,754
Corporate Expense	129,698	-	71,042	-
AGM expenses	-	36,995	-	29,725
Bank charges	-	72,204	-	92,148
Computer consumables	-	1,446	-	27
Depreciation on PPE	-	360,220	-	357,484
Amortisation on ROU	-	9,479	-	5,890
Diesel and fuel	-	199,697	-	206,218
Entertainment	-	6,238	-	6,217.00
Fines & penalties	-	12,026	-	3,615
Industrial training fund	-	(12,512)	-	6,090
Insurance expenses	-	91,920	-	79,382
Insurance supervision fee	-	232,835	-	217,972
Legal and secretarial expenses	-	21,035	-	15,863
Retail agents expenses	-	58,664	-	37,239
Lighting & heating	-	41,968	-	20,126
Maintenance expense	-	169,069	-	105,602
Newspapers & periodicals	-	1,304	-	385
Postage and telephone	-	33,969	-	26,857
Consultancy expenses	-	290,824	-	206,128
Rent & rate	-	31,293	-	26,014
Stationaries	-	20,883	-	10,011
Subscriptions, contributions & donations	-	53,311	-	33,468
Transport and business travels	-	21,107	-	15,893
Withholding tax & VAT	-	210,543	-	219,410
Audit fee	-	20,709	-	14,109
Rebranding expenses	-	190,502	-	171,672
Others	-	398,070	-	523,586
Total	832,014	3,627,273	732,298	3,410,834

Notes to the financial statements

43	Net fair value on available-for-sale financial assets	9 months to 30 Sept 2025	30 Sept 2024
		₦'000	₦'000
	Fair value gain/loss during the year - unquoted equities	52,896	(66,852)
		52,896	(66,852)
44	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		
		9 months to 30 Sept 2025	30 Sept 2024
	Profit attributable to ordinary shareholders (N'000)	3,117,482	4,162,545
	Weighted average number of ordinary shares	15,400,000	14,000,000
	Basic and diluted earnings per share (Kobo)	20.2	29.7
44	Cashflow reconciliation		
a)	Other operating cash payments	9 months to 30 Sept 2025	31 Dec 2024
	<i>In thousands of Naira</i>	₦'000	₦'000
	Management expenses (less staff expenses)	(2,791,484)	(2,678,536)
	Adjustment for items not involving movement of cash:		
	Depreciation	360,220	357,484
	Amortisation of ROU	9,479	5,890
	Unrealized exchange loss/gain	386,846	(2,371,588)
	Sundry income	62,135	62,389
	Gain on sale of property & equipment	6,222	55,922
	Fair value gain on securities	(896,067)	(312,343)
	Operating cash flows before movements in working capital	(2,862,649)	(4,880,782)
	Changes in trade payables	(852,401)	(51,628)
	Changes in insurance contract liabilities	4,083,188	2,046,200
	Changes in trade receivable	72,012	(669,353)
	Changes in defined benefit obligation	14,398	(74,180)
	Changes in company income tax liabilities	(61,960)	2,107,837
	Change in contingency reserve	644,623	1,110,326
	Other sundry (payable)/receivable	(1,612,473)	718,314
	Changes in Other receivables and prepayment	(312,814)	(373,426)
	Changes in loans and receivables	(282,457)	44,969
	Changes in reinsurance assets	(96,709)	(1,546,564)
	Changes in other payables	(936,394)	509,429
		(2,224,857)	(1,058,858)
b)	Premium received from policy holders	9 months to 30 Sept 2025	31 Dec 2024
	<i>In thousands of Naira</i>	₦'000	₦'000
	Trade receivable at 1 January	948,117	278,764
	Gross premium written during the year	21,487,401	24,736,095
	Trade receivable at end of the period	(876,105)	(948,117)
	Premium received in advance	(39,851)	(22,374)
		21,519,562	24,044,368
c)	Recovery and recoverable from reinsurers	9 months to 30 Sept 2025	31 Dec 2024
	<i>In thousands of Naira</i>	₦'000	₦'000
	Reinsurance claims recoveries (note 35.1)	1,195,593	1,463,862
	Salvage recovery (note 35)	97,997	87,480
		1,293,590	1,551,342
d)	Reinsurance premium paid	9 months to 30 Sept 2025	31 Dec 2024
	<i>In thousands of Naira</i>	₦'000	₦'000
	Reinsurance premium cost (note 33.1)	9,499,888	9,794,692
	Facultative outwards (note 33.1)	1,365,821	1,341,363
	Movement in treaty premium surplus	-	366,463
		10,865,709	11,502,518
e)	Commission paid	9 months to 30 Sept 2025	31 Dec 2024
	<i>In thousands of Naira</i>	₦'000	₦'000
	Commission payable to brokers at 1 January	470,864	435,902
	Commission cost	3,157,787	4,237,732
	Business acquisition cost (Note 36.1)	2,856,137	4,231,293
	Commission payable to brokers at end of the period	(194,236)	(470,864)
	Other payables to agents and brokers	131,347	102,544
		6,421,899	8,536,607

