Linkage Assurance Plc

RC:162306

Unaudited Financial Statements

for the Period Ended

31 December, 2025

Table of contents

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 Mr. Razaq Olugbenga Falekulo
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 KPMG Tpwers Bishop Aboyade Cole Street Victoria Island PMG 40014, Falomo Lagos www.ey.com
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. Ecobank Nigeria Plc. FCMB Limited. Fidelity Bank Plc. First Bank of Nigeria Limited. Guaranty Trust Bank Plc. Heritage Bank Limited. Keystone Bank Limited. Polaris Bank Limited. Stanbic IBTC Bank Limited. Union Bank Plc. United Bank for Africa Plc. Unity Bank Plc. 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 31 December 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
26 January 2026

Dr. Emmanuel Otitolaiye
Chief Financial Officer
FRC/2014/ICAN/00000008524
26 January 2026

FINANCIAL HIGHLIGHTS	31 Dec 2025	31 Dec 2024	Changes
	₦'000	₦'000	(%)
Comprehensive income statement			
Insurance revenue	27,593,027	22,229,099	24
Insurance service expenses	(18,602,981)	(14,971,588)	24
Insurance service result before reinsurance contracts held	8,990,045	7,257,511	24
Insurance service result	1,672,305	766,967	118
Investment and other income	7,871,820	9,631,542	(18)
Profit before taxation	4,315,914	5,282,084	(18)
Profit after taxation	4,018,939	5,551,632	(28)
Statement of financial position	**31 Dec 2025**	**31 Dec 2024**	
Total assets	70,177,620	65,677,300	7
Insurance contract liabilities	18,404,023	17,386,988	6

Our Performance

Insurance revenue grew by 24% to N27.6billion as at Dec 2025 from N22.2billion recorded in prior year. The insurance service result also grew to N1.7billion as at Dec 2025 from N766.9million reported in prior year. The profit before tax, PBT reduced by 18% to N4.3billion as at Dec 2025 from N5.3billion in prior year.

The drivers are increased insurance revenue by N5billion and improved reinsurance optimaisation. The exchange loss of N745million in the current year led to the drop in the PBT compared with exchange gain of N2.6billion in the 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 Agusto and Co. It is the Company’s policy to measure ECLs on such instruments on a 12-month basis. Where the credit risk of any bond deteriorates, the Company will sell the bond and purchase bonds meeting the required investment grade.

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

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

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

3 Summary of material accounting policies - continued

i) Write-off

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

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

All credit facility write-offs require endorsement by the Board Credit and Risk Committee, as defined by the Company. Credit write-off approval is documented in writing and properly initialed by the Board Credit and Risk Committee. The gross carrying amount of an asset is written off (either fully or partially) to the extent that there is no realistic prospect of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.
This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cashflows to repay the amount subject to write off. However, the financial assets that are subjected to write off could still be subject to enforcement activities in other to comply with the Company's procedures for recovery of amount due.

j) Forward looking information

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

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

g) Valuation of investment properties

The Company carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Company engaged an independent valuation specialist to assess fair value as at 31 December 2024. A valuation methodology based on discounted cash flow model was used as there is a lack of comparable market data because of the nature of the properties.

The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long- term vacancy rate. The key assumptions used to determine the fair value of the investment properties are further explained in Note 13 to the financial statements.

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	31-Dec-25		31-Dec-24	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	18,480,000,000.00	100%	15,400,000,000	100%
Substantial Shareholdings (5% and above)				
Bayelsa State Ministry of Finance Incorporated	9,874,639,562	53.43%	8,228,866,302	53.43%
Stanbic IBTC Nominees Nigeria Limited	-	-	1,944,716,810	12.63%
Apel Asset Limited-Nominee	1,090,037,427	5.90%	876,723,566	5.69%
Total Substantial Shareholdings	10,964,676,989	59.33%	11,050,306,678	71.76%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Chief Joshua B. Fumudoh				
Mrs.Funkazi Koroye-Crooks				
Mr. Maxwell Ebibai				
Mr. Daniel Braie				
Mr. Okanlawon Adelagun				
Total Directors' Shareholdings				
Other Influential Shareholdings				
Free Float in Units and Percentage	7,515,323,011	40.67%	4,349,693,322	28.24%
Free Float in Value	₦ 3,757,661,505.50		₦ 2,174,846,661.00	
(A) Linkage Assurance Plc with a free float percentage of 40.6%.as at 31 December 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 N3,757,661,505.50 as at 31 December 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.				

Statement of financial position
As at 31 December 2025

In thousands of Naira

Assets	**Note**	**31 Dec 2025**	**31 Dec 2024**
Cash and cash equivalents	7	4,376,841	5,416,681
Investment securities	8	53,290,941	47,632,403
Loans and receivables	9.0	553,736	337,144
Reinsurance contract assets	10.1	4,543,242	5,571,208
Premium receivable	11	279,133	948,117
Other receivables and prepayments	12	2,799,386	1,263,759
Investment property	14	340,000	340,000
Intangible assets	15	25,066	33,908
Property and equipment	16	3,176,475	3,426,201
Right-of-use assets	13	22,800	7,880
Statutory deposit	23	770,000	700,000
Total assets		**70,177,620**	**65,677,300**
Liabilities			
Insurance contract liabilities	10.2	18,404,023	17,386,988
Other technical liabilities	18	1,495,369	1,218,863
Other payables	19	672,504	1,507,248
Provisions	19	343,000	343,000
Defined benefit obligations	20	103,644	93,950
Income tax liabilities	21	232,130	245,563
Deferred tax liabilities	22	2,036,859	2,036,859
Total liabilities		**23,287,529**	**22,832,471**
Equity			
Authorized share capital	24	18,480,000	15,400,000
Issued and fully paid share capital	24.1	9,240,000	7,700,000
Share premium	25	497,464	547,433
Contingency reserve	26	6,380,203	5,562,642
Retained earnings	27	6,219,672	4,558,293
Fair value reserve	29	22,771,690	22,695,399
Re-measurement reserve	30	59,771	59,771
Assets revaluation reserve	28	1,721,291	1,721,291
Total equity		**46,890,091**	**42,844,829**
Total liabilities and equity		**70,177,620**	**65,677,300**
		-	-

The financial statements were approved on 26 January 2026 and signed on behalf of the Board of Directors

Chief Joshua B. Fumudoh	**Mr. Daniel Braie**
Chairman	**Managing Director/CEO**
FRC/2018/IODN/00000017911	**FRC/2018/CIIN/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 year ended 31 December 2025

In thousands of Naira	Note	12 months to 31 Dec 2025	12 months to 31 Dec 2024	3 months to 31 Dec 2025	3 months to 31 Dec 2024
Insurance revenue	31	27,593,027	22,229,099	8,293,615	5,800,624
Insurance service expenses	32	(18,602,981)	(14,971,588)	(5,964,991)	(4,173,728)
Insurance service result before reinsurance contracts held		**8,990,045**	**7,257,511**	**2,328,624**	**1,626,895**
Allocation of reinsurance premiums	33	(9,550,291)	(8,613,401)	(2,533,062)	(2,423,350)
Amounts recoverable from reinsurers for incurred claims	34	2,232,551	2,122,857	960,153	839,855
Net expense from reinsurance contracts held		**(7,317,740)**	**(6,490,544)**	**(1,572,909)**	**(1,583,495)**
Insurance service result		**1,672,305**	**766,967**	**755,715**	**43,400**
Interest revenue calculated using the effective interest method	38.1	4,658,674	3,567,427	1,069,442	896,690
Net trading income	38.1a	3,863,580	2,989,028	1,141,313	891,170
Credit loss write back / (expense)	40	-	131,566	(114,187)	188,253
Fair value gain/(loss) on financial assets measured at FVTPL	38.1b	110,280	(56,687)	(3,907)	-
Other income	41	(657,975)	2,847,692	(343,286)	354,293
Total investment income		**7,974,559**	**9,479,026**	**1,863,562**	**2,273,719**
Insurance finance expenses for insurance contracts issued	39	(196,718)	269,095	(69,986)	492,491
Reinsurance finance income for reinsurance contracts held	39	93,979	(116,579)	23,495	203,561
Net insurance finance expenses/income		**(102,739)**	**152,516**	**(46,491)**	**288,930**
Net insurance and investment result		**9,544,125**	**10,398,509**	**2,572,786**	**2,606,049**
Other operating expense	42	(5,228,211)	(5,116,425)	(1,600,938)	(1,705,591)
Profit before taxation		**4,315,914**	**5,282,084**	**971,848**	**900,458**
Minimum tax	21.1	(296,975)	(147,994)	(70,391)	71,087
Income tax credit/(expense)	21.1	-	417,542	-	417,542
Profit after taxation		**4,018,939**	**5,551,632**	**901,457**	**1,389,087**
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Net fair value gain/(loss) on debts instruments measured at fair value through OCI	29	-	(49,723)	-	-
ECL on debt instrument on fair value through OCI	29	-	(4,127)	-	-
		-	(53,850)	-	-
Items that may not be reclassified subsequently to profit or loss					
Net fair value gain on equity instruments measured at fair value through OCI	29	76,291	4,971,762	23,395	5,038,614
Remeasurement of defined benefit obligation	30	-	55,660	-	-
Other comprehensive (loss)/income, net of taxes		**76,291**	**4,973,572**	**23,395**	**5,038,614**
Total comprehensive income for the year		**4,095,230**	**10,525,204**	**924,852**	**6,429,511**
Basic and diluted earnings per share (kobo)	44	**26.1**	**36.0**	**5.9**	**6**

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 year ended 31 December 2025

In thousands of naira	Notes	Share capital	Share premium	Contingency Reserve	Asset revaluation reserve	Re-measure ment 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
Comprehensive income									
Profit for the year		-	-	-	-	-	-	4,018,939	4,018,939
Other comprehensive income:									
Net fair value gain on equity instruments measured at fair value through	29	-	-	-	-	-	76,291	-	76,291
Total comprehensive income		-	-	-			**76,291**	**4,018,939**	**4,095,230**
Transfer to contingency reserve	26	-	-	817,561	-	-	-	(817,561)	-
Cash dividend	24.1				-				-
Bonus share issue from retained earning	24.1	1,540,000	-					(1,540,000)	-
Regulatory costs of bonus shares issuance	25		(49,969)						(49,969)
		1,540,000.0	(49,969.0)	817,561	-	-	76,290.8	1,661,378	4,045,261
At 31 December 2025		**9,240,000**	**497,464**	**6,380,203**	**1,721,291**	**59,771**	**22,771,690**	**6,219,672**	**46,890,090**

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

In thousands of naira	Notes	Share capital	Share premium	Contingency Reserve	Asset revaluation reserve	Re-measure ment 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
Comprehensive income									
Profit for the year		-	-	-	-	-	-	5,551,631	5,551,631
Other comprehensive income:									
Remeasurement of defined benefit obligation	30	-	-	-	-	55,660	-	-	55,660
Net fair value gain on equity instruments measured at fair value through	29	-	-	-	-	-	4,971,762	-	4,971,762
Net fair value changes on debt instrument at fair value through OCI	29	-	-	-	-	-	(49,723)	-	(49,723)
ECL writeback on debt instrument on fair value through OCI	29	-	-	-	-	-	(4,127)	-	(4,127)
Total comprehensive income		**-**	**-**	**-**	**-**	**55,660**	**4,917,912**	**5,551,631**	**10,525,203**
Transfer to contingency reserve	26	-	-	1,110,326	-	-	-	(1,110,326)	-
Cash dividends	24.1	-	-		-		-	(700,000)	(700,000)
Bonus share issue from retained earning	24.1	700,000						(700,000)	-
Regulatory costs of bonus shares issuance	25		(12,861)		-				(12,861)
		700,000	(12,861)	1,110,326	-	-	-	(2,510,326)	(712,861)
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 year ended 31 December 2025

	Note	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Cash flows from operating activities			
Premiums received from policy holders	44(b)	27,845,581	24,044,368
Premiums received in advance	18a	75,425	22,374
Deposit without details	20.2(a)	824,853	623,081
Reinsurance premium paid	44(d)	(12,850,032)	(11,502,518)
Claims paid	35	(5,946,535)	(4,578,686)
Reinsurance claim recoveries	44(c)	2,237,273	1,463,862
Salvage recovery	44(c)	174,062	87,480
Commission paid	44(e)	(9,328,945)	(8,536,607)
Maintenance expenses paid	37	(2,188,220)	(2,115,580)
Commission received	44(f)	2,533,396	1,797,492
Cash payment to and on behalf of employees (excluding m	44(k)	(1,297,584)	(1,765,707)
Other operating cash receipts/(payments)	44(a)	(2,966,614)	(1,058,858)
Corporate tax paid	21	(296,975)	(160,177)
Net cash flows (used in)/ from operating activities		(1,184,315)	(1,679,476)
Cash flows from Investing activities			
Purchase of properties and equipment	44(i)	(225,724)	(466,435)
Purchase of intangible assets	15	-	(9,568)
Proceeds from sale of property and equipment	44(j)	14,158	81,163
Purchase of investment securities	44(h)	(6,853,437)	(11,520,752)
Proceeds from sale of investment securities - FVTPL	44(h)	-	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)	2,527,075	5,380,458
Loans disbursed	9(i)	(1,201,996)	(127,315)
Proceeds from repayment of loans	9(i)	985,403	198,888
Dividend received	38	2,555,284	2,236,441
Rental income received	41	8,800	3,500
Interest received	38	4,658,674	3,567,427
Statutory deposit paid	23	(70,000)	-
Net cash flows from/(used in) investing activities		2,398,237	1,430,435
Financing activities			
Dividend paid		(1,540,000)	(700,000)
Regulatory costs of bonus share issuance		(49,969)	(12,861)
		(1,589,969)	(712,861)
Net decrease in cash and cash equivalents		(376,047)	(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		(744,749)	952,145
Cash and cash equivalents at end of the period	7	4,376,842	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
- Agric

The following is an analysis of the Company's revenue and result by reportable segment
for the year ended 31 December 2025

Income:	**Fire**	**Accident**	**Motor**	**Marine**	**Aviation**	**Bond**	**Engineering**	**Oil & Gas**	**Agric**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Insurance revenue	4,511,271	2,566,971	7,288,564	1,852,197	393,497	6,197	1,832,042	9,123,203	19,084	27,593,027
Insurance service expense excl. acq. cash flows when incurred	(2,840,566)	(2,592,383)	(5,918,192)	(1,568,926)	(559,101)	(3,455)	(1,345,776)	(3,766,490)	(8,092)	(18,602,981)
Insurance Service Result for insurance contract held	**1,670,704**	**(25,411)**	**1,370,372**	**283,271**	**(165,604)**	**2,743**	**486,266**	**5,356,713**	**10,992**	**8,990,045**
Allocation of reinsurance premium	-1,529,882	-805,707	-249,376	-708,570	-12,635	-2,907	-803,318	-5,431,613	-6,283	(9,550,291)
Amount Recoverable from reinsuere for incured claims	422,438	554,985	93,769	867,768	9,063	34	289,124	-4,707	77	2,232,551
Net Income or Expenses from reinsurance contract held	-1,107,444	-250,722	-155,607	159,198	-3,572	-2,873	-514,194	-5,436,320	-6,206	(7,317,740)
Insurance Service Result	**563,261**	**(276,134)**	**1,214,765**	**442,470**	**(169,176)**	**(130)**	**(27,928)**	**(79,608)**	**4,786**	**1,672,305**
										-

