...together to succeed

VALUE CREATION

A Promise Kept

NEM Insurance Plc
Annual Report & Accounts 2023

It is our values
that ground us to

WHO WE ARE AND WHO WE ASPIRE TO BE

- Tara Loyd

We are proud to report improved customer satisfaction, increased shareholder value, expanded product offerings and higher premiums.

This year's theme, "Value Creation: A Promise Kept," reflects NEM Insurance's uncompromising obligation to our stakeholders. Despite the tough business environment in Nigeria, it has been a year of positive achievements related to value creation, involving strategic expansion, diversification, innovation, financial performance and more, demonstrating that we deliver on our promises.

We are proud to report improved customer satisfaction, increased shareholder value, expanded product offerings and higher premiums. This success is a tribute to the dedication of our team and the trust placed in us by our customers, partners, and investors.

Looking ahead, we remain committed to building on this foundation. We will continue to drive innovation, expand our reach, and enhance customer experience.

On behalf of the Board of Directors, I thank everyone for their continued support. We are confident that NEM Insurance is well-poised to deliver even greater value in the years to come.

Value Creation,

a Commitment Delivered

Mr. Tope Smart
Group Chairman

Our Vision

To be the preferred choice of the insuring public

Our Mission

To build a customer-satisfying Insurance Institution that is passionate about adding value to the interests of all stakeholders.

Core Values

- Discipline
- Integrity
- Humility
- Excellence
- Empathy
- Courage

Brief history about **the Company**

NEM INSURANCE PLC started insurance business in Nigeria in 1948 through the agency of Edward Turner & Co.

It became a Nigerian branch of NEM General Insurance Association Limited of London in 1965.

NEM Insurance Plc was Incorporated in 1970 as a Nigerian company in compliance with the Companies Decree of 1968 and became quoted on the Nigeria Exchange in 1989 following privatization by the Federal Government of Nigeria.

The company, which has contributed immensely towards the growth of Insurance Industry in Nigeria, was into Life and Non-Life business. Following the recapitalization exercise, the company merged with Vigilant Insurance Company Limited in 2007 to transact all classes of General Insurance.

NEM Insurance Plc has received a myriad of awards over the years and has been recognized as the Most Profitable Insurance Company in Nigeria, Most Valuable Insurance Company in West Africa and the Best Customer Care Award amongst others.


BOUNTIFUL
HARVEST AHEAD!
▪ Multi Perils Crop Policy
▪ Farm/Area Yield
Index Crop Policy
NEM
...together to succeed
NEM Insurance Plc
RC: 6971
Head Office:
NEM House,199, Ikorodu Road,
Obanikoro, Lagos, Nigeria.
P. O. Box 654 Marina, Lagos
Tel: 01-4489560-9; 01-4489570
Email: nem@nem-insurance.com
nemsupport@nem-insurance.com
NIA
A MEMBER OF THE NIGERIAN
INSURERS ASSOCIATION
NAICOM/CC/ADV/4422
www.nem-insurance.com
Authorised and Regulated by National Insurance Commission RIC 028 (G)

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Governance

Notice of **54th Annual General Meeting**

NOTICE IS HEREBY GIVEN that the 54th Annual General Meeting of **NEM INSURANCE PLC** ("the Company") will hold on **Tuesday 2nd July 2024 at The Shell Hall, Muson Centre, 8/9 Marina Onikan Lagos by 9am** to transact the following business:

ORDINARY BUSINESS

1. To lay before shareholders the Audited Financial Statement of the Company for the year ended 31st December 2023 and Reports of the Directors, the Auditors Report, and the Audit Committee's Report thereon.

2. To declare a Dividend.

3. To re-elect the following Non-Executive Directors that are retiring by rotation.
   (a) Mr. Papa Ndiaye
   (b) Mr. Kelechi Okoro

4. To ratify the appointments of the following Directors:
   (a) Mr. Tope Smart as Chairman of the Company.
   (b) Mr. Andrew Ikekhua as Managing Director of the Company
   (c) Mr Idowu Semowo as Executive Director of the Company
   (d) Chief Anthony Aletor - (Non-Executive Director)
   (e) Mrs. Abisola Giwa-Osagie - (Non-Executive Director)
   (f) Dr Daphne Oterie Dafinone - (Non-Executive Director)

5. To ratify the appointment of the External Auditors and to authorize the Directors to fix the remuneration of the External Auditors.