Notes to the financial statements

f) Commission received	9 months to 30 Sept 2025	31 Dec 2024
<i>In thousands of Naira</i>	₦'000	₦'000
Commission income earned during the year	1,871,646	1,657,037
Profit Comm. & Comm. Adjustment	(1,566)	-
Lead underwriting commission	10,776	140,455
Commission income received during the year	1,880,856	1,797,492

g) Interest received	9 months to 30 Sept 2025	31 Dec 2024
<i>In thousands of Naira</i>	₦'000	₦'000
Interest income earned during the year	3,589,232	3,730,927
Interest received during the year	3,589,232	3,730,927

h) Movement in financial assets	9 months to 30 Sept 2025				
<i>In thousands of Naira</i>	Fair value through P/L	Available for sale	Loans & receivables	Held to maturity	Total Movement
Addition	667,018	667,398	-	4,407,620	5,742,036
Disposals/redemption	(586,032)	-	-	(1,609,788)	(2,195,820)
Fair value gain	(812,000)	-	-	-	(812,000)
	(731,014)	667,398	-	2,797,832	2,734,216

Movement in financial assets	31 Dec 2024				
<i>In thousands of Naira</i>	Fair value through profit or loss	Available for sale	Loans & receivables	Held to maturity	Total Movement
Addition	516,247	1,744,080	-	9,423,925	11,684,252
Disposals/redemption	(1,071,725)	(1,014,903)	-	(5,380,458)	(7,467,086)
Impairment	-	6,160	-	70,581	76,740
Fair value gain/(loss)	214,841	-	-	-	214,841
	(340,637)	735,337	-	4,114,048	4,508,747

i) Purchase of property and equipment	9 months to 30 Sept 2025	31 Dec 2024
<i>In thousands of Naira</i>	₦'000	₦'000
Addition for the year per movement schedule	157,273	466,435
Cash flow on addition to property and equipment	157,273	466,435

j) Sale of property and equipment	9 months to 30 Sept 2025	31 Dec 2024
<i>In thousands of Naira</i>	₦'000	₦'000
Costs of assets disposed	5,964	116,541
Accumulated depreciation on assets disposed	(5,964)	(91,021)
Gain on disposal	(6,222)	(55,643)
Proceed on sale of assets	(6,222)	81,163

k) Cash payment to and on behalf of employees	9 months to 30 Sept 2025	31 Dec 2024
<i>In thousands of Naira</i>	₦'000	₦'000
Staff cost	440,995	1,231,138
Director emolument	116,074	126,563
Pension contribution	13,218	17,487
Retirement benefits	30,150	92,072
Contract staff cost	201,910	263,060
Medical	33,442	35,387
	835,789	1,765,707

l) Cash and cash equivalents	9 months to 30 Sept 2025	31 Dec 2024
	₦'000	₦'000
Cash in hand	1,203	3,353
Bank balances	3,180,071	3,564,089
Short term deposits	2,858,625	1,930,195
Less: Allowance for impairment	(70,946)	(80,956)
	5,968,953	5,416,681

45 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.

46 Sale of insurance contracts

During the period, the Company did not enter into any contract with related parties.

Notes to the financial Statements

47 **Contravention**

There were no contraventions during the year (2024:Nil)

48 **Other related party transactions**

Linkage Assurance Plc is represented on the Board of 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.

49 **Events after the reporting period**

There were no major events after the reporting period that require adjustments or disclosure in the financial statements.

50 **Commitments**

The Company had no capital commitments at the reporting date.