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	**FIRE**	**ACCIDENT**	**MOTOR**	**MARINE**	**AVIATION**	**BOND**	**ENGINEERING**	**OIL&GAS**	**AGRIC**	**Total**
wrt insurance revenue	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**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	1,019,383	525,602	2,370,561	419,418	259,306	6,652	714,260	1,581,336	6,713	6,903,231
	- 51,160	- 25,969	- 888,697	71,032	271,058	466	- 72,834	1,038,161	- 1,054	341,003
Changes in asset for acquisition cash flows	22,023	8,922	91,770	- 15,455	- 54,301	- 246	- 4,335	- 378,015	- 147	(329,783)
Interest accreted (incl. change of rates) to insurance contracts	-	-	-	-	-	-	-	-	-	-
Elimination of Loss component in movement of liabilities	-	-	-	-	-	-	-	-	-	-
Premiums received	4,562,431	2,592,940	8,177,261	1,781,164	122,439	5,731	1,904,876	8,085,042	20,138	27,252,022
Amortisation of insurance acquisition cash flows	1,632,363	989,814	2,792,769	671,852	98,459	2,552	648,242	2,794,390	6,248	9,636,691
Insurance acquisition cash flows	- 1,654,386	- 998,736	- 2,884,539	- 656,396	- 44,158	- 2,306	- 643,907	- 2,416,375	- 6,101	(9,306,906)
Insurance revenue	**4,511,271**	**2,566,971**	**7,288,564**	**1,852,197**	**393,497**	**6,197**	**1,832,042**	**9,123,203**	**19,084**	**27,593,027**

Notes to the financial statements

- NOTES INSURANCE - Insurance service expense -										-
wrt insurance service expense										-
Opening liabilities for incurred claims	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
Closing liabilities for incurred claims	2,003,737	2,770,044	1,263,805	2,070,200	1,219,386	9,861	1,287,246	1,732,064	1,748	12,358,091
Changes in liabilities for incurred claims	75,812	- 552,077	- 438,717	- 457,429	704,075	- 168	- 114,891	- 244,718	- 140	(1,028,253)
Interest accreted (incl. change of rates) to insurance contracts	29,802	18,521	7,237	45,970	45,970	- 274	19,215	30,364	- 87	196,718
Investment component	-	-	-	-	-	-	-	-	-	-
Elimination of Loss component in movement of liabilities	-	-	-	-	-	-	-	-	-	-
Amortisation of insurance acquisition cash flows	- 1,632,363.27	- 989,813.85	- 2,792,769.25	- 671,852.48	- 98,458.81	- 2,552.50	- 648,242.08	- 2,794,390.30	- 6,248.46	(9,636,691)
Claims and other expenses paid	- 1,313,817.56	- 1,069,012.91	- 2,693,942.84	- 485,613.80	- 1,210,687.32	- 460.17	- 601,857.34	- 757,746.05	- 1,616.99	(8,134,755)
										-
Insurance service expenses	**- 2,840,566.46**	**- 2,592,382.79**	**- 5,918,192.30**	**- 1,568,925.67**	**- 559,101.12**	**- 3,454.50**	**- 1,345,775.74**	**- 3,766,490.41**	**- 8,092.12**	**(18,602,981)**
Acquisition cash flows recognised when incurred	-	-	-	-	-	-	-	-	-	-
Insurance service result before reinsurance contracts held	**1,670,704.40**	**- 25,411.33**	**1,370,371.91**	**283,271.11**	**- 165,603.98**	**2,742.70**	**486,266.22**	**5,356,712.55**	**10,991.90**	**8,990,045**
NOTES INSURANCE - Allocation of reinsurance Premium										
wrt insurance revenue										-
Opening assets for remaining coverage	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
Closing assets for remaining coverage	516,594.00	294,388.00	85,072.00	219,512.00	124,475.00	1,650.00	417,213.00	1,353,981.00	2,568.00	3,015,453
Changes in asset for remaing coverage.	107,508	68,757	28,903	- 53,923	- 18,711	- 2,718	253,716	524,666	- 113	908,085
Changes in fees & commission for remainig coverage.	- 32,382	- 22,347	- 10,276	19,028	5,549	711	- 45,639	- 56,411	27	- 141,741
Interest accreted	-	-	-	-	-	-	-	-	-	-
Reinsurance Premiums	- 1,605,008	- 852,117	- 268,003	- 673,675	527	- 900	- 1,011,395	- 5,899,868	- 6,197	- 10,316,636
										-
Allocation of reinsurance premium	**- 1,529,882**	**- 805,707**	**- 249,376**	**- 708,570**	**- 12,635**	**- 2,907**	**- 803,318**	**- 5,431,613**	**- 6,283**	**- 9,550,291**
wrt insurance service expense										-
Opening assets recoverable on incurred claims	1,173,607	1,252,276	127,124	785,614	923,323	-	516,375	217,290	959	4,996,568
Closing assets recoverable for incurred claims	1,219,840	1,477,603	120,445	878,840	414,695	34	580,441	218,905	961	4,911,764
Changes in assets recoverable for incurred claims.	46,233	225,327	- 6,679	93,226	- 508,628	34	64,066	1,615	2	- 84,804
Interest accreted	- 1,573	- 15,021	- 1,573	- 26,372	- 31,133	-	- 12,061	- 6,322	75	- 93,980
Investment component										-
Amounts received	377,778	344,679	102,021	800,914	548,824	-	237,119	-	-	2,411,335
Amounts recoverable from reinsurers	**422,438**	**554,985**	**93,769**	**867,768**	**9,063**	**34**	**289,124**	**- 4,707**	**77**	**2,232,551**
Net income from reinsurance contracts held	**- 1,107,444**	**- 250,722**	**- 155,607**	**159,198**	**- 3,572**	**- 2,873**	**- 514,194**	**- 5,436,320**	**- 6,206**	**- 7,317,740**
Insurance Service result	**563,261**	**- 276,134**	**1,214,765**	**442,470**	**- 169,176**	**- 130**	**- 27,928**	**- 79,608**	**4,786**	**1,672,305**

31 Dec 2024

Income:	**Fire**	**Accident**	**Motor**	**Marine**	**Aviation**	**Bond**	**Engineering**	**Oil & Gas**	**Agric**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Insurance revenue	3,727,609	1,898,192	5,073,031	1,609,004	1,064,601	18,538	1,221,800	7,596,983	19,340	22,229,098
Insurance service expense excl. acq. cash flows when incurred	(1,126,790)	(1,545,204)	(3,070,817)	(1,941,002)	(2,642,339)	(13,538)	(1,574,015)	(3,060,048)	2,164	(14,971,588)
Insurance Service Result for insurance contract held	**2,600,819**	**352,988**	**2,002,214**	**(331,998)**	**(1,577,738)**	**5,000**	**(352,215)**	**4,536,935**	**21,504**	**7,257,510**
Allocation of reinsurance premium	-1,123,733	-587,050	-169,556	-585,221	-968,033	-2,622	-466,985	-4,703,684	-6,517	(8,613,401)
Amount Recoverable from reinsuere for incured claims	-416,980	453,390	375,876	470,011	897,607	0	377,467	-27,040	-7,474	2,122,857
Net Income or Expenses from reinsurance contract held	-1,540,713	-133,660	206,320	-115,210	-70,426	-2,622	-89,518	-4,730,723	-13,991	(6,490,544)
Insurance Service Result	**1,060,106**	**219,328**	**2,208,534**	**(447,209)**	**(1,648,164)**	**2,378**	**(441,733)**	**(193,788)**	**7,513**	**766,966**

Insurance Rev	**FIRE**	**ACCIDENT**	**MOTOR**	**MARINE**	**AVIATION**	**BOND**	**ENGINEERING**	**OIL&GAS**	**AGRIC**	**Total**
wrt insurance revenue	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Changes in Liability for remaining coverage	-108,426	-103,135	65,308	-209,425	-431,715	4,013	-328,876	-1,391,627	-3,115	(2,506,998)
Changes in asset for acquisition cash flows	23,502	18,168	-5,028	36,668	34,932	-765	59,575	279,909	-1,397	445,564

Notes to the financial statements

Interest accreted (incl. change of rates) to insurance contracts										
Premiums received	3,836,035	2,001,327	5,007,723	1,818,429	1,496,316	14,525	1,550,676	8,988,610	22,454	24,736,095
Amortisation of insurance acquisition cash flows	1,253,799	757,209	1,597,583	608,560	506,244	5,727	474,726	2,811,253	8,361	8,023,462
Insurance acquisition cash flows	-1,277,301	-775,377	-1,592,555	-645,228	-541,176	-4,962	-534,301	-3,091,162	-6,963	(8,469,025)
Insurance revenue	3,727,609	1,898,192	5,073,031	1,609,004	1,064,601	18,538	1,221,800	7,596,983	19,340	22,229,098
Insurance serv eexpense										
Opening liabilities for incurred claims	3,540,086	2,412,397	1,012,732	1,133,513	342,318	2,734	365,585	2,521,777	13,927	11,345,069
Closing liabilities for incurred claims	2,079,549	2,217,966	825,088	1,612,771	1,923,460	9,693	1,172,355	1,487,346	1,607	11,329,836
	1,460,537	194,431	187,644	-479,258	-1,581,142	-6,959	-806,770	1,034,431	12,320	15,233
Interest accreted (incl. change of rates) to insurance contr	-42,412	-26,357	-10,299	-54,569	-65,418	390	-27,344	-43,210	124	(269,095)
Elimination of Loss component in movement of liabilities	0	0	0	0	0	0	0	0	0	-
Amortisation of insurance acquisition cash flows	-1,253,799	-757,209	-1,597,583	-608,560	-506,244	-5,727	-474,726	-2,811,253	-8,359	(8,023,460)
Claims and other expenses paid	-1,291,117	-956,069	-1,650,579	-798,615	-489,534	-1,242	-265,174	-1,240,016	-1,920	(6,694,266)
Insurance service expense	(1,126,790)	(1,545,204)	(3,070,817)	(1,941,002)	(2,642,339)	(13,538)	(1,574,015)	(3,060,048)	2,164	(14,971,588)
Opening assets for remaining coverage	469,945	194,244	7,567	162,065	-	1,016	104,804	384,370	135	1,324,146
Closing assets for remaining coverage	409,086	225,631	56,169	273,435	143,186	4,368	163,497	829,315	2,681	2,107,368
Change in prepaid asset LRC	(60,859)	31,387	48,602	111,370	143,186	3,352	58,693	444,945	2,546	783,222
Changes in fees & commission for remainig coverage.	18,570	(13,199)	(17,572)	(35,396)	(5,549)	(901)	(12,126)	8,751	(636)	(58,058)
Interest accreted	-	-	-	-	-	-	-	-	-	-
Investment component										-
Reinsurance Premiums	(1,081,444)	(605,238)	(200,586)	(661,195)	(1,105,670)	(5,073)	(513,552)	(5,157,380)	(8,427)	(9,338,565)
Allocation of reinsurance premium	(1,123,733)	(587,050)	(169,556)	(585,221)	(968,033)	(2,622)	(466,985)	(4,703,684)	(6,517)	(8,613,401)
Opening assets recoverable on incurred claims	2,058,437	1,237,097	134,563	482,468	56,850	-	186,920	376,947	8,357	4,541,639
Closing assets recoverable for incurred claims	1,173,608	1,252,277	127,125	785,617	923,324	-	516,377	217,291	958	4,996,577
Change in prepaid asset LIC	(884,829)	15,180	(7,438)	303,149	866,474	0	329,457	(159,656)	(7,399)	454,938
Interest accreted	24,170	15,021	1,573	26,372	31,133	0	12,061	6,322	(75)	116,577
Investment component										-
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-	-	-	-	-
Amounts received	443,679	423,189	381,741	140,490	0	0	35,949	126,294	0	1,551,342
Amounts recoverable from reinsurers	(416,980)	453,390	375,876	470,011	897,607	0	377,467	(27,040)	(7,474)	2,122,857
Net income/(expense) from reinsurance contracts held	- 1,540,712.57	- 133,660.02	206,320.15	- 115,210.48	- 70,426.16	- 2,622.00	- 89,518.29	- 4,730,723.28	- 13,990.86	(6,490,544)
Insurance service result	**1,060,106**	**219,328**	**2,208,534**	**(447,209)**	**(1,648,164)**	**2,378**	**(441,733)**	**(193,788)**	**7,513**	**766,966**

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		
In thousand of Naira	**31 Dec 2025**	**31 Dec 2024**
Total assets	70,177,620	65,677,300
Less: Total liabilites	23,287,529	22,832,471
Shareholders funds as at year end	**46,890,091**	**42,844,829**
Adjustment for non-capital items	25,066	33,908
Available capital resources	**46,865,025**	**42,810,921**
Changes in available capital	9%	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 N46,865,024 (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 ~~N15~~billion.

In thousands of naira	**31 Dec 2025**	**31 Dec 2024**
Total shareholders' funds	46,890,091	42,844,829
Regulatory required capital	3,000,000	3,000,000
Excess over minimum capital	43,890,091	39,844,829
Capitalisation rate	1563%	1428%

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

	31 Dec 2025	**31 Dec 2024**
Share capital	9,240,000	7,700,000
Share premium	497,464	547,433
Retained earnings	6,219,672	4,558,293
Contigency reserve	6,380,203	5,562,642
Excess of admissible assets over liabilities	**22,337,339**	**18,368,368**
Less the amount of own shares held (Treasury shares)	-	-
Capital Requirement	**22,337,339**	**36,736,735**

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 31 December 2025 is as follows:

Assets	**Total 31 Dec 2025**	**Admissible 31 Dec 2025**	**Non-admissible 31 Dec 2025**	**Total 31 Dec 2024**	**Admissible 31 Dec 2024**	**Non-admissible 31 Dec 2024**
Cash and cash equivalents:						
- Bank and cash balances	2,174,243	2,174,243	-	3,567,443	3,567,443	-
- Placement with financial institutions	2,202,597	2,202,597	-	1,849,238	1,849,238	-
Financial assets:		-	-	-	-	-
- Treasury bills	5,681,541	5,681,541	-	5,382,227	5,382,227	-
Treasury bills FVOCI	784,470	784,470	-			
- Government bonds	10,360,046	10,360,046	-	8,216,561	8,216,561	-
- Corporate bonds -Quoted	171,821	171,821	-	473,072	473,072	-
- Corporate bonds -Unquoted	578,636	-	578,636	2,308,837	-	2,308,837
- Mutual funds	2,134,134	365,813	1,768,321	1,598,301	1,598,301	-
- Quoted shares	3,696,515	3,696,515	-	1,897,830	1,897,830	-
- Unquoted shares	25,521,447	190,298	25,331,149	25,521,447	190,298	25,331,149
- Loan to policyholders	-	-	-	-	-	-
- Mortgage loans	269,647	-	269,647	-	-	-
- Loan to staff	249,475	249,475	-	337,146	150,570	186,576
Other loans	34,614		34,614	-	-	-
- Commercial paper	2,296,402	2,296,402	-	1,523,965	1,523,965	-
- Other loans and invested assets (Investment notes and Loans to Financial companies)	2,065,928	289,033	1,776,895	710,163	710,163	-
Other receivables and prepayments	2,799,386	332,002	2,467,384	1,263,758	141,749	1,122,009
Insurance contract assets	-		-	-	-	-
Reinsurance contract assets	4,543,242	4,543,242	-	5,571,208	5,571,208	-
Premium receivable	279,133	279,133	-	948,117	948,117	-
Investment property	340,000	340,000	-	340,000	340,000	-
Land and building	2,236,398	1,000,000	1,236,398	2,248,539	1,000,000	1,248,539
Property and equipment (excluding land & building)	940,076	940,076	-	1,177,661	1,177,661	-
Intangible assets	25,066		25,066	33,908	-	33,908
Right-of-use assets	22,800	-	22,800	7,880	-	7,880
Statutory deposit	770,000	770,000		700,000	700,000	-
Total assets	**70,177,617**	**36,666,708**	**33,510,909**	**65,677,300**	**35,438,401**	**30,238,898**
Liabilities				-		
				-		
Insurance contract liabilities	(18,404,023)	(18,404,023)	-	(17,386,989)	(17,386,989)	-
Reinsurance contract liabilities	-	-	-	-	-	-
Other technical liabilities	(1,495,369)	(1,495,369)	-	(1,218,863)	(1,218,863)	-
Defined Benefit Obligation	(103,644)	(103,644)	-	(93,950)	(93,950)	-
Current tax liabilities	(232,131)	(232,131)	-	(245,563)	(245,563)	-
Deferred tax liabilities	(2,036,859)		(2,036,859)	(2,036,859)	-	(2,036,859)
Other payables	(1,015,504)	(1,015,504)	-	(1,850,248)	(1,850,248)	-
Total liabilities	**(23,287,530)**	**(21,250,671)**	**(2,036,859)**	**(22,832,471)**	**(20,795,613)**	**(2,036,859)**
				-		
Excess of total admissible assets over admissible liabilities		**15,416,037**	**-**	-	**14,642,788**	**-**
Required solvency margin: Higher of ;			**-**	-		**-**
a. 15% of Net premium		2,160,299	**-**	-	2,040,006	**-**
b. Minimum capital required		3,000,000	**-**	-	3,000,000	**-**
			-	-		**-**
Excess of solvency margin over minimum capital base		**12,416,037**	**-**	-	**11,642,788**	**-**
Level of Solvency (available solvency/required solvency*100)		514	**-**	-	488	**-**