6. To elect members of the Audit Committee.

7. To disclose the Remuneration of Managers of the Company.

SPECIAL BUSINESS

8. To approve the remuneration of Non-Executive Directors.

9. To consider and if thought fit, pass the resolution as an ordinary resolution of the Company: "That the general mandate given to the company to enter into recurrent transactions with related parties for the company's day-to-day operations, including amongst others the procurement of goods and services, on normal commercial terms be and is hereby renewed.

Notice of 54th Annual General Meeting Cont'd

NOTES:

I. PROXY

a. A member entitled to attend, and vote is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. A form of proxy is attached to the last page of this Annual Report and may also be downloaded from the Company's website at: www.nem-insurance.com.

b. For the instrument of proxy to be valid for the purposes of this Meeting, it must be completed and duly stamped by the Commissioner of Stamp Duties and emailed to registrars@apel.com.ng or deposited at the office of the Registrars, Apel Capital Registrars Limited 8, Alhaji Bashorun Street Off Norman Williams Crescent South-West Ikoyi Lagos not less than 48 hours before the time of the Meeting.

c. The Company has made arrangements at its cost for the stamping of the duly completed proxy forms submitted to the Company's Registrars within the stipulated time.

II. CLOSURE OF THE REGISTER OF MEMBERS

The Register of Members and Transfer Books of the Company will be closed from Friday, 21st June 2024 till Thursday, 27th June 2024 both dates inclusive for the purpose of updating our Register of Members. Accordingly, dividends will only be paid to Shareholders whose names are on the Register on the Thursday, 20th June 2024. Payment date is Tuesday, 2nd July 2024.

III. UNCLAIMED DIVIDEND

Shareholders are hereby informed that some dividends have remained unclaimed and returned to the Registrar. The list of such unclaimed dividends is available here: https://sites.google.com/apelasset.com/dividendsearch/home. The affected shareholders are advised to contact the Registrars, Apel Capital Registrars Limited 8, Alhaji Bashorun Street off Norman Williams Crescent South-West Ikoyi Lagos to resolve any issue they may have with claiming their dividends.

IV. DIVIDEND PAYMENT

If the proposed dividend of 60kobo per ordinary share of N1Naira each as recommended by the Directors is approved by members at the AGM, e-dividends will be paid to shareholders' accounts in accordance with the directive of the Securities and Exchange Commission (SEC) on 2nd July 2024 to the shareholders whose names appear in the Register of Members at the close of business on Thursday, 20th of June 2024.

V. E-DIVIDEND

Notice is hereby given to all shareholders who are yet to mandate their dividends to be credited to their designated bank accounts to kindly update their records by completing the e-dividend mandate form and submitting same to the Registrars, as dividend will be credited electronically to shareholders' designated bank accounts as directed by the Securities and Exchange Commission (SEC).

Notice of **54th Annual General Meeting** Cont'd

Detachable application forms for e-dividend mandate, change of address and unclaimed dividends are attached to the Annual Report for the convenience of all shareholders. The forms can also be downloaded from the Company's website at www.nem-insurance.com or from the Registrars' website at www.apel.com.ng. The completed forms should be returned to Apel Capital Registrars Limited, 8, Alhaji Bashorun Street off Norman Williams Crescent South-West Ikoyi Lagos.

VI. STATUTORY AUDIT COMMITTEE

The Statutory Audit Committee consists of three (3) shareholder representatives and Three (3) Directors and in accordance with Section 404 of the Companies and Allied Matters Act, 2020, (CAMA, 2020) any shareholder may nominate another shareholder for election as a member of the audit committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

Further, CAMA 2020 provides that all members of the Statutory Audit Committee shall be financially literate and at least one member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly.

Consequently, we request that nominations to the Statutory Audit Committee should be accompanied by a detailed copy of the nominees' Curriculum Vitae and requisite qualifications.

VII. LIVE STREAMING OF THE AGM

The Annual General Meeting will be streamed live via the Company's website. This will enable shareholders and other stakeholders who will not be attending the meeting physically to observe the proceedings. Please log on to www.nem-insurance.com for a link to the live streaming of the Annual General Meeting.