Other National Disclosures

**Statement of Value Added
for the period ending 30 September 2025**

	30 Sept 2025		31 December 2024	
	₦'000	%	₦'000	%
Insurance revenue	19,299,412	425	22,229,099	166
Investment income	6,369,438	140	9,479,026	71
Other income	957,709	21	-	0
Claims incurred, commissions paid and operating expenses (local)	(22,086,484)	(486)	(18,335,778)	(137)
Value added	4,540,074	100	13,372,347	100
Distribution:				
Employees and directors (staff cost)	835,789	18	2,051,896	15
Government (taxes)	226,584	5	(269,546)	(2)
Asset replacement (depreciation)	360,220	8	475,724	4
Contingency reserve	644,623	15	5,562,642	42
Expansion (retained on the business)	2,472,859	54	5,551,632	42
	4,540,074	100	13,372,347	100

Financial Summary

	30 Sept 2025 ₦'000	31 Dec 2024 ₦'000	31 Dec 2023	31 Dec 2022 ₦'000	31 Dec 2021 ₦'000
Statement of financial position					
Assets					
Cash and cash equivalents	5,968,954	5,416,681	5,507,393	4,188,442	3,476,697
Financial assets	51,990,620	47,632,402	35,825,193	25,982,584	27,584,351
Loan and receivables	619,601	337,144	382,113	249,121	-
Premium receivables	876,105	948,117	278,764	199,857	81,468
Reinsurance contract assets	5,667,917	5,571,208	5,559,453	4,903,079	4,639,643
Deferred acquisition cost	-	-	-	-	432,828
Other receivables and prepayments	1,576,573	1,263,759	890,333	779,997	308,434
Right-of-use assets	29,101	7,880	13,509	21,744	25,221
Investment property	340,000	340,000	220,000	160,000	157,500
Intangible assets	27,276	33,908	33,101	20,844	36,866
Property and equipment	3,228,363	3,426,201	3,452,249	1,584,679	1,467,178
Statutory deposit	770,000	700,000	700,000	700,000	500,000
Total assets	71,094,510	65,677,301	52,862,109	38,790,346	38,710,185
Liabilities					
Insurance contract liabilities	21,470,176	17,386,988	15,340,788	13,191,889	11,635,256
Other technical liabilities	366,462	1,218,863	2,136,104	1,022,333	765,141
Provision and other payables	913,854	1,850,248	2,010,015	742,250	1,053,785
Retirement benefit obligations	108,348	93,950	168,130	84,322	89,660
Income tax liabilities	183,603	245,563	174,585	157,845	60,257
Deferred tax liabilities	2,036,859	2,036,859	-	-	-
Total liabilities	25,079,303	22,832,471	19,829,622	15,198,639	13,604,099
Capital and reserves					
Issued and paid-up share capital	7,700,000	7,700,000	7,000,000	7,000,000	7,000,000
Share premium	547,433	547,433	560,294	560,294	560,294
Contingency reserve	6,207,265	5,562,642	4,452,316	3,395,997	2,882,618
Retained earnings	7,031,153	4,558,293	1,516,988	(2,708,286)	(3,517,299)
Assets revaluation reserve	1,721,291	1,721,291	1,721,291	828,773	828,773
Re-measurement reserve	59,771	59,771	4,111	55,639	5,040
Fair value reserve	22,748,295	22,695,399	17,777,487	14,459,291	17,346,660
Total equity	46,015,208	42,844,829	33,032,487	23,591,708	25,106,086
Total liabilities and equity	71,094,511	65,677,300	52,862,109	38,790,346	38,710,185
Statement of profit or loss					
Insurance revenue	19,299,412	22,229,099	14,835,202	12,506,552	11,161,499
Insurance service result before reinsurance contracts held	6,661,421	7,257,511	4,039,799	1,734,437	5,428,543
Insurance service result	916,590	766,967	261,595	(1,201,436)	(2,584,189)
(Profit/(loss) before taxation	3,344,066	5,310,526	5,463,747	1,874,983	(3,878,914)
Taxation (expense)/credit	(226,584)	74,036	(182,153)	(129,292)	(111,724)
(Profit/(loss) before taxation	3,117,482	5,384,560	5,281,594	1,745,691	(3,990,638)
Transfer to contingency reserve	644,623	1,020,955	1,056,319	-	334,845
Dividend	-	(700,000)	-	-	(500,000)
Transfer to revenue reserve	3,117,482	-	4,225,275	1,745,691	(4,325,483)
Basic earnings per share (kobo)	20.2	35.0	37.7	12.5	(28.5)