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	31 Dec 2025			31 Dec 2024		
In thousands of naira	Insurance contract liabilities	Reinsurance contracts assets	Net	Insurance contract liabilities	Reinsurance contracts assets	Net
Fire	2,824,107	(991,062)	1,833,045	2,870,781	(1,380,578)	1,490,203
Accident	3,198,077	(1,549,101)	1,648,976	2,628,954	(493,580)	2,135,374
Motor	3,383,775	(176,799)	3,206,976	2,148,131	(957,475)	1,190,656
Marine	2,416,734	(842,041)	1,574,693	2,014,881	(384,327)	1,630,554
Aviation	1,478,692	(521,898)	956,794	2,399,524	(1,120,151)	1,279,373
Bond	15,570	1,839	17,409	15,624	(273,375)	(257,751)
Engineering	1,885,536	(571,195)	1,314,341	1,693,474	(959,487)	733,987
Oil & Gas	3,193,805	104,320	3,298,125	3,607,410	(1,584)	3,605,826
Agric	7,727	2,695	10,422	8,209	(651)	7,558
	18,404,023	**(4,543,241)**	**13,860,782**	**17,386,988**	**(5,571,208)**	**11,815,780**

Reinsurance risk concentration per policy type

Line of business	31 Dec 2025			31 Dec 2024		
In thousands of naira	Allocation of reinsurance premium	Amounts recoverable on incurred claims	Net	Allocation of reinsurance premium	Amounts recoverable on incurred claims	Net
Fire	(1,529,882)	422,438	(1,107,444)	(1,123,733)	(416,980)	(1,540,713)
Accident	(805,708)	554,985	(250,723)	(587,052)	453,390	(133,662)
Motor	(249,376)	93,769	(155,607)	(169,556)	375,876	206,320
Marine	(708,570)	867,768	159,198	(585,221)	470,011	(115,210)
Aviation	(12,635)	9,063	(3,571)	(968,033)	897,607	(70,426)
Bond	(2,907)	34	(2,873)	(2,622)	-	(2,622)
Engineering	(803,318)	289,124	(514,194)	(466,985)	377,467	(89,518)
Oil & Gas	(5,431,613)	(4,707)	(5,436,320)	(4,703,684)	(27,040)	(4,730,723)
Agric	(6,283)	77	(6,206)	(6,517)	(7,474)	(13,991)
	(9,550,292)	**2,232,551**	**(7,317,741)**	**(8,613,403)**	**2,122,858**	**(6,490,546)**

(d) **Key Assumptions**

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

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

(e) **Sensitivity Analysis**

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

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

Notes to the financial statements

(e) Sensitivity Analysis - continued

Sensitivity Analysis of Liability for Claims

31 December 2025

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

31 December 2024

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

Summary of Significant Assumptions

Description	31-Dec-25	31-Dec-24
Growth in gross income (GI) % over the next 5 years	20,20,15,15,15	20,20,15,15,15
Operating expenses / gross income %	38	38
Depreciation and amortization / gross income %	2	
Effective tax rate (Tax / profit before tax) %	29	29
Capital expenditure / gross income % over the next 5 years	3	
Perpetual growth rate %	7.25	7.25
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	16.98
Market risk premium %	14.34	14.34
Beta	1	
Weighted average cost of capital %	31.32	31.32
Equity value of Stanbic IBTC Pension Managers Limited (see note 8.2(a))	0	
Equity value of 11.76% holding		
illiquidity discount %	20	20
Value of Linkage Assurance PLC's equity stake	N24.802 billion	N24.802 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 2025

						Equity Value (₦ million)				
						Terminal growth rate of FCF				
		6.12%	**6.62%**	**7.12%**	**7.62%**	**8.12%**	**8.62%**	**9.12%**	**9.62%**	**10.12%**
WACC	**29.82%**	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 2024

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

Notes to the financial statements-continued

6 Insurance risk - continued

(f) **Claims Development Table**

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

Motor, General Accident, Fire, Marine, Engineering

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

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

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

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

Notes to the financial statements

7 Cash and cash equivalents

Cash and cash equivalents comprise:	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Cash in hand	1,394	3,353
Bank balances	2,172,849	3,564,089
Short term placement	2,273,543	1,930,195
Cash and cash equivalent per statement of cash flows	4,447,786	5,497,637
Allowance for impairment (see (7.1) below)	(70,946)	(80,956)
Cash and bank balance as at the period	**4,376,841**	**5,416,681**

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

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

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

	31 Dec 2025 ₦'000		31 Dec 2024 ₦'000	
	Gross carrying amount	ECL	Gross carrying amount	ECL
At 1 January	5,497,637	80,956	5,597,069	89,676
New assets originated or purchased	4,447,786	70,946	5,497,637	80,956
Assets derecognized or repaid	(5,497,637)	(80,956)	(5,597,069)	(89,676)
At 31 December	**4,447,786**	**70,946**	**5,497,637**	**80,956**

8.0 FINANCIAL ASSETS

The Company's financial assets are summarised by their nature as follows:	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Fair Value Through Profit or Loss (Note 8.1)	4,683,088	2,102,495
Fair Value Through Other Comprehensive Income (Note 8.2)	31,945,100	29,490,446
Amortised Cost (Note 8.3)	16,662,752	16,039,461
	53,290,940	**47,632,402**

Fair Value Through Profit or Loss (Note 8.1)		
Quoted Equity	3,696,515	1,897,830
Mutual Funds	365,813	204,665
FGN Bonds	620,760	-
Corporate Bond	-	-
	4,683,088	***2,102,495***
Attributable to Policyholders	1,505,542	204,665
Attributable to Shareholders	3,177,546	1,897,830
	4,683,088	***2,102,495***

Fair Value Through Other Comprehensive Income (Note 8.2)		
Unquoted Equity:		
Stanbic-IBTC Pension Managers Ltd.	*24,802,000*	*24,802,000*
Energy & Allied Insurance Pool-NIA	*64,153*	*64,153*
WAICA-Re	*640,294*	*640,294*
Nigeria Liability Insurance Pool (NLIP)	*15,000*	*15,000*
Total	**25,521,447**	**25,521,447**
Collective Investment Schemes (classified as Equity):		
Infrastructure Fund	*1,200,736*	*1,063,020*
Halal Fund	*264,586*	*228,115*
Fixed Income Fund	-	-
Real Estate Investment Trust	*303,000*	*102,500*
Total	***1,768,322***	***1,393,635***
Debt Instruments:		
FGN & Sub-National Bonds	*3,870,861*	*1,852,513*
FGN Treasury Bills	*784,470*	*722,850*
Corporate Bonds	-	-
Total	***4,655,331***	***2,575,363***
Fair Value Through Other Comprehensive Income - Attributable to Shareholders	***31,945,100***	***29,490,445***
Fair Value Through Other Comprehensive Income - Attributable to Policyholders	**Nil**	**Nil**

Amortised Cost (Note 8.3)		
FGN & Sub-National Bonds	3,551,246	3,037,135
Corporate Bonds	750,457	2,781,909
FGN Promissory Notes	2,317,178	3,326,912
Investment Notes	2,065,928	710,163
FGN Treasury Bills	5,681,541	4,659,377
Commercial Papers	2,296,402	1,523,965
Total	***16,662,752***	***16,039,461***
Amortised Cost - Attributable to Policyholders	16,662,752	16,039,461
Attributable to Shareholders	**Nil**	**Nil**

Notes to the financial statements

8 Investment securities

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

	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Equity instrument at fair value through profit or loss (note 8.1)	4,683,088	2,102,494
Equity instrument at fair value through OCI (note 8.2)	27,289,769	26,915,082
Debt instruments measured at FVOCI (note 8.2.1)	4,655,331	2,575,364
Amortised cost (note 8.3)	16,662,752	16,039,462
	53,290,941	**47,632,403**

Financial instrument classification

In thousands of Naira	Fair Value through Profit or Loss (31 Dec 2025)	Available for Sale	Held to Maturity	Total
- Listed	4,683,088	6,423,652	15,852,342	26,959,082
- Unlisted	-	25,521,448	810,410	26,331,858
- Other financial assets	-	-	-	-
	4,683,088	31,945,100	16,662,752	53,290,940
Within one year	4,683,088	-	16,662,752	21,345,841
More than one year	-	31,945,100	-	31,945,100
	4,683,088	31,945,100	16,662,752	53,290,941

Financial instrument classification

In thousands of Naira	Fair Value through Profit or Loss (31 Dec 2024)	Fair Value through OCI	Amortised cost	Total
- Listed	2,102,495	3,968,999	810,410	6,881,904
- Unlisted	-	25,521,447	15,229,052	40,750,499
- Other financial assets	-	-	-	-
	2,102,495	29,490,446	16,039,462	47,632,403
Within one year	2,102,495	-	16,039,462	18,141,957
More than one year	-	29,490,446	-	29,490,446
	2,102,495	29,490,446	16,039,462	47,632,403

8.1 Financial assets at fair value through profit or loss

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

In thousands of Naira	31 Dec 2025	31 Dec 2024
Balance as at the beginning of the year	2,102,496	2,443,132
Addition during the period	1,248,418	352,747
Disposal during the period	-	(1,071,725)
	3,350,914	1,724,154
Net fair value loss on financial assets at fair value through profit or loss	-	(56,687)
Realised gain of financial assets at FVTPL	1,332,176	435,027
Balance as at the end of the period	**4,683,088**	**2,102,494**

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 Equity Instruments measured at fair value through other comprehensive income

	31 Dec 2025	31 DEC 2024
Equity Instruments measured at fair value through OCI	N'000	N'000
Unquoted equities - at FVTOCI (see (a) below)	25,521,448	25,521,447
Equity mutual funds	1,768,321	1,393,635
	27,289,769	26,915,082
8.2.1 Debt Instruments measured at fair value through other comprehensive income		
Bonds at FVTOCI	4,655,331	2,575,364
	31,945,100	**29,490,446**

Reconciliation of movement in fair value through other comprehensive income

In thousands of naira	31 Dec 2025	31 DEC 2024
At 1 January	29,490,446	21,315,486
Additions during the period	2,454,654	1,744,080
Fair value gain - equity	-	7,519,996
Fair value loss-bond	-	(74,214)
Disposal	-	(1,014,903)
At 31 December	**31,945,100**	**29,490,446**

Fair value changes through other comprehensive income	31 Dec 2025	31 DEC 2024
Fair value gain - equity	-	7,519,996
Fair value loss-bond	-	(74,214)
	-	7,445,782
Deferred tax effect:		
Fair value gain - equity	-	2,548,234
Fair value loss-bond	-	(24,491)
	-	2,523,743
Fair value changes through other comprehensive income net of tax		
Fair value gain - equity (net of tax)	-	4,971,762
Fair value gain - bond (net of tax)	-	(49,723)
Recognised in the Statement of Comprehensive income	-	4,922,039

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

	Stage 1	
	Gross carrying amount	ECL
	₦'000	₦'000
At 1 January 2025	2,575,364	6,160
New assets originated or purchased	2,725,155	-
Assets derecognized	(796,240)	-
Fair value gain/(loss)	151,052	-
At 31 December 2025	**4,655,331**	**6,160**

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

	31 DEC 2025	31 DEC 2024
Deferred tax effect:	N'000	N'000
ECL writeback on debt instrument on fair value through OCI	6,160	6,160
Net of tax	(2,033)	(2,033)
	4,127	**4,127**

	31 DEC 2025	31 DEC 2024
8.3 Amortised cost	₦'000	₦'000
Bonds	16,733,332	16,110,043
Impairment allowance on bonds	(70,581)	(70,581)
	16,662,751	16,039,462

8.3.1 Debt instruments at amortised cost

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

	31 DEC 2025	31 DEC 2024
	₦'000	₦'000
At 1 January	16,110,042	12,066,575
Additions	3,150,365	9,423,925
Redemption/repayment	(2,527,075)	(5,380,458)
	16,733,332	16,110,042
Less: Impairment loss	(70,580)	(70,581)
At 31 December	**16,662,752**	**16,039,461**

8.3.2 Debt instruments measured at amortised cost

	Stage 1	
	Gross carrying amount	ECL
At 1 January 2025	16,110,042	70,581.00
New assets originated or purchased	3,150,365	-
Assets derecognized	(2,527,075)	-
At 31 December 2025	16,733,332	70,581

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

Notes to the financial statements

9 Loans and receivables at 31 Dec 2025

In thousands of Naira	Gross Amount ₦'000	Impairment ₦'000	Carrying Amount ₦'000
Due from third parties (see note a below)	34,614	-	34,614
Loan to staff	524,558	(5,436)	519,122
Loan to policy holders	13,655	(13,655)	-
Ex-staff loans	59,655	(59,655)	-
	632,482	**(78,746)**	**553,736**

Loans and receivables at Dec. 2024

In thousands of Naira	Gross Amount	Impairment	Carrying Amount
Due from third parties (see note a below)	-	-	-
Loan to staff	342,580	(5,436)	337,144
Loan to policy holders	13,655	(13,655)	-
Ex-staff loans	59,655	(59,655)	-
	415,890	**(78,746)**	**337,144**

9(i) Movement during the year

	31 Dec 2025 N'000	31 DEC 2024 N'000
As at 1 January	415,890	487,463
Loans disbursement	1,201,996	127,315
Loan repayments	(985,403)	(198,888)
As at end of the period	**632,483**	**415,890**

(a) Breakdown of Due from third parties

Name of third parties *In thousand of Naira*	31 Dec 2025 ₦'000	31 DEC 2024 ₦'000
Pine Hill Leasing	40,833	-
Credite Capital Finance and Invest	20,739	-
Total	**61,572**	**-**

(b) Impairment allowance

In thousands of Naira	31 Dec 2025	31 DEC 2024
Balance at the beginning of the year	(78,746)	(49,164)
Movement during the period	-	(29,582)
Balance at the end of the period	**(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.