VIII. RE-ELECTION OF DIRECTORS

In accordance with Section 259 of the Companies and Allied Matters Act, 2020, Mr. Papa Ndiaye and Mr. Kelechi Okoro will retire by rotation and being eligible, have offered themselves for re-election. Their profiles are contained in the Annual Report and on the Company's website.

IX GENERAL MANDATE

In line with the Nigerian Exchange Limited ("NGX") Rules in Transactions with Related Parties, the company is required to seek a renewal of the general mandate from shareholders as per Item 9 of the agenda above. This mandate shall commence on the date on which this resolution is passed and shall continue to operate until the date on which the next Annual General Meeting of the Company is held.

X NO VOTING BY INTERESTED PARTIES

In line with the provisions of Rule 20.8(h) Rules Governing Related Party Transaction of Nigerian Exchange Limited, interested persons have undertaken to ensure that their proxies, representatives, or associates shall abstain from voting on Special Business resolution 9 above

Notice of **54th Annual General Meeting** Cont'd

XI RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Pursuant to Rule 19.12 (c) of the Nigerian Exchange Limited's Rulebook 2015, it is the right of every Shareholder to ask questions not only at the meeting but also in writing prior to and after the meeting. Please send all questions, comments, or observations by email to nem@nem-insurance.com not later than 20th June 2024. Questions and answers will be presented at the Annual General Meeting.

XII E-ANNUAL REPORT

The electronic version of the Annual Report (e-annual report) can be downloaded from the Company's website www.nem-insurance.com. The e-annual report will be emailed to all shareholders who have provided their email addresses to the Registrars. Shareholders who wish to receive the e-annual report are kindly requested to send an email to nem@nem-insurance.com. or registrars@apel.com.ng.

XIII WEBSITE

A copy of this Notice and other information relating to the Meeting can be found at www.nem-insurance.com.

BY ORDER OF THE BOARD

IFUNANYA IWUAGWU
Company Secretary
FRC/2024/PRO/ICSAN/002/252928
199, Ikorodu Road, Lagos
Dated This 29th Day of May 2024

Corporate Information

Directors

Mr. Tope Smart	-	Group Chairman
Dr. Fidelis Ayebae	-	Chairman (retired 16th August 2023)
Mr. Andrew Ikekhua	-	Managing Director/CEO
Mr. Idowu Semowo	-	Executive Director
Mr. Papa Ndiaye	-	Director
Mr. Kelechi Okoro	-	Director
Alhaji Ahmed I. Yakasai	-	Independent Director
Mrs Joy Teluwo	-	Director
Mrs Olayinka Aletor	-	Director (retired 16th August 2023)
Chief Ede Dafinone	-	Director (resigned 16th August 2023)
Chief Anthony Aletor	-	Director (appointed 1st September 2023)
Mrs. Abisola Giwa-Osagie	-	Director (appointed 1st September 2023
Dr Daphne Dafinone	-	Director (appointed 1st October 2023)

Company Secretary

Mrs. Ifunanya Iwuagwu
199, Ikorodu Road
Obanikoro, Lagos

Registered Office

NEM House
199, Ikorodu Road
Obanikoro, Lagos

Tax Identification Number

00010019-0001

FRCN Number

FRC/2012/0000000000249

Registration Number

6971

Corporate Head Office

NEM House
199, Ikorodu Road
Obanikoro, Lagos
www.nem-insurance.com

Registrars

APEL Capital Registrars Limited
8, Alhaji Bashorun Street
Off Norman Williams Crescent,
South West, Ikoyi Lagos
Tel: 01-2932121
Mobile No: 07046126698
www.apel.com.ng

Bankers

Access Bank Plc
Polaris Bank Limited
First City Monument Bank
Ecobank Nigeria Limited
First Bank of Nigeria Limited
Guaranty Trust Bank
Keystone Bank Limited
Standard Chartered Bank Nigeria Limited
Sterling Bank Plc
United Bank for Africa Plc
Stanbic IBTC Plc
Heritage Bank Limited
Fidelity bank Plc
Zenith Bank Plc

Auditors

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

Corporate **Information** Cont'd

Solicitors

Koya & Kuti Solicitors
5th Floor, 3, Ajele Street
Lagos.