10 Reinsurance contract assets and insurance contract liabilities

10.1 Reinsurance contract assets

In thousands of Naira	31 Dec 2025	31 DEC 2024	Changes during the year
Reinsurance asset for remaining coverage (note 10(a))	2,877,169	1,969,086	908,083
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))	4,504,495	4,619,305	(114,810)
Deferred commission revenue (see (i) below)	(506,130)	(364,389)	(141,741)
Reinsurance contract liabilities	(2,877,846)	(1,168,349)	(1,709,497)
	4,543,242	**5,571,208**	**681,531**

(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:

10.2 Insurance contract liabilities

	31 Dec 2025 ₦'000	31 DEC 2024 ₦'000	Changes during the year
Liability for incurred claims (note 17.1(a))	11,422,098	10,473,845	948,253
RISK ADJUSTMENT RESERVE - LIC	935,993	855,994	79,999
Liabiity for remaining coverage (excluding loss component) (note 17.5)	6,612,573	6,953,575	(341,002)
Liability for Loss Component	290,658	290,658	-
	19,261,322	18,574,072	687,250
Asset for acquisition cash flow cost (see note 17.2)	(857,299)	(1,187,084)	329,785
Total insurance contract liabilities	**18,404,023**	**17,386,988**	**1,017,035**

10.3 Reinsurance contract assets and Insurance contract liabilities

	31 Dec 2025			31 DEC 2024		
	Asset	**Liabilities**	**Net**	**Asset**	**Liabilities**	**Net**
Reinsurance contracts assets	(4,543,241)	-	(4,543,241)	(5,571,208)		(5,571,208)
Insurance contract liabilities	-	18,404,023	18,404,023	-	17,386,988	17,386,988
	(4,543,241)	18,404,023	13,860,782	(5,571,208)	17,386,988	11,815,780

Notes to the financial statements

10.4 Reinsurance contracts assets

	Note	31 Dec 2025 Asset	31 Dec 2025 Liabilities	31 Dec 2025 Net	31 DEC 2024 Asset	31 DEC 2024 Liabilities	31 DEC 2024 Net
Fire	10.6(a)	(991,062)	-	(991,062)	(1,380,578)	-	(1,380,578)
Accident	10.6(b)	(1,549,101)	-	(1,549,101)	(493,580)	-	(493,580)
Motor	10.6(c)	(176,799)	-	(176,799)	(957,475)	-	(957,475)
Marine	10.6(d)	(842,041)	-	(842,041)	(384,327)	-	(384,327)
Aviation	10.6(e)	(521,898)	-	(521,898)	(1,120,151)	-	(1,120,151)
Bond	10.6(f)	1,839	-	1,839	(273,375)	-	(273,375)
Engineering	10.6(g)	(571,195)	-	(571,195)	(959,487)	-	(959,487)
Oil & Gas	10.6(h)	104,320	-	104,320	(1,584)	-	(1,584)
Agric	10.6(i)	2,695	-	2,695	(651)	-	(651)
Total reinsurance contracts assets		(4,543,241)	-	(4,543,241)	(5,571,208)	-	(5,571,208)

10.5 Insurance contract liabilities

	Note	31 Dec 2025 Asset N'000	31 Dec 2025 Liabilities N'000	31 Dec 2025 Net N'000	31 DEC 2024 Asset N'000	31 DEC 2024 Liabilities N'000	31 DEC 2024 Net N'000
Fire	10.7(a)	-	2,824,107	2,824,107	-	2,870,781	2,870,781
Accident	10.7(b)	-	3,198,077	3,198,077	-	2,628,954	2,628,954
Motor	10.7(c)	-	3,383,775	3,383,775	-	2,148,131	2,148,131
Marine	10.7(d)	-	2,416,734	2,416,734	-	2,014,881	2,014,881
Aviation	10.7(e)	-	1,478,692	1,478,692	-	2,399,524	2,399,524
Bond	10.7(f)	-	15,570	15,570	-	15,624	15,624
Engineering	10.7(g)	-	1,885,536	1,885,536	-	1,693,474	1,693,474
Oil & Gas	10.7(h)	-	3,193,805	3,193,805	-	3,607,410	3,607,410
Agric	10.7(i)	-	7,727	7,727	-	8,209	8,209
Total insurance contract liabilities		-	18,404,023	18,404,023	-	17,386,988	17,386,988

10.6 2025 Comprehensive reconciliation of the Asset for remaining coverage and Amount recoverable on incurred claims

	Asset for remaining coverage: Non - loss componet ₦'000	Asset for remaining coverage: Loss componet ₦'000	Amount recoverable on Incurred Claims: PV of Future cashflows ₦'000	Amount recoverable on Incurred Claims: Risk adjustment ₦'000	Total ₦'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	(9,550,291)	-	-	-	(9,550,291)
Amount recoverable from reinsurers for Incurred claims			2,202,551	30,000	2,232,551
Changes to amounts recoverable for incurred claims		-	(178,784)		(178,784)
Recoveries on incurred claims and other expenses		-	2,381,335	30,000	2,411,335
Net income or expense from reinsurance contracts held	(9,550,291)	-	2,202,551	30,000	(7,317,740)
Reinsurance finance income		-	93,980	-	93,980
Total changes in the statement of comprehensive income	(9,550,291)	-	2,296,531	30,000	(7,223,760)
Cash flows					
Premiums paid	10,316,636	-			10,316,636
Amounts received		-	(2,411,335)		(2,411,335)
Total cash flows	10,316,636	-	(2,411,335)	-	7,905,301
Other movements		-			-
Net reinsurance contract assets/(liabilities) as at end	**1,340,978**		**4,504,501**	**407,267**	**6,252,746**
Reinsurance contract liabilities as at end of period	(1,709,504)	-	-	-	(1,709,504)
Net reinsurance contract assets/(liabilities) as at end	**(368,526)**	**-**	**4,504,501**	**407,267**	**4,543,242**

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

	Asset for remaining coverage: Non - loss componet ₦'000	Asset for remaining coverage: Loss componet ₦'000	Amount recoverable on Incurred Claims: PV of Future cashflows ₦'000	Amount recoverable on Incurred Claims: Risk adjustment ₦'000	Total ₦'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 income	(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

10.6(a) **2025**

Fire **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	-		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	(1,529,880)		-		(1,529,880)
Amount recoverable from reinsurers for Incurred claims			416,558	5,880	422,438
Changes to amounts recoverable for incurred claims			38,780	5,880	44,660
Recoveries on incurred claims and other expenses	-		377,778	-	377,778
Net income or expense from reinsurance contracts held	(1,529,880)		416,558	5,880	(1,107,442)
Reinsurance finance income	-	-	1,573	-	1,573
Total changes in the statement of comprehensive income	(1,529,880)	-	418,131	5,880	(1,105,869)
Cash flows	-		-	-	-
Premiums paid	1,605,008		-	-	1,605,008
Amounts received		-	(377,778)	-	(377,778)
Total cash flows	1,605,008	-	(377,778)	-	1,227,230
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	21,672	-	1,132,845	86,996	1,241,512
Reinsurance contract liabilities as at end of period	(250,454)		-	-	(250,454)
Net reinsurance contract assets/(liabilities) as at end	(228,782)		1,132,845	86,996	991,058

2024

Fire **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	-	-	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

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

	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	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	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	(805,705)		-	-	(805,705)
Amount recoverable from reinsurers for Incurred claims			548,422	6,563	554,985
Changes to amounts recoverable for incurred claims			203,743	6,563	210,306
Recoveries on incurred claims and other expenses	-		344,679	-	344,679
Net income or expense from reinsurance contracts held	(805,705)		548,422	6,563	(250,720)
Reinsurance finance income	-	-	15,021	-	15,021
Total changes in the statement of comprehensive income	(805,705)	-	563,443	6,563	(235,699)
Cash flows	-		-	-	-
Premiums paid	852,117		-	-	852,117
Amounts received		-	(344,679)	-	(344,679)
Total cash flows	852,117	-	(344,679)	-	507,438
Net reinsurance contract assets/(liabilities) as at end	**174,710**	**-**	**1,340,780**	**136,827**	**1,652,316**
Reinsurance contract liabilities as at end of period	(103,213)		-	-	(103,213)
Net reinsurance contract assets/(liabilities) as at end	71,497	-	1,340,780	136,827	1,549,103

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

	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	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

10.6(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	(249,376)	-	-	-	(249,376)
Amount recoverable from reinsurers for Incurred claims			92,095	1,674	93,769
Changes to amounts recoverable for incurred claims			(9,926)	1,674	(8,252)
Recoveries on incurred claims and other expenses	-		102,021	-	102,021
Net income or expense from reinsurance contracts held	(249,376)	-	92,095	1,674	(155,607)
Reinsurance finance income	-	-	1,573	-	1,573
Total changes in the statement of comprehensive income	(249,376)	-	93,668	1,674	(154,034)
Cash flows					
Premiums paid	268,003		-	-	268,003
Amounts received		-	(102,021)	-	(102,021)
Total cash flows	268,003	-	(102,021)	-	165,982
Other movements	-		-	-	-
Net reinsurance contract assets/(liabilities) as at end	**275,831**	-	**103,231**	**17,213**	**396,275**
Reinsurance contract liabilities as at end of period	(219,476)		-	-	(219,476)
Net reinsurance contract assets/(liabilities) as at end	56,355	-	103,231	17,213	176,799

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

10.6(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	(708,570)	-	-	-	(708,570)
Amount recoverable from reinsurers for Incurred claims			863,302	4,466	867,768
Changes to amounts recoverable for incurred claims			62,388	4,466	66,854
Recoveries on incurred claims and other expenses	-		800,914	-	800,914
Net income or expense from reinsurance contracts held	(708,570)	-	863,302	4,466	159,198
Reinsurance finance income	-	-	26,372	-	26,372
Total changes in the statement of comprehensive income	(708,570)	-	889,674	4,466	185,570
Cash flows					
Premiums paid	673,675		-	-	673,675
Amounts received		-	(800,914)	-	(800,914)
Total cash flows	673,675	-	(800,914)	-	(127,239)
Other movements	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**136,966**	**-**	**866,807**	**12,033**	**1,015,807**
Reinsurance contract liabilities as at end of period	(173,766)		-	-	(173,766)
Net reinsurance contract assets/(liabilities) as at end	(36,800)	-	866,807	12,033	842,041

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

10.6(e)

Aviation — **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 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			4,114	4,949	9,063
Changes to amounts recoverable for incurred claims			(544,710)	4,949	(539,761)
Recoveries on incurred claims and other expenses	-		548,824	-	548,824
Net income or expense from reinsurance contracts held	(12,635)		4,114	4,949	(3,572)
Reinsurance finance income	-	-	31,133	-	31,133
Total changes in the statement of comprehensive income	(12,635)	-	35,247	4,949	27,561
Cash flows			-	-	-
Premiums paid	-		-	-	-
Amounts received	(527)	-	(548,824)	-	(549,351)
Total cash flows	(527)	-	(548,824)	-	(549,351)
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	**23,000**	**-**	**343,853**	**70,844**	**437,697**
Reinsurance contract liabilities as at end of period	84,202		-	-	84,202
Net reinsurance contract assets/(liabilities) as at end	107,202	-	343,853	70,844	521,898

Aviation — **2024**

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

10.6(f) **2,025**

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 componet	Loss componet	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	(2,907)		-		(2,907)
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	(2,907)		(0)	34	(2,873)
Reinsurance finance income			-		-
Total changes in the statement of comprehensive income	(2,907)		(0)	34	**(2,873)**
Cash flows	-		-	-	-
Premiums paid	900		-	-	900
Amounts received		-	-	-	-
Total cash flows	900	-	-	-	900
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	(422)	-	(0)	34	(388)
Reinsurance contract liabilities as at end of period	(1,451)		-	-	(1,451)
Net reinsurance contract assets/(liabilities) as at end	(1,873)	-	(0)	34	(1,839)

2024

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

10.6(g)

2025

Engineering — **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		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	(803,318)		-	-	(803,318)
Amount recoverable from reinsurers for Incurred claims			285,964	3,160	289,124
Changes to amounts recoverable for incurred claims			48,845	3,160	52,005
Recoveries on incurred claims and other expenses	-		237,119	-	237,119
Net income or expense from reinsurance contracts held	(803,318)		285,964	3,160	(514,194)
Reinsurance finance income	-	-	12,061	-	12,061
Total changes in the statement of comprehensive income	**(803,318)**	**-**	**298,025**	**3,160**	**(502,133)**
Cash flows					-
Premiums paid	1,011,395		-	-	1,011,395
Amounts received		-	(237,119)	-	(237,119)
Total cash flows	1,011,395	-	(237,119)	-	774,276
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	185,278	-	512,169	68,276	765,723
Reinsurance contract liabilities as at end of period	(194,529)		-	-	(194,529)
Net reinsurance contract assets/(liabilities) as at end	(9,251)	-	512,169	68,276	571,194

2024

Engineering — **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	-	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

10.6(h)
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 componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'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	(5,431,613)		-		(5,431,613)
Amount recoverable from reinsurers for Incurred claims			(7,979)	3,272	(4,707)
Changes to amounts recoverable for incurred claims			(7,979)	3,272	(4,707)
Recoveries on incurred claims and other expenses	-		-	-	-
Net income or expense from reinsurance contracts held	(5,431,613)		(7,979)	3,272	(5,436,320)
Reinsurance finance income	-	-	6,322	-	6,322
Total changes in the statement of comprehensive income	(5,431,613)	-	(1,657)	3,272	(5,429,998)
Cash flows					
Premiums paid	5,899,868		-	-	5,899,868
Amounts received		-	-	-	-
Total cash flows	5,899,868	-	-	-	5,899,868
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	524,342	-	204,000	14,902	743,245
Reinsurance contract liabilities as at end of period	(847,564)		-	-	(847,564)
Net reinsurance contract assets/(liabilities) as at end	(323,222)	-	204,000	14,902	(104,319)

2024

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 componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'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

10.6(i) **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	(6,283)	-	-	-	(6,283)
Amount recoverable from reinsurers for Incurred claims			75	2	77
Changes to amounts recoverable for incurred claims			75	2	77
Recoveries on incurred claims and other expenses	-		-	-	-
Net income or expense from reinsurance contracts held	(6,283)	-	75	2	(6,206)
Reinsurance finance income	-	-	(75)	-	(75)
Total changes in the statement of comprehensive income	(6,283)	-	0	2	(6,281)
Cash flows	-				-
Premiums paid	6,197		-	-	6,197
Amounts received		-	-	-	-
Total cash flows	6,197	-	-	-	6,197
Other movements- deferred acquisition cost	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at end	(395)	-	820	142	567
Reinsurance contract liabilities as at end of period	(3,262)		-	-	(3,262)
Net reinsurance contract assets/(liabilities) as at end	(3,657)	-	820	142	(2,695)

2024

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		
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.

31 Dec 2025

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss componet	Loss componet	PV of future cashflow	Risk Adjustment	
	₦'000	₦'000	₦'000		₦'000
Net insurance contract liabilities as at beginning	**5,766,494**	**290,657**	**10,473,846**	**855,991**	**17,386,987**
Insurance revenue	**27,593,027**	**-**			**27,593,027**
Incurred claims expenses	-	-	(5,946,535)	-	(5,946,535)
Other insurance service expense	-	-	(2,188,220)	-	(2,188,220)
Amortisation of insurance acquisition cash flows	(9,636,691)	-	-	-	(9,636,691)
Losses on onerous contracts and reversals of those	-	-			-
Changes to liabilities for incurred claims	-	-	(831,535)	-	(831,535)
Insurance service expenses	**(9,636,691)**	**-**	**(8,966,290)**	**-**	**(18,602,981)**
Insurance service result before reinsurance co	**17,956,336**	**-**	**(8,966,290)**	**-**	**8,990,045**
Insurance finance expenses	-	-	(196,718)	-	(196,718)
Total changes in the statement of comprehensive	17,956,336	-	(9,163,008)	-	8,793,327
Cash flows:					-
Premiums received	27,845,581	-	-	-	27,845,581
Claims paid	-	-	(5,946,535)	-	(5,946,535)
Other expenses paid	-		(2,188,220)		(2,188,220)
Insurance acquisition cash flows	(9,306,906)	-	-	-	(9,306,906)
Total cash flows	18,538,675	-	(8,134,755)	-	10,403,920
Other movements	(593,557)	-	-	-	(593,557)
Insurance contract liabilities as at end of period	**5,755,276**	**290,657**	**11,502,099**	**855,991**	**18,404,023**

Dec 2024

	Liabilities for remaining coverage		Liability for Incurred Claims		Total
	Non - loss componet	Loss componet	PV of future cashflow	Risk Adjustment	
	₦'000	₦'000	₦'000		₦'000
Net insurance contract liabilities as at beginning	**3,981,246**	**14,475**	**10,024,350**	**1,320,716**	**15,340,788**
Insurance revenue	**22,505,281**	**(276,182)**			**22,229,099**
Incurred claims expenses	-	-	(4,578,686)	-	(4,578,686)
Other insurance service expense	-	-	(2,115,580)	-	(2,115,580)
Amortisation of insurance acquisition cash flows	(8,023,461)	-	-	-	(8,023,461)
Losses		-			-
Changes to liabilities for incurred claims	-	-	(718,587)	464,727	(253,860)
Insurance service expenses	**(8,023,461)**	**-**	**(7,412,853)**	**464,727**	**(14,971,587)**
Insurance service result for insurance contract	**14,481,820**	**(276,182)**	**(7,412,853)**	**464,727**	**7,257,511**
Insurance finance expenses	-	-	269,094	-	269,094
Total changes in the statement of comprehensive	14,481,820	(276,182)	(7,143,759)	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 expens	-		(2,115,580)		(2,115,580)
Insurance acquisition cash flows	(8,469,025)	-	-	-	(8,469,025)
Total cash flows	15,575,343	-	(6,694,266)	-	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

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract liabilities as at beginning	1,119,314	-	1,607,733	143,733	2,870,780
Insurance revenue	4,511,271	-	-	-	4,511,271
Incurred claims expenses	-	-	(947,474)	-	(947,474)
Other insurance service expense	-	-	(366,344)	-	(366,344)
Amortisation of insurance acquisition cash flows	(1,632,363)	-	-	-	(1,632,363)
Changes to liabilities for incurred claims	-	-	121,293	(15,679)	105,614
Insurance service expenses	**(1,632,363)**	**-**	**(1,192,524)**	**(15,679)**	**(2,840,566)**
Insurance service result before reinsurance contract held	2,878,908	-	(1,192,524)	(15,679)	1,670,704
Insurance finance expenses	-	-	(29,802)	-	(29,802)
Total changes in the statement of comprehensive income	2,878,908	-	(1,222,326)	(15,679)	1,640,902
Cash flows	-	-	-	-	**-**
Premiums received	4,562,431	-	-	-	4,562,431
Claims paid	-	-	(947,474)	-	(947,474)
Other expenses paid (share of management expenses)	-		(366,343)		(366,343)
Insurance acquisition cash flows	(1,654,386)	-	-	-	(1,654,386)
Total cash flows	2,908,045	-	(1,313,817)	-	1,594,228
Other movements	-	-	-	-	-
Net insurance contract liabilities as at end	1,148,451	-	1,516,243	159,412	2,824,106
	-				-

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract liabilities as at beginning	706,308	-	3,089,302	450,783	4,246,394
Insurance revenue	3,727,608	-	-	-	3,727,608
Incurred claims expenses	-	-	(963,035)	-	(963,035)
Other insurance service expense	-	-	(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	2,145,729	-	148,041	307,050	2,600,820
Insurance finance expenses	-	-	42,411	-	42,411
Total changes in the statement of comprehensive income	2,145,729	-	190,452	307,050	2,643,231
Cash flows					**-**
Premiums received	3,836,035	-	-	-	3,836,035
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	2,558,734	-	(1,291,117)	-	1,267,618
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	1,119,314	-	1,607,733	143,733	2,870,781

Notes to the financial statements-continued

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	582,154	(0)	1,816,082	230,718	2,628,954
Insurance revenue	2,566,971		-	-	2,566,971
Incurred claims expenses	-	-	(860,811)	-	(860,811)
Other insurance service expense	-	-	(208,202)	-	(208,202)
Amortisation of insurance acquisition cash flows	(989,814)	-	-	-	(989,814)
Changes to liabilities for incurred claims	-	-	(516,055)	(17,501)	(533,556)
Insurance service expenses	**(989,814)**	**-**	**(1,585,068)**	**(17,501)**	**(2,592,383)**
Insurance service result before reinsurance contract held	1,577,158	-	(1,585,068)	(17,501)	(25,411)
Insurance finance expenses	-	-	(18,521)	-	(18,521)
Total changes in the statement of comprehensive income	1,577,158	-	(1,603,589)	(17,501)	(43,932)
Cash flows					
Premiums received	2,592,940	-	-	-	2,592,940
Claims paid	-	-	(860,811)	-	(860,811)
Other expenses paid (share of management expenses)	-		(208,202)		
Insurance acquisition cash flows	(998,736)	-	-	-	(998,736)
Total cash flows	1,594,204	-	(1,069,013)	-	525,191
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	599,200	(0)	2,350,658	248,219	3,198,077
Insurance contract liabilities as at end of period	**599,200**	**(0)**	**2,350,658**	**248,219**	**3,198,077**
	-				-

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	311,546	14,476	2,058,248	354,148	2,738,418
Insurance revenue	1,883,716	14,476	-	-	1,898,192
Incurred claims expenses	-	-	(784,903)	-	(784,903)
Other insurance service expense	-	-	(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	955,342	14,476	(740,259)	123,430	352,988
Insurance finance expenses	-	-	26,357	-	26,357
changes	955,342	14,476	(713,902)	123,430	379,345
Cash flows					-
Premiums received	2,001,327	-	-	-	2,001,327
Claims paid	-	-	(784,903)	-	(784,903)
Other expenses paid (share of management expenses)	-		(171,166)		(171,166)
Total cash flows	1,225,950	-	(956,069)	-	269,882
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	**582,154**	**(0)**	**1,816,082**	**230,718**	**2,628,954**

Notes to the financial statements-continued

2025

10.7(c) **Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Motor**

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract liabilities as at beginning	1,751,334	-	295,945	100,852	2,148,131
Insurance revenue	7,288,564				7,288,564
Incurred claims expenses	-	-	(2,037,344)	-	(2,037,344)
Other insurance service expense	-	-	(656,599)	-	(656,599)
Amortisation of insurance acquisition cash flows	(2,792,769)	-	-	-	(2,792,769)
Changes to liabilities for incurred claims	-	-	(427,016)	(4,464)	(431,480)
Insurance service expenses	**(2,792,769)**	**-**	**(3,120,959)**	**(4,464)**	**(5,918,192)**
Insurance service result before reinsurance contract held	4,495,795	-	(3,120,959)	(4,464)	1,370,372
Insurance finance expenses	-	-	(7,237)	-	(7,237)
Total changes in the statement of comprehensive income	4,495,795	-	(3,128,196)	(4,464)	**1,363,135**
Cash flows	-	-	-	-	**-**
Premiums received	8,177,261	-	-	-	8,177,261
Claims paid	-	-	(2,037,344)	-	(2,037,344)
Other expenses paid (share of management expenses)	-		(656,599)		(656,599)
Insurance acquisition cash flows	(2,884,539)	-	-	-	(2,884,539)
Total cash flows	5,292,722	-	(2,693,943)	-	2,598,779
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	2,548,260	-	730,199	105,316	3,383,774
Net insurance contract liabilities as at end	**2,548,260**	**-**	**730,199**	**105,316**	**3,383,774**
	-				-

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract liabilities as at beginning	1,383,324	-	871,588	141,145	2,396,057
Insurance revenue	5,073,032				5,073,032
Incurred claims expenses	-	-	(1,222,288)	-	(1,222,288)
Other insurance service expense	-	-	(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	3,047,158	-	(1,085,235)	40,293	2,002,216
Insurance finance expenses	-	-	10,299	-	10,299
Total changes in the statement of comprehensive income	3,047,158	-	(1,074,936)	40,293	**2,012,515**
Cash flows					**-**
Premiums received	5,007,723	-	-	-	5,007,723
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	3,415,168	-	(1,650,579)	-	1,764,589
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	**1,751,334**	**-**	**295,945**	**100,852**	**2,148,132**

Notes to the financial statements-continued

2025

10.7(d) **Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Marine**

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Insurance contract liabilities as at begin of period	557,634	-	1,441,711	15,536	2,014,881
Insurance revenue	1,852,197				1,852,197
Incurred claims expenses	-	-	(342,594)	-	(342,594)
Other insurance service expense	-	-	(143,020)	-	(143,020)
Amortisation of insurance acquisition cash flows	(671,852)	-	-	-	(671,852)
Changes to liabilities for incurred claims	-	-	(399,548)	(11,911)	(411,459)
Insurance service expenses	**(671,852)**	**-**	**(885,162)**	**(11,911)**	**(1,568,926)**
Insurance service result before reinsurance contract held	1,180,344	-	(885,162)	(11,911)	283,271
Insurance finance expenses	-	-	(45,970)	-	(45,970)
Total changes in the statement of comprehensive income	1,180,344	-	(931,132)	(11,911)	237,301
Cash flows					
Premiums received	1,781,164	-	-	-	1,781,164
Claims paid	-	-	(342,594)	-	(342,594)
Other expenses paid (share of management expenses)	-		(143,020)		(143,020)
Insurance acquisition cash flows	(656,396)	-	-	-	(656,396)
Total cash flows	1,124,768	-	(485,614)	-	639,154
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	502,057	-	1,887,229	27,447	2,416,734
Insurance contract assets as at end of period	**502,057**	**-**	**1,887,229**	**27,447**	**2,416,734**

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
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 expense	-	-	(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	844,920	-	(1,200,495)	23,576	(331,999)
Insurance finance expenses	-	-	54,569	-	54,569
changes	844,920	-	(1,145,926)	23,576	(277,430)
Cash flows					-
Premiums received	1,818,429	-	-	-	1,818,429
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	1,173,201	-	(798,615)	-	374,586
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	**557,634**	**-**	**1,441,711**	**15,536**	**2,014,881**

Notes to the financial statements-continued

2025

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract liabilities as at beginning	344,730	259,306	1,658,217	137,272	2,399,525
Insurance revenue	393,497	-	-	-	393,497
Incurred claims expenses	-	-	(1,200,856)	-	(1,200,856)
Other insurance service expense	-	-	(9,831)	-	(9,831)
Amortisation of insurance acquisition cash flows	(98,459)	-	-	-	(98,459)
Changes to liabilities for incurred claims	-	-	763,242	(13,197)	750,045
Insurance service expenses	**(98,459)**	**-**	**(447,445)**	**(13,197)**	**(559,101)**
Insurance service result	295,038	-	(447,445)	(13,197)	(165,604)
Insurance finance expenses	-	-	(45,970)	-	(45,970)
Total changes in the statement of comprehensive income	295,038	-	(493,415)	(13,197)	(211,574)
Cash flows					
Premiums received	122,439	-	-	-	122,439
Claims and other expenses paid	-	-	(1,200,856)	-	(1,200,856)
Other expenses paid (share of management expenses)	-		(9,831)		(9,831)
Insurance acquisition cash flows	(44,158)	-	-	-	(44,158)
Total cash flows	78,281	-	(1,210,687)	-	(1,132,406)
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	127,974	259,306	940,945	150,469	1,478,693
Insurance contract liabilities as at end of period	**127,974**	**259,306**	**940,945**	**150,469**	**1,478,693**

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract liabilities as at beginning	79,279	-	314,384	27,935	421,598
Insurance revenue	1,323,907	(259,306)	-	-	1,064,601
Incurred claims expenses	-	-	(361,560)	-	(361,560)
Other insurance service expense	-	-	(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	689,689	(259,306)	(1,898,785)	(109,336)	(1,577,739)
Insurance finance expenses	-	-	65,418	-	65,418
Total changes in the statement of comprehensive income	689,689	(259,306)	(1,833,367)	(109,336)	(1,512,321)
Cash flows					**-**
Premiums received	1,496,316	-	-	-	1,496,316
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	955,140	-	(489,534)	-	465,606
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	**344,730**	**259,306**	**1,658,217**	**137,272**	**2,399,524**

Notes to the financial statements-continued

2025

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Net insurance contract (assets)/liabilities as at begin	7,172	-	8,251	200	15,624
Insurance revenue	6,197				6,197
Incurred claims expenses	-	-	-	-	-
Other insurance service expense	-	-	(460)	-	(460)
Amortisation of insurance acquisition cash flows	(2,552)	-	-	-	(2,552)
Changes to liabilities for incurred claims	-	-	(351)	(91)	(442)
Insurance service expenses	**(2,552)**	**-**	**(811)**	**(91)**	**(3,455)**
Insurance service result	3,645	-	(811)	(91)	2,743
Insurance finance expenses	-	-	274	-	274
Total changes in the statement of comprehensive income	3,645	-	(537)	(91)	3,017
Cash flows	-	-	-	-	-
Premiums received	5,731	-	-	-	5,731
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	-		(460)		(460)
Insurance acquisition cash flows	(2,306)	-	-	-	(2,306)
Total cash flows	3,425	-	(460)	-	2,964
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	6,951	-	8,328	291	15,570
Insurance contract assets as at end of period	6,951	-	8,328	291	15,570
	-				-
	-	-	-		-

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
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 expense	-	-	(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	11,568	-	(6,691)	122	5,000
Insurance finance expenses	-	-	(390)	-	(390)
Total changes in the statement of comprehensive income	11,568	-	(7,081)	122	4,610
Cash flows					-
Premiums received	14,525	-	-	-	14,525
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	-		(1,242)		(1,242)
Insurance acquisition cash flows	(4,962)	-	-	-	(4,962)
Total cash flows	9,563	-	(1,242)	-	8,320
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	7,172	-	8,251	200	15,624

Notes to the financial statements-continued

2025

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

	Liabilities for remaining coverage		Liability for Incurred claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	622,391	31,352	891,894	147,837	1,693,474
Insurance revenue	1,832,042	-	-	-	1,832,042
Incurred claims expenses	-	-	(448,904)	-	(448,904)
Other insurance service expense	-	-	(152,953)	-	(152,953)
Amortisation of insurance acquisition cash flows	(648,242)	-	-	-	(648,242)
Changes to liabilities for incurred claims	-	-	(87,250)	(8,426)	(95,676)
Insurance service expenses	**(648,242)**	**-**	**(689,108)**	**(8,426)**	**(1,345,776)**
Insurance service result before reinsurance contract held	1,183,800	-	(689,108)	(8,426)	486,266
Insurance finance expenses	-	-	(19,215)	-	(19,215)
Total changes in the statement of comprehensive income	1,183,800	-	(708,323)	(8,426)	**467,051**
Cash flows	-	-	-	-	-
Premiums received	1,904,876	-	-	-	1,904,876
Claims paid	-	-	(448,904)	-	(448,904)
Other expenses paid (share of management expenses)	-		(152,953)		(152,953)
Insurance acquisition cash flows	(643,907)	-	-	-	(643,907)
Total cash flows	1,260,969	-	(601,857)	-	659,112
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	699,562	31,352	998,360	156,263	1,885,536
	-				-

2024

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

	Liabilities for remaining coverage		Liability for Incurred claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	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 expense	-	-	(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	645,803	(31,352)	(882,503)	(84,162)	(352,215)
Insurance finance expenses	-	-	27,344	-	27,344
changes	645,803	(31,352)	(855,159)	(84,162)	**(324,871)**
Cash flows					-
Premiums received	1,550,676	-	-	-	1,550,676
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	1,016,375	-	(265,174)	-	751,201
Other movements	**-**	**-**	**-**	**-**	**-**
Insurance contract liabilities as at end of period	**622,391**	**31,352**	**891,894**	**147,837**	**1,693,474**