Sola Abidakun & Co
186A, Igbosere Road,
Lagos Island, Lagos.

Adeboye Badejo & Co
15, Salami street,
Off Sojomein Talabi Avenue,
Ajuwon, Lagos.

A & M Legal Practitioners
Plot 2, Block B, Palms,
Residences estate,
Lekki Phase II, Lagos.

Reinsurers

African Reinsurers Corporation
Continental Reinsurance Corporation
SWISS Reinsurance Company
WAICA Reinsurance Plc

Subsidiary

NEM Asset Management Company Limited
199, Ikorodu Road, Obanikoro,Lagos.
P.O. Box 654
Tel: 01-4489574

NEM Health Limited
199, Ikorodu Road, Obanikoro, Lagos.
P.O. Box 654
Tel: 02013300150

Corporate **Information** Cont'd

Branch Networks

Abuja - Garki
78, Emeka Anyaogu,
Off Muhammadu Buhari Way,
Area 11, Garki, Abuja.
Branch Manager: Michael A. Giwa
Mobile No: 08033208141

Abuja – Wuse
Plot 548, Ejura Close,
Wuse II, Abuja
Branch Manager: Mr. Martins Ilego-ma
Mobile Nos: 08077284843
08078153184, 08037020262

Abuja – Central Business District
82, Imo State Liaison office
Opp. Federal Ministry of Finance
Central Business District
Branch Manager: Davies O. Dada
Mobile Nos: 08150849411

Apapa
2nd Floor
41/43 Itire Road
Surulere, Lagos
Tel: 01-7375546, 07028442653
Branch Manager: Uzor Enubuzo
Mobile No: 08059301673,
0802896842

Calabar
2nd Floor, 26, Etta-Agbor Road
Calabar
Cross River
Branch Manager: Opeoluwa Olaku
Mobile Nos: 08054642551,
08033542048

Akure
3rd Floor, BIO Building Alagabaka
Akure, Ondo State
Tel: 034-215829
Branch Manager: Kehinde Agbelade
Mobile No: 08033509419

Ibadan
3rd Floor, Broking House
1, Alhaji Jimoh Odutola Street
PMB 5328, Ibadan
Oyo State
Tel: 02-2411992
Branch Manager: Rufus Olumide
Mobile Nos: 08033463697

Jos
10, Rwang Pam Street
P.O. Box 1261
Jos, Plateau State
Tel: 073-454216
Branch Manager:
Oyeronke Oyegbemile-Bello
Mobile No: 08077284946

Lagos Mainland
199, Ikorodu Road
Obanikoro, Lagos
Tel: 01-8171844, 01-4824737,
01-2710060
Branch Manager: Lucky Okparavero
Mobile Nos: 08076175287,
08023123006
08077284829

Kano
3rd Floor, Union Bank Building
37, Niger Street
P.O. Box 1185, Kano
Tel: 064-649374
Branch Manager: Ahmed Bello
Mobile No: 08154971638
08065294000

Onitsha
2nd Floor, (AIB) Building
107, Upper New Market Road, Onitsha
Tel: 046-410736
Branch Manager: Cyracus Akujobi
Mobile Nos: 08033457426,
07029219983

Kaduna
Ground Floor, Turaki Ali House
3, Kanata Road
P.O Box 822, Kaduna
Tel: 062-217683
Branch Manager: Eyitayo Ogboyomi
Mobile Nos: 07028243118

Oshogbo
1st Floor, Former Afribank Building
Opposite Fakunle Comprehensive
High School
Fakunle, Gbongan/Ibadan Road
Osogbo, Osun Sate
Tel: 035-214844
Branch Manager: Olubiyi Sonoiki
Mobile Nos: 08038436231,
08077284898

Warri
57, Effurun, Sapele Road
Effurun, Delta State
Branch Manager: Olayide Akinola
Mobile No: 08034221374
0802388188

Port Harcourt
House 2, Road 2
Circular Road, Residential Estate
Port Harcourt, Rivers State
Tel: 084-233513
Branch Manager: Akintan Kolawole
Mobile Nos: 08037236009

Anthony Retail
6A, Oyetola Idowu Street,
Sura Mogaji,
Ilupeju, Lagos
Branch Manager: Charity Orisakwe
Mobile Nos: 08033158144