Notes to the financial statements-continued

2025

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	2,888,822	(0)	638,976	79,612	3,609,233
Insurance revenue	9,123,203	-	-	-	9,123,203
Incurred claims expenses	-	-	(108,552)	-	(108,552)
Other insurance service expense	-	-	(649,194)	-	(649,194)
Amortisation of insurance acquisition cash flows	(2,794,390)	-	-	-	(2,794,390)
Changes to liabilities for incurred claims	-	-	(205,628)	(8,726)	(214,354)
Insurance service expenses	**(2,794,390)**	**-**	**(963,374)**	**(8,726)**	**(3,766,490)**
Insurance service result before reinsurance contract held	6,328,813	-	(963,374)	(8,726)	5,356,713
Insurance finance expenses	-	-	(30,364)	-	(30,364)
Total changes in the statement of comprehensive income	6,328,813	-	(993,738)	(8,726)	5,326,349
Cash flows	-	-	-	-	-
Premiums received	8,085,042	-	-	-	8,085,042
Claims paid	-	-	(108,552)	-	(108,552)
Other expenses paid (share of management expenses)	-		(649,194)		(649,194)
Insurance acquisition cash flows	(2,416,375)	-	-	-	(2,416,375)
Total cash flows	5,668,667	-	(757,746)	-	4,910,921
Other movements	-	-	-	-	-
Net insurance contract (assets)/liabilities as at end	2,228,676	(0)	874,968	88,338	3,193,805
Insurance contract liabilities as at end of period	2,228,676	(0)	874,968	88,338	3,193,805

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	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 expense	-	-	(768,760)	-	(768,760)
Amortisation of insurance acquisition cash flows	(2,811,253)	-	-	-	(2,811,253)
Losses on		-			-
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	4,016,973	-	357,525	162,437	4,536,935
Insurance finance expenses	-	-	43,210	-	43,210
changes	4,016,973	-	400,735	162,437	4,580,145
Cash flows					-
Premiums received	8,988,610	-	-	-	8,988,610
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	5,897,448	-	(1,240,016)	-	4,657,432
Other movements	-	-	-	-	-
Insurance contract liabilities as at end of period	2,888,822	(0)	638,976	79,612	3,607,410

Notes to the financial statements-continued

2025

10.7(i) **Comprehensive Reconciliation of the LFRC and the LFIC for insurance contracts - Agriculture**

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities as at begin of period	8,523	0	(548)	234	6,386
Insurance contract assets as at begin of period					
Net insurance contract liabilities as at beginning	8,523	0	(548)	234	6,386
Insurance revenue	19,084				19,084
Incurred claims expenses	-	-	-	-	-
Other insurance service expense	-	-	(1,617)	-	(1,617)
Amortisation of insurance acquisition cash flows	(6,248)	-	-	-	(6,248)
Changes to liabilities for incurred claims	-	-	(222)	(5)	(227)
Investment components	-	-		-	-
Insurance service expenses	**(6,248)**	**-**	**(1,839)**	**(5)**	**(8,092)**
Insurance service result before reinsurance contract held	12,836	-	(1,839)	(5)	10,992
Insurance finance expenses	-	-	87	-	87
Total changes in the statement of comprehensive income	12,836	-	(1,752)	(5)	11,079
Cash flows	-	-	-	-	-
Premiums received	20,138	-	-	-	20,138
Claims paid	-	-	-	-	-
Other expenses paid (share of management expenses)	-		(1,617)		(1,617)
Insurance acquisition cash flows	(6,101)	-	-	-	(6,101)
Total cash flows	14,037	-	(1,617)	-	12,420
Other movements	-	-	-	-	-
Net insurance contract liabilities as at end	9,724	0	(413)	239	7,727
Insurance contract liabilities as at end of period	**9,724**	**0**	**(413)**	**239**	**7,727**

2024

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

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Non - loss componet	Loss componet	PV of Future cashflows	Risk adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Net insurance contract liabilities as at beginning	2,090	0	12,379	1,549	16,018
Insurance revenue	19,339	-			19,339
Incurred claims expenses	-	-	-	-	-
Other insurance service expense	-	-	(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	9,059	-	11,006	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	**8,523**	**0**	**(548)**	**234**	**8,209**

Notes to the financial statements

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

In thousands of Naira	31 Dec 2025	31 DEC 2024
Balance at the beginning of the year	1,969,086	1,316,483
Additions during the period	908,083	652,603
Balance at the end of the period	**2,877,169**	**1,969,086**

10b Movement in reinsurance asset on incurred claims

In thousands of Naira	31 Dec 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))	(114,810)	606,379
Balance at the end of the period	**4,504,495**	**4,619,305**

10c Movement in reinsurance asset for loss component

In thousands of Naira	31 Dec 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	**138,285**	**138,285**

10d Movement in reinsurance asset for risks Adjustments

In thousands of Naira	31 Dec 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	**407,269**	**377,270**

10e Movement in deferred commission revenue

In thousands of Naira	31 Dec 2025	31 DEC 2024
Balance at the beginning of the year	364,389	306,332
Additions during the period	141,741	58,057
Balance at the end of the period	**506,130**	**364,389**

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

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

	31 Dec 2025			31 DEC 2024		
In thousands of Naira	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	948,253	(114,804)	1,063,057	449,494	606,372	(156,878)
Balance at the end of the period	**11,422,098**	**4,504,495**	**6,917,603**	**10,473,845**	**4,619,299**	**5,854,546**

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

	31 Dec 2025			31 DEC 2024		
In thousands of Naira	Liability for Incurred Claims	Reinsurance asset for incurred claims	Net	Liability for Incurred Claims	Reinsurance Asset for Incurred Claims	Net
Motor	1,158,488	103,232	1,055,256	724,235	111,585	612,650
Fire	1,844,325	1,132,844	711,481	1,935,816	1,092,490	843,326
General accident	2,521,824	1,340,775	1,181,049	1,987,248	1,122,011	865,237
Engineering	1,130,983	512,165	618,818	1,024,518	451,259	573,259
Marine	2,042,754	866,806	1,175,948	1,597,235	778,046	819,189
Bond	9,569	-	9,569	9,493	-	9,493
Aviation	1,068,918	343,852	725,066	1,786,190	857,429	928,761
Oil & Gas	1,643,729	204,002	1,439,727	1,407,737	205,660	1,202,077
Agric	1,508	819	689	1,373	819	554
	11,422,098	**4,504,495**	**6,917,603**	**10,473,845**	**4,619,299**	**5,854,546**

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:

In thousands of Naira	31 Dec 2025	31 DEC 2024
Motor	250,591	158,821
Fire	199,013	176,990
Accident	97,569	88,647
Engineering	115,970	120,305
Marine	72,884	88,339
Bond	943	1,189
Aviation	-	54,301
Oil & Gas	119,595	497,610
Agric	734	881
	857,299	**1,187,082**

Notes to the financial statements

10i Movement in the asset for acquisition costs cash flow

In thousands of Naira	31 Dec 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)	(329,783)	445,562
Balance at the end of the period	**857,299**	**1,187,082**

10j Liability/Asset for risk adjustment

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

10k Liability/Asset for Loss Component

	31 Dec 2025			31 Dec 2024		
	Liability for loss	Asset for loss component	Net	Liability for loss component	Asset for loss componet	Net
ACCIDENT	-	-	-	-	-	-
ENGINEERING	31,352	13,809	17,543	31,352.00	13,809.00	17,543.00
MARINE	-	-	-	-	-	-
MOTOR	-	-	-	-	-	-
FIRE	-	-	-	-	-	-
OIL & GAS	-	-	-	-	-	-
AVIATION	259,306	124,475	134,831	259,306.00	124,475	134,831.00
BOND	-	-	-	-	-	-
AGRIC	-	-	-	-	-	-
	290,658	**138,284**	**152,374**	**290,658**	**138,284**	**152,374**

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

	31 Dec 2025			31 DEC 2024		
In thousands of Naira	**Liability for remaining coverage**	**Asset for remaining coverage**	**Net**	**Liability for remaining coverage**	**Asset for remaining coverage**	**Net**
Motor	2,370,561	85,072	2,285,489	1,481,864	56,169	1,425,695
Fire	1,019,383	516,594	502,789	968,223	409,086	559,137
General accident	525,602	294,388	231,214	499,633	225,631	274,002
Engineering	682,908	403,404	279,504	610,074	149,688	460,386
Marine	419,418	219,512	199,906	490,450	273,435	217,015
Bond	6,652	1,650	5,002	7,118	4,368	2,750
Aviation	-	-	-	271,058	18,711	252,347
Oil & Gas	1,581,336	1,353,981	227,355	2,619,497	829,315	1,790,182
Agric	6,713	2,568	4,145	5,659	2,681	2,978
	6,612,573	**2,877,169**	**3,735,404**	**6,953,576**	**1,969,084**	**4,984,492**

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

	31 Dec 2025			31 DEC 2024		
In thousands of Naira	**Liability for incurred claims**	**Asset for remaining coverage**	**Net**	**Liability for incurred claims**	**Asset for remaining coverage**	**Net**
Balance at the begining of the year	6,953,576	1,969,084	4,984,492	4,596,976	1,324,018	3,272,958
Movement	(341,003)	908,085	(1,249,088)	2,356,600	645,066	1,711,534
Balance at the end of the period	**6,612,573**	**2,877,169**	**3,735,404**	**6,953,576**	**1,969,084**	**4,984,492**

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

	31 Dec 2025			31 DEC 2024		
In thousands of Naira	**Liability Loss Component**	**Reinsurance asset for loss component**	**Net**	**Liability Loss Component**	**Reinsurance asset for loss component**	**Net**
Balance at the begining 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	**31 Dec 2025**	**31 DEC 2024**
Due from broker	279,133	948,117
	279,133	**948,117**

11a Analysis of debtors in days

In thousands of Naira	**31 Dec 2025**	**31 DEC 2024**
Within 30 days	279,133	948,117
	279,133	**948,117**

11b Reconciliation of trade receivable

		31 Dec 2025	**31 DEC 2024**
		N'000	**N'000**
Trade receivable at 1 January		948,117	278,764
Gross premium written during the year	31.3	27,252,022	24,736,095
Premium received in advance	18a	(75,425)	(22,374)
Premium received from policy holders	44b	(27,845,581)	(24,044,368)
		279,133	**948,117**

12 Other receivables and prepayments

In thousands of Naira	**31 Dec 2025**	**31 DEC 2024**
Prepayments (see (a) below)	552,630	456,960
Other receivables (see (b) below)	2,424,312	984,355
	2,976,942	1,441,315
Allowance for impairment	(177,556)	(177,556)
	2,799,386	**1,263,759**

(a) Prepayments

In thousands of Naira	**31 Dec 2025**	**31 DEC 2024**
Prepaid staff benefits (see note (i) below)	332,002	141,749
Deposits with stock broker (see note b (ii) below)	-	111,662
Prepaid rent (see ii below)	8,437	13,425
Other prepaid expenses (see (iii) below)	212,191	190,124
	552,630	**456,960**

(i) Prepaid staff benefits represents amounts prepaid to staff of the Company with respect to rent advance (N12.18million), furniture grant (N10.6million), staff fleet premium advance (N37,762), car loan encashment (N251.18million) and management housing grant (N57.9million).

(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	**31 Dec 2025**	**31 DEC 2024**
Withholding tax recoverable	142,618	150,185
Sundry receivables (see (i) below)	2,281,694	834,170
	2,424,312	984,355
Impairment allowance on other receivable (see (ii) below)	(177,556)	(177,556)
	2,246,756	**806,799**

(i) This represents majorly the balances of sundry receivable N176.6m, investments receivable of N1.25b, cash advance purchases of N5.2m, investment for unclaimed dividends of N180.9m and NIIP third party portal wallet of N10.9m

(ii) **Movement in allowance for impairment**

In thousands of Naira	**31 Dec 2025**	**31 DEC 2024**
Balance at the beginning of the year	177,556	2,602
write back	-	(2,602)
Impairment charge	-	177,556
Balance at the end of the period	**177,556**	**177,556**

Notes to the financial statements

13 Right-of-use assets

	31 Dec 2025	31 DEC 2024
Cost	**N'000**	**N'000**
Balance at the beginning of the year	37,487	35,387
Addition during the period	29,700	2,100
Balance at the end of the period	**67,187**	**37,487**
Accumulated Amortisation		
Balance at the beginning of the year	29,607	21,878
Charge for the period	14,780	7,729
Balance at the end of the period	**44,387**	**29,607**
Carrying amount		
Balance at the end of the period	**22,800**	**7,880**

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 31 Dec 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
		340,000	-	-	-	-	340,000

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

(b) Reconciliation of carrying amount

In thousands of Naira	31 Dec 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	**340,000**	**340,000**

(c) Measurement of fair values

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

In thousands of Naira	31 Dec 2025	31 DEC 2024
Level 1	-	-
Level 2	-	-
Level 3	340,000	340,000
	340,000	**340,000**

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	**31 Dec 2025**	**31 DEC 2024**
Cost		
Balance at the beginning of the year	116,505	106,937
Addition during the period	-	9,568
Balance at the end of the period	**116,505**	**116,505**
Accumulated Amortisation		
Balance at the beginning of the year	**82,597**	**73,836**
Charge for the period	8,842	8,761
Balance at the end of the period	**91,439**	**82,597**
Net Book Value		
Balance at the end of the period	**25,066**	**33,908**

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

31 Dec 2025

In thousands of Naira	**Land**	**Buildings**	**Motor Vehicles**	**Office furniture & fittings**	**Machinery & Equipment**	**Building (Work in progress)**	**Total**
Cost/valuation							
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	33,808	140,295	2,939	225,724
Reclassification		-		-	-		-
Revaluation Surplus	-	-	-	-		-	-
Disposal	-	-	(54,270)	(5,200)	(4,871)	-	(64,341)
Write off (see note 41)	-	-	-	(22,784)	(63,466)	-	(86,250)
31 December 2025	1,439,150	933,240	1,930,681	195,521	550,088	95,109	5,143,788
Accumulated depreciation							
At 1 January 2025	-	116,733	1,119,949	115,382	290,390	-	1,642,454
Charge for the year	-	19,259	344,284	27,282	82,698	-	473,523
Disposal	-	-	(54,270)	(4,901)	(3,242)	-	(62,413)
Write off (see note 41)	-	-	-	(22,784)	(63,466)	-	(86,250)
Reclassification	-	-	-	-	-	-	-
31 December 2025	-	135,993	1,409,963	114,979	306,380	-	1,967,314
Carrying amount							
31 December 2025	1,439,150	797,248	520,718	80,541	243,708	95,109	3,176,475
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	Land	Buildings	Motor Vehicles	Office furniture & fittings	Office Machinery &	Building (Work in progress)	Total
Cost/valuation							
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	31 December 2025			31 December 2024		
In thousands of Naira	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Land	-	-	1,439,150	-	-	1,439,150
Building	-	-	933,240	-	-	926,123
	-	**-**	**2,372,390**	**-**	**-**	**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 31 December 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	1,345,824	Lagos State Governor Concent obtained on 26/09/2016
Land and Building at Ilupeju	12-Mar-02	Deed of Assignment	11A, Coker road, ilupeju, Lagos State	590,423	The company had applied to register the deed of assignment with the Lagos State Lands Registry
Land in Yenagoa	30-Apr-12	Letter of allocation by Bayelsa State Government	Central business district Swali, Yenagoa, Bayelsa State	72,150	The company had applied to register the allocation letter with the Bayelsa State Lands Registry
Linkage Millennium Tower, Port Harcourt	26-Sep-03	Deed of Assignment	Amadi layout along Port Harcourt/ Aba Express road	228,000	The company had applied to register the deed of assignment with the Rivers State Ministry of Lands
				2,236,397	

Notes to the financial statements

17 Hypothecation of Assets

In thousands of Naira	31 Dec 2025 Insurance fund	31 Dec 2025 Shareholders fund	31 Dec 2025 Total	31 DEC 2024 Insurance fund	31 DEC 2024 Shareholders fund	31 DEC 2024 Total
Assets						
Cash and cash equivalents	4,026,841	350,000	4,376,841	5,358,116	58,566	5,416,682
Financial assets	19,004,296	34,286,644	53,290,940	16,244,126	31,725,420	47,969,546
Loans and receivables	553,736	-	553,736			-
Premium receivables		279,133	279,133		948,120	948,120
Reinsurance assets	4,543,242	-	4,543,242	5,571,208		5,571,208
Other receivables and prepayments	-	2,799,386	2,799,386	-	1,263,759	1,263,759
Investment properties	340,000	-	340,000	340,000	-	340,000
Intangible assets	-	25,066	25,066	-	33,908	33,908
Property and equipment	-	3,176,475	3,176,475	-	3,426,201	3,426,201
Right-of-use assets		22,800	22,800		7,880	7,880
Statutory deposit	-	770,000	770,000	-	700,000	700,000
Total assets	28,468,116	41,709,504	70,177,619	27,513,450	38,163,854	65,677,303
Liabilities						
Insurance contract liabilities	18,404,023	-	18,404,023	17,386,990	-	17,386,990
Premium payables	-	1,495,369	1,495,369		1,218,863	1,218,863
Other payables	-	1,015,504	1,015,504	-	1,850,248	1,850,248
Defined benefit obligations	-	103,644	103,644	-	93,950	93,950
Income tax liabilities	-	232,130	232,130	-	245,563	245,563
Deferred tax liabilities	-	2,036,859	2,036,859	-	2,036,859	2,036,859
Total liabilities	18,404,023	4,883,506	23,287,529	17,386,990	5,445,483	22,832,473
GAP	10,064,093	36,825,998	46,890,090	10,126,460	32,718,371	42,844,831

18 Other technical liabilities

	31 Dec 2025 ₦'000	31 DEC 2024 ₦'000
Insurance payables (note 19.1)	1,495,369	1,218,863
	1,495,369	**1,218,863**

18a Insurance payables

	31 Dec 2025 ₦'000	31 DEC 2024 ₦'000
Commission payables to brokers	521,958	470,864
Premium received in advance	75,425	22,374
Deposit without details	824,853	623,081
Other payables to agents and brokers	73,133	102,544
	1,495,369	**1,218,863**

18b Movement in insurance payables

	31 Dec 2025 ₦'000	31 DEC 2024 ₦'000
Balance at the beginning of the year	1,218,863	2,797,802
Addition/(payment) in the period	276,506	(1,033,674)
Balance at the end of the period	**1,495,369**	**1,218,863**

Notes to the financial statements

		31 Dec 2025	31 DEC 2024
19	**Other payables**	**₦'000**	**₦'000**
	Due to Auditors	32,250	26,724
	NAICOM levy	272,521	247,361
	Expenses payable (see note 19a)	288,169	1,165,752
	Other payables (see note 19b(i))	79,564	67,411
		672,504	1,507,248
	Provision for litigation (see note 19b(ii))	343,000	343,000
		1,015,504	**1,850,248**

		31 Dec 2025	31 DEC 2024
19a	**Expenses payable**	**₦'000**	**₦'000**
	Expenses accrued (see (i) below)	288,169	1,165,756
		288,169	**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 31 Dec 2025.

19b Other liabilities

		31 Dec 2025	31 DEC 2024
i	**Other payables**	**₦'000**	**₦'000**
	National Housing Fund (NHF)	1,027	1,295
	Pension for Life agents/Company	604	603
	Withholding Tax Payables	7,935	-
	Sundry payables	69,998	65,509
		79,564	**67,407**

		31 Dec 2025	31 DEC 2024
ii	**Provisions**	**₦'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 Adepate Demilade with FRC number FRC/2021/002/00000022694. The total estimated liability as at 31 Dec 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)	
	31 Dec 2025	**31 Dec 2024**	**31 Dec 2025**	**31 DEC 2024**	**31 Dec 2025**	**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	51,921	-	(42,228)	(87,500)	9,694	(87,500)
Benefits paid by the employer	-	(92,072)		92,072	-	-
Remeasurement gain	-	-	-	(18,676)	-	(18,676)
Actuarial (gain)/loss on liability arising from:						
- Demography		(61,266)				(61,266)
- Assumptions	-	24,112	-	-	-	24,112
- Experience	-	(15,679)	-	-	-	(15,679)
At the end of the period	**303,935**	**252,014**	**(200,291)**	**(158,064)**	**103,644**	**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	31 Dec 2025	31 DEC 2024
At the beginning of the period	245,563	174,585
Charge for the period (note 21.1)	296,975	231,155
Payment during the period	(310,408)	(160,177)
At the end of the period	**232,130**	**245,563**

21.1 Tax charge

In thousands of Naira	31 Dec 2025	31 DEC 2024
Income tax (CIT)		
Tertiary education tax	-	30,074
Information technology	-	52,821
Police Trust Fund levy	-	266
Current tax charge/(credit)	215,796	83,161
Minimum tax	-	147,994
Back duty assessment	81,179	-
Current tax	296,975	231,155
Deferred tax credit	-	(500,701)
	296,975	(269,546)
Minimum tax	-	147,994
Total tax	296,975	(417,542)
Tax recognised in the Profit or Loss	296,975	(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.

	31 Dec 2025		31 Dec 2024	
In thousands of Naira	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 actuaria 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

		31 Dec 2025	31 DEC 2024
23	**Statutory deposit**	**₦'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.

		31 Dec 2025	31 DEC 2024
24	**Share capital**	**₦'000**	**₦'000**
	Authorized - ordinary shares of 50k each (18,480,000,000 units)	**18,480,000**	**15,400,000**

		31 Dec 2025	31 DEC 2024
24.1	**Issued and fully paid**		
	Authorised - ordinary shares of 50k each (18,480,000,000 units)	**₦'000**	**₦'000**
	At the beginning of the year	7,700,000	7,000,000
	Additions - Bonus issue	1,540,000	700,000
	At the end of the period	**9,240,000**	**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.

		31 Dec 2025	31 DEC 2024
25	**Share premium**	**₦'000**	**₦'000**
	At the beginning of the year	547,433	560294
	Cost incurred related to issuance of bonus	(49,969)	(12,861)
	At the end of the period	**497,464**	**547,433**

Share premium as at December 2025 :N497,464,000 (2024 N547,433,000). This represents the excess paid by shareholders over the nominal value for their shares.

		31 Dec 2025	31 DEC 2024
26	**Contingency reserve**	**₦'000**	**₦'000**
	At the beginning of the year	5,562,642	4,452,316
	Transfer from retained earnings (see Note 28)	817,561	1,110,326
	At the end of the period	**6,380,203**	**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.

		31 Dec 2025	31 DEC 2024
27	**Retained earnings**	**₦'000**	**₦'000**
	At the beginning of the year	4,558,294	1,516,989
	Profit for the period	4,018,939	5,551,631
	Transfer to contigency reserve	(817,561)	(1,110,326)
	Bonus share issue	(1,540,000)	(700,000)
	Cash dividend	-	(700,000)
	At the end of the of period	**6,219,672**	**4,558,294**

		31 Dec 2025	31 DEC 2024
28	**Assets revaluation reserve**	**₦'000**	**₦'000**
	At the beginning of the year	1,721,291	1,721,291
	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

		31 Dec 2025	31 DEC 2024
29	**Fair value reserve**	**₦'000**	**₦'000**
	Balance as at January 1	**22,695,399**	**17,777,487**
	Fair value (loss)/gain on unquoted equity	76,291	4,971,762
	Fair value gain on bonds at fair value through other comprehensive income	-	(49,723)
	ECL on debt instrument on fair value through OCI	-	(4,127)
	Balance as at end of period	**22,771,690**	**22,695,399**

		31 Dec 2025	31 DEC 2024
30	**Re-measurement reserve**	**₦'000**	**₦'000**
	Balance as at January 1	**59,771**	**4,111**
	Defined benefits actuarial gain/(loss)	**-**	52,833
	Remeasurement gain/(loss)	**-**	18,676
	Deferred tax impact	**-**	(15,849)
	Balance as at end of period	**59,771**	**59,771**

Notes to the financial statements

		31 Dec 2025	31 Dec 2024
		₦'000	₦'000
31	**Insurance revenue**	**27,593,027**	**22,229,099**

31.1 Breakdown of insurance revenue per business class is as follows:

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Fire	4,511,271	3,727,609
Accident	2,566,971	1,898,193
Motor	7,288,564	5,073,031
Marine	1,852,197	1,609,004
Aviation	393,497	1,064,601
Bond	6,197	18,538
Engineering	1,832,042	1,221,800
Oil & Gas	9,123,203	7,596,983
Agric	19,084	19,340
	27,593,027	**22,229,099**

31.2 Insurance revenue

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Changes to liabilities for remaining coverage and loss component	341,003	(2,506,997)
Change in asset for acquisition cash flows	(329,783)	445,564
Premium received	27,252,022	24,736,095
Amortisation of insurance acquisition cash flows	9,636,691	8,023,462
Acuisition cash flows	(9,306,906)	(8,469,025)
	27,593,027	**22,229,099**

31.3 Premium received

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Direct premium (note 31.1)	26,960,318	24,375,245
Inward premium (note 31.1)	291,704	360,850
	27,252,022	**24,736,095**

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

31 Dec 2025	**Direct premium**	**Inward premium**	**Total**
	₦'000	₦'000	₦'000
Fire	4,501,281	61,150	4,562,431
Accident	2,576,414	16,526	2,592,940
Motor	8,076,731	100,530	8,177,261
Marine	1,713,211	67,953	1,781,164
Aviation	126,334	(3,895)	122,439
Bond	5,731	-	5,731
Engineering	1,869,643	35,233	1,904,876
Oil & Gas	8,070,835	14,207	8,085,042
Agric	20,138	-	20,138
	26,960,318	**291,704**	**27,252,022**

31 Dec 2024	**Direct premium**	**Inward premium**	**Total**
	₦'000	₦'000	₦'000
Fire	3,784,779	51,256	3,836,035
Accident	1,983,322	18,005	2,001,327
Motor	4,928,720	79,003	5,007,723
Marine	1,673,443	144,986	1,818,429
Aviation	1,453,252	43,064	1,496,316
Bond	14,525	-	14,525
Engineering	1,526,140	24,536	1,550,676
Oil & Gas	8,988,610	-	8,988,610
Agric	22,454	-	22,454
	24,375,245	**360,850**	**24,736,095**

Notes to the financial statements

32 Insurance service expenses

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Changes to liabilities for incurred claims	1,028,253	(15,233)
Interest accreted (including change of rates) to insurance contracts	(196,718)	269,095
Claims and other expenses paid	8,134,755	6,694,266
Amortisation of insurance acquisition cash flows	9,636,691	8,023,460
	18,602,981	**14,971,588**

32.1 Breakdown of insurance service expense per business class is as follows:

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Fire	2,840,566	1,126,790
Accident	2,592,383	1,545,204
Motor	5,918,192	3,070,817
Marine	1,568,926	1,941,002
Aviation	559,101	2,642,339
Bond	3,455	13,538
Engineering	1,345,776	1,574,015
Oil & Gas	3,766,490	3,060,048
Agric	8,092	(2,164)
	18,602,981	**14,971,588**

33 Allocation of reinsurance premium

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Changes in asset for remaining coverage and loss component	(766,343)	(725,164)
Reinsurance premium paid (see 33.1 below)	10,316,634	9,338,565
	9,550,291	**8,613,401**

33.1 Reinsurance premium paid

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Premium paid (Treaty)	10,956,201	9,794,692
Premium paid Facultative outwards	1,893,831	1,341,364
	12,850,032	**11,136,056**
Less: Fees and commission income	(2,533,398)	(1,797,491)
	10,316,634	**9,338,565**
Changes in asset for remaiming coverage and loss component	(908,082)	(783,223)
Changes in fees and commissiom income for remaining coverage	141,739	58,059
	9,550,291	**8,613,401**

33.2 Fees and commission income

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Fire	725,146	594,183
Accident	419,981	292,619
Motor	122,069	61,056
Marine	307,900	358,609
Aviation	527	42,931
Bond	409	1,983
Engineering	276,790	179,432
Oil & Gas	678,412	264,016
Agric	2,162	2,662
	2,533,396	**1,797,491**

34 Amounts recoverable from reinsurers for incurred claims

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Changes in assets recoverable for incurred claims	(84,805)	454,938
Interest accreted	(93,979)	116,577
Recovery received	2,411,335	1,551,342
	2,232,551	**2,122,857**

Notes to the financial statements

		31 Dec 2025	31 Dec 2024
35	**Net claims incurred**	**₦'000**	**₦'000**
	Gross claims paid	5,946,535	4,578,686
	Movement in liability for claim incurred -IBNR	399,999	(94,721)
	Movement in liability for claim incurred	548,255	544,214
	Total liability for claim incurred claims incurred	**6,894,789**	**5,028,179**
	Salvage recovery	(174,062)	(87,480)
	Claims recovered and recoverable from reinsurers (see note 35.1 below)	(2,122,468)	(2,070,236)
		4,598,259	**2,870,463**

		31 Dec 2025	31 Dec 2024
35.1	**Analysis of claims recovered and recoverable from reinsurers**	**₦'000**	**₦'000**
	Reinsurance claims recoveries (see note 44c)	2,237,273	1,463,862
	Change in re-insurance recoverable (see note 10b)	(114,805)	61,501
	Change in recoverable in IBNR	-	544,873
		2,122,468	**2,070,236**

		31 Dec 2025	31 Dec 2024
36	**Analysis of acquisition cash flows costs**	**₦'000**	**₦'000**
	Commission expense	3,930,477	4,237,732
	Business acquisition cost	5,376,429	4,231,293
	Changes in asset for acquisition cash flows (see note 17.2a)	329,785	(445,565)
		9,636,691	**8,023,460**

		31 Dec 2025	31 Dec 2024
37	**Analysis of maintenance expenses**	**₦'000**	**₦'000**
	Staff costs (see note 41)	500,740	820,758
	Directors' emoluments (see note 41)	87,181	84,375
	Retirement benefit cost (see note 41)	41,603	67,418
	Other operating expenses (note 41)	1,558,696	1,143,028
		2,188,220	**2,115,580**

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.

		31 Dec 2025	31 Dec 2024
38	**Investment income**	**₦'000**	**₦'000**
	Dividend income (see note 38.2a)	2,555,284	2,236,441
	Interest income (see note 38.1)	4,658,674	3,567,427
	Investment income per statement of profit or loss and OCI	**7,213,958**	**5,803,868**
	Gain on disposal of investment (see note 38.2b)	569,357	317,560
	Realised Loss/Gain on Financial Assets FVTPL (see note 38.2c below)	738,939	435,027
		8,522,254	**6,556,455**
	Net fair value gain/(loss) on financial assets at fair value through profit or loss	110,280	(56,687)
	Total investment income	**8,632,534**	**6,499,768**

		31 Dec 2025	31 Dec 2024
38.1	**Interest income calculated using the effective interest method**	**₦'000**	**₦'000**
	Interest on placement	548,562	556,846
	Interest income on treasury bills	1,178,020	814,657
	Interest income on bonds	1,136,583	914,853
	Other investment income (see note 38.2 below)	1,795,509	1,281,071
		4,658,674	**3,567,427**
38.1a	**Net Trading Income:**		
	Dividend income (see note 38.2a below)	2,555,284	2,236,441
	Gain on disposal of investment (see note 38.2b below)	569,357	317,560
	Realised gain on Financial Assets FVTPL (see note 38.2c below)	738,939	435,027
		3,863,580	**2,989,028**
38.1b	Net fair value gain/losses on financial assets at fair value through profit or loss	110,280	(56,687)
	Total net investment income and other similar income	**8,632,534**	**6,499,768**

Notes to the financial statements

38.2 Breakdown of other investment income

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Interest From Fgn Promissory Notes	337,237	439,099
Interest From Investment/Debt Notes	463,608	333,597
Interest From Commercial Papers	620,993	362,916
Dividend From Mutual Fund Investment	176,713	134,596
Interest Income From Loans	31,185	10,318
Stock Redemption (FLOUR MILLS)	-	545
Income from investment receivables	124,602	-
Commission Received on Bond Auction	67	-
INTEREST FROM CALL PLACEMENT	2,407	-
QUOTED STOCK RECOVERY	41,604	-
GRATUITY PLAN ASSET	(500)	
REVERSAL ON INTEREST CALL PLACEMENT	(2,407)	-
	1,795,509	**1,281,071**

38.2a Breakdown of dividend income

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
WAICA Re	-	8,726
Access Holdings Plc	-	16,256
United Capital Plc	-	11,346
Zenith Bank Plc	-	42,236
Guaranty Trust Holding Company Plc	-	26,640
NIGERIA LIABILITY INSURANCE . POOL 2	25,981	-
ARADEL	9,137.00	-
Berger Paint Plc	-	21
Stanbic Ibtc Pension Mgr	2,344,129	2,102,294
UNICAP	10,800	-
GTCO	37,630	-
Fidelity	5,625	-
Zenith Bank Plc	47,599	-
NGX Group	10,821	-
Stanbic Ibtc Holdings Plc	-	282
United Bank For Africa Plc	12,307	16,068
Okomu Oil Plc	-	10,367
May And Baker Plc	8	6
FIDSON HEALTHCARE	47	-
Julius Berger Nig. Plc	-	1,327
MRS Oil	4,590	72.00
Conoil Plc	64	64.00
Flour Mill	-	736.00
SIAML Pension ETF 40	6,830	-
ACCESSCORP	13,415	-
STANBIC-IBTC	370	-
BERGER PAINT	28	-
OKOMU	25,903	-
	2,555,284	**2,236,441**

*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.

Notes to the financial statements

38.2b Breakdown of gain on disposal of investment

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Disposal gain on sales of 5m units of 22.60% FGN BOND JAN 2035	14,350	-
Disposal gain on sale of ACCESSCORP Shares	48,360	70,364
Disposal gain on sale of Zenith Bank Shares	192,276	78,021
Disposal loss on sale of MTN Shares	-	(20,345)
disposal loss on sales of 5,000,000 units of FIDELITY BANK shares	(9,718)	-
Disposal gain on sale of GTCO Shares	91,563	22,582
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	-	7,930
Disposal gain on sale of UCAP Shares	54	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 the sale of NTB - 22 Oct 2026	432	-
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	-
	569,357	**317,560**

38.2c Breakdown of Fair value gain on Financial Assets FVTPL

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Fair Value Gain With Fund Managers	2,950	42,964
Fair Value Gain On Equity Investment	735,988	392,063
	738,938	**435,027**

39 Net insurance finance income/expense

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Insurance finance expense/Income from insurance contracts issued	(196,718)	269,095
Insurance finance income/expense from reinsurance contracts held	93,979	(116,579)
Net insurance finance expense	**(102,739)**	**152,516**

40 Credit loss write back/ (expenses)

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Impairment write back on cash	-	8,720
Impairment write back/charge on bonds at amortised cost	-	323,823
Impairment write back/charge on bonds at FVOCI	-	6,160
Impairment on other receivables	-	(177,555)
Impairment loss on loan receivables	-	(29,582)
	-	**131,566**

41 Other income

	31 Dec 2025	31 Dec 2024
	₦'000	₦'000
Sundry income (see note (a) below)	63,816	64,073
Gain on sale of property & equipment	14,158	55,643
Fair value change on investment properties	-	120,000
Rental income	8,800	3,500
	86,774	**243,216**
Exchange loss/gains (see (b) below)	(744,749)	2,604,476
	(657,975)	**2,847,692**

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

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

Notes to the financial statements

42 Maintenance and management expenses

In thousands of Naira	31 Dec 2025 Maintenance Expenses	31 Dec 2025 Management Expenses	31 Dec 2024 Maintenance Expenses	31 Dec 2024 Management Expenses
Staff cost	500,740	751,109	820,758	1,231,138
Director emoluments	87,181	130,772	84,375	126,563
Pension contribution	11,904	17,857	11,658	17,487
Retirement benefits	29,698	44,548	55,760	83,640
Outsourcing cost	205,964	308,947	175,374	263,060
Advertising & publicity	21,616	32,424	14,404	21,605
Marketing expenses	14,660	21,990	12,952	19,427
Medical	29,568	44,352	23,592	35,387
Staff training & development	158,523	237,784	142,636	213,954
Corporate Expense	1,128,365	-	774,072	-
AGM expenses	-	63,214	-	35,975
Bank charges	-	93,434	-	124,564
Computer consumables	-	2,830	-	1,158
Depreciation on PPE	-	482,365	-	466,963
Amortisation of intangible assets	-	-	-	8,761
Amortisation on ROU	-	14,780	-	7,729
Diesel and fuel	-	261,893	-	273,864
Entertainment	-	8,335	-	8,717
Fines & penalties	-	79,522	-	4,316
Industrial training fund	-	(12,512)	-	13,826
Insurance expenses	-	121,073	-	106,214
Insurance supervision fee	-	294,154	-	279,066
Legal and secretarial expenses	-	9,215	-	45,739
Retail agents expenses	-	100,199	-	58,993
Lighting & heating	-	55,864	-	31,730
Maintenance expense	-	242,245	-	150,526
Newspapers & periodicals	-	1,418	-	567
Postage and telephone	-	47,426	-	35,481
Consultancy expenses	-	539,040	-	313,189
Rent & rate	-	44,991	-	38,666
Stationaries	-	31,643	-	23,115
Subscriptions, contributions & donations	-	61,159	-	39,021
Transport and business travels	-	23,911	-	23,906
Withholding tax & VAT	-	335,977	-	307,444
Audit fee	-	32,250	-	36,185
Rebranding expenses	-	269,629	-	228,752
Others	-	434,374	-	439,696
Total	**2,188,220**	**5,228,211**	**2,115,580**	**5,116,425**

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

	31 Dec 2025	31 Dec 2024
Profit attributable to ordinary shareholders (N'000)	**4,018,939**	**5,551,632**
Weighted average number of ordinary shares	**15,400,000**	**15,400,000**
Basic and diluted earnings per share (Kobo)	**26.1**	**36.0**

Notes to the financial statements

44 Cashflow reconciliation

a) Other operating cash payments

In thousands of Naira	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Management expenses (less staff expenses)	(3,930,627)	(3,000,845)
Adjustment for items not involving movement of cash:		
Depreciation	482,365	466,963
Amortisation of ROU	14,780	7,729
Unrealized exchange loss/gain	744,749	(2,604,476)
Sundry income	63,816	64,073
Gain on sale of property & equipment	14,158	55,643
Fair value gain on securities	(1,418,576)	(695,900)
Operating cash flows before movements in working capital	**(4,029,335)**	**(5,706,813)**
Changes in trade payables	276,506	(51,628)
Changes in insurance contract liabilities	1,017,035	2,046,200
Changes in trade receivable	668,984	(669,353)
Changes in defined benefit obligation	9,694	(74,180)
Changes in company income tax liabilities	(13,433)	2,107,837
Change in contigency reserve	817,561	1,110,326
Other sundry (payable)/receivable	(139,719)	718,314
Changes in Other receivables and prepayment	(1,535,627)	(373,426)
Changes in loans and receivables	(216,592)	44,969
Changes in reinsurance assets	1,027,966	(1,546,564)
Changes in other payables	(834,734)	509,429
	(2,966,614)	**(1,884,889)**

b) Premium received from policy holders

In thousands of Naira	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Trade receivable at 1 January	948,117	278,764
Gross premium written during the year	27,252,022	24,736,095
Trade receivable at end of the period	(279,133)	(948,117)
Premium received in advance	(75,425)	(22,374)
	27,845,581	**24,044,368**

c) Recovery and recoverable from reinsurers

In thousands of Naira	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Reinsurance claims recoveries (note 35.1)	2,237,273	1,463,862
Salvage recovery (note 35)	174,062	87,480
	2,411,335	**1,551,342**

d) Reinsurance premium paid

In thousands of Naira	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Reinsurance premium cost (note 33.1)	10,956,201	9,794,692
Facultative outwards (note 33.1)	1,893,831	1,341,363
Movement in treaty premium surplus	-	366,463
	12,850,032	**11,502,518**

e) Commission paid

In thousands of Naira	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Commission payable to brokers at 1 January	470,864	435,902
Commission cost	3,930,477	4,237,732
Business acquisition cost (Note 36.1)	5,376,429	4,231,293
Commission payable to brokers at end of the period	(521,958)	(470,864)
Other payables to agents and brokers	73,133	102,544
	9,328,945	**8,536,607**

f) Commission received

In thousands of Naira	31 Dec 2025 ₦'000	31 Dec 2024 ₦'000
Commission income earned during the year	2,518,307	1,657,037
Profit Comm. & Comm. Adjustment	(1,566)	-
Lead underwriting commission	16,655	140,455
Commission income received during the year	**2,533,396**	**1,797,492**

Notes to the financial statements

g) Interest received

In thousands of Naira	**31 Dec 2025** **₦'000**	**31 Dec 2024** **₦'000**
Interest income earned during the year	4,658,674	3,567,427
Interest received during the year	**4,658,674**	**3,567,427**

h) Movement in financial assets **31 Dec 2025**

In thousands of Naira	**Fair value through P/L**	**Available for sale**	**Held to maturity**	**Total Movement**
Addition	1,248,418	2,454,654	3,150,365	6,853,437
Disposals/redempetion	-	-	(2,527,075)	(2,527,075)
Impairment	-	-	-	-
Fair value gain	(1,332,176)	-	-	(1,332,176)
	(83,758)	**2,454,654**	**623,290**	**2,994,186**

Movement in financial assets **31 Dec 2024**

In thousands of Naira	**Fair value through profit or loss**	**Available for sale**	**Held to maturity**	**Total Movement**
Addition	352,747	1,744,080	9,423,925	11,520,752
Disposals/redempetion	(1,071,725)	(1,014,903)	(5,380,458)	(7,467,086)
	(718,978)	**729,177**	**4,043,467**	**4,053,666**

i) Purchase of property and equipment

In thousands of Naira	**31 Dec 2025** **₦'000**	**31 Dec 2024** **₦'000**
Addition for the year per movement schedule	225,724	466,435
Cash flow on addition to property and equipment	**225,724**	**466,435**

j) Sale of property and equipment

In thousands of Naira	**31 Dec 2025** **₦'000**	**31 Dec 2024** **₦'000**
Costs of assets disposed	5,964	116,541
Accumulated depreciation on assets disposed	(5,964)	(91,021)
Gain on disposal	(14,158)	(55,643)
Proceed on sale of assets	**(14,158)**	**81,163**

k) Cash payment to and on behalf of employees

In thousands of Naira	**31 Dec 2025** **₦'000**	**31 Dec 2024** **₦'000**
Staff cost	751,109	1,231,138
Director emolument	130,772	126,563
Pension contribution	17,857	17,487
Retirement benefits	44,548	92,072
Contract staff cost	308,947	263,060
Medical	44,352	35,387
	1,297,584	1,765,707

l) Cash and cash equivalents

	31 Dec 2025 **₦'000**	**31 Dec 2024** **₦'000**
Cash in hand	1,394	3,353
Bank balances	2,172,849	3,564,089
Short term deposits	2,273,543	1,930,195
Less: Allowance for impairment	(70,946)	(80,956)
	4,376,840	**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 (2024: see below table).

	31 Dec 2025 **₦'000**	**31 Dec 2024** **₦'000**
Chief Joshua Bernard Fumudoh	-	4,376
Mr. Daniel Braie	-	1,014
	-	**5,389**

Notes to the financial Statements

47 Contravention

There were no contraventions during the year (2024:N4.3m)

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.

50.1 Contingent liabilities

The Company is involved in pending litigations with claims of N168million (2024: N168million). Based on legal advice, the directors are of the opinion that no liability will eventuate therefrom.

50 Commitments

The Company had no capital commitments at the reporting date.

Other National Disclosures

Statement of Value Added
for the year ended 31 December 2025

	31 Dec 2025		31 Dec 2024	
	₦'000	**%**	**₦'000**	%
Insurance revenue	27,593,027	453	22,229,099	166
Investment income	8,529,795	140	9,479,026	71
Other income	1,574,576	26	-	0
Claims incurred, commissions paid and				0
operating expenses (local)	(31,601,535)	(518)	(18,335,778)	(137)
Value added	**6,095,863**	**100**	**13,372,347**	**100**
Distribution:				
Employees and directors (staff cost)	1,297,584	21	2,051,896	15
Government (taxes)	296,975	5	(269,546)	(2)
Asset replacement (depreciation)	482,365	8	475,724	4
Contingency reserve	817,561	14	5,562,642	42
Expansion (retained on the business)	3,201,378	53	5,551,632	42
	6,095,863	**100**	**13,372,347**	**100**

Financial Summary

	31 Dec 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	4,376,841	5,416,681	5,507,393	4,188,442	3,476,697
Financial assets	53,290,941	47,632,403	35,825,193	25,982,584	27,584,351
Loan and receivables	553,736	337,144	382,113	249,121	-
Premium receivables	279,133	948,117	278,764	199,857	81,468
Reinsurance contract assets	4,543,242	5,571,208	5,559,453	4,903,079	4,639,643
Deferred acquisition cost	-	-	-	-	432,828
Other receivables and prepayments	2,799,386	1,263,759	890,333	779,997	308,434
Right-of-use assets	22,800	7,880	13,509	21,744	25,221
Investment property	340,000	340,000	220,000	160,000	157,500
Intangible assets	25,066	33,908	33,101	20,844	36,866
Property and equipment	3,176,475	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	**70,177,620**	**65,677,301**	**52,862,109**	**38,790,346**	**38,710,185**
Liabilities					
Insurance contract liabilities	18,404,023	17,386,988	15,340,788	13,191,889	11,635,256
Other technical liabilities	1,495,369	1,218,863	2,136,104	1,022,333	765,141
Provision and other payables	672,504	1,507,248	2,010,015	742,250	1,053,785
Finance lease obligations	-	-		-	-
Retirement benefit obligations	103,644	93,950	168,130	84,322	89,660
Income tax liabilities	232,130	245,563	174,585	157,845	60,257
Deferred tax liabilities	2,036,859	2,036,859	-	-	-
Total liabilities	**23,287,530**	**22,832,471**	**19,829,622**	**15,198,639**	**13,604,099**
Capital and reserves					
Issued and paid-up share capital	9,240,000	7,700,000	7,000,000	7,000,000	7,000,000
Share premium	497,464	547,433	560,294	560,294	560,294
Contingency reserve	6,380,203	5,562,642	4,452,316	3,395,997	2,882,618
Retained earnings	6,219,672	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	22,771,690	22,695,399	17,777,487	14,459,291	17,346,660
Total equity	**46,890,091**	**42,844,829**	**33,032,487**	**23,591,708**	**25,106,086**
Total liabilities and equity	**70,177,621**	**65,677,300**	**52,862,109**	**38,790,346**	**38,710,185**
Statement of profit or loss					
Insurance revenue	27,593,027	22,229,099	14,835,202	12,506,552	11,161,499
Insurance service result before reinsurance contracts held	8,990,045	7,257,511	4,039,799	1,734,437	5,428,543
Insurance service result	1,672,305	766,967	261,595	(1,201,436)	(2,584,189)
(Profit/(loss) before taxation	4,315,914	5,282,084	5,463,747	1,874,983	(3,878,914)
Taxation (expense)/credit	(296,975)	269,548	(182,153)	(129,292)	(111,724)
(Profit/(loss) after taxation	4,018,939	5,551,632	5,281,594	1,745,691	(3,990,638)
Transfer to contingency reserve	817,561	1,110,326	1,056,319	1,232,312	334,845
Dividend	-	(700,000)	-	-	(500,000)
Transfer to revenue reserve	4,018,939	3,041,305	4,225,275	1,745,691	(6,825,483)
Basic earnings per share (kobo)	26.1	36.0	37.7	12.5	(28.5)