Results at a **Glance**

GROUP	2023 N'000	2022 restated N'000	Changes N'000	Changes %
FINANCIAL POSITION				
Cash and cash equivalents	8,002,993	8,878,011	(875,018)	(10)
Financial Investments:				
- At fair value through profit or loss	10,463,494	5,800,623	4,662,871	80
- At fair value through other comprehensive income	75,219	53,731	21,488	40
- At amortised cost	36,355,234	12,159,020	24,196,214	199
Insurance contract assets	-	-	-	-
Trade Receivable	450,143	672,356	(222,213)	(33)
Reinsurance contract assets	9,433,042	9,472,703	(39,661)	(0)
Other receivables and prepayments	2,148,365	723,429	1,424,936	197
Investment properties	2,353,946	1,813,768	540,178	30
Statutory deposit	320,000	320,000	(0)	(0)
Intangible asset	54,110	15,721	38,389	244
Property, Plant and Equipment	4,202,175	3,886,188	315,987	8
Right-of-use Assets	609,015	149,520	459,495	307
Deferred tax asset	-	252,724	(252,724)	(100)
Total Assets	**74,467,735**	**44,197,794**		
Insurance contract liabilities	25,285,724	14,674,166	10,611,558	72
Reinsurance contract liabilities	-	-	-	-
Other insurance contract liabilities	857,381	487,527	369,853	76
Borrowings	1,557,737	-	1,557,737	100
Other payables	2,093,470	1,575,721	517,749	33
Lease liabilities	473,241	35,999	437,242	1,215
Retirement benefit obligations	-	29,497	(29,497)	(100)
Income tax liability	1,155,152	379,224	775,928	205
Deferred tax	4,507,627	-	4,507,627	100
Total Liabilities	**35,930,332**	**17,182,134**		
Share capital	5,016,477	5,016,477	-	-
Statutory contingency reserve	9,837,510	7,186,595	2,650,915	37
Retained earnings	21,578,802	12,713,807	8,864,995	70
FVOCI reserve	(46,277)	(67,765)	21,488	(32)
Asset revaluation reserve	2,107,964	2,107,964	-	-
Other Reserves - gratuity	-	58,581	(58,581)	(100)
Insurance finance reserve	-	-	-	-
Non-controlling interest	42,927	-	42,927	100
Total Equity	**38,537,403**	**27,015,659**		
INCOME STATEMENT				
Insurance Revenue	52,112,435	31,433,600	20,678,835	66
Insurance Service expenses	(34,218,973)	(22,693,835)	(11,525,138)	51
Net expenses on Reinsurance contracts	(12,795,475)	(2,480,675)	(10,314,800)	416
Insurance Service Result	**5,097,987**	**6,259,090**	**(1,161,103)**	**(19)**
Interest revenue calculated using the effective interest method	2,649,191	1,085,092	1,564,099	144
Dividend Income	687,422	470,062	217,360	46
Net foreign exchange gain	11,388,625	297,149	11,091,476	3,733
Net Fair value gain	4,807,948	174,088	4,633,860	2,662
Net credit impairment losses	(213,317)	(18,927)	(194,390)	1,027
Net Investment result	**19,319,869**	**2,007,464**	**17,312,405**	**862**
Net Insurance finance expenses	(154,305)	(88,578)	(65,727)	74
Net Insurance and Investment result	**24,263,551**	**8,177,976**	**16,085,575**	**197**
Other operating income	242,610	1,081,234	(838,624)	(78)
Gain/(loss) on disposal of property, plant and equipment	13,657	(36,425)	50,082	(137)
Management expenses	(5,279,154)	(3,724,696)	(1,554,458)	42
Finance cost	(362,809)	-	(362,809)	100
Profit before taxation	**18,877,855**	**5,498,089**	**13,379,765**	**243**
Income taxes	(5,929,070)	(96,667)	(5,832,403)	6,033
Profit for the year after tax	**12,948,785**	**5,401,422**	**7,547,363**	**140**
Total other comprehensive income/(loss) for the year	10,025	(45,067)	55,092	(122)
Total Comprehensive Income for the year	**12,958,810**	**5,356,355**	**7,602,455**	**142**
Profit attributable to Equity holders of the parent	13,020,855	5,401,422	7,619,433	141
Loss attributable to Non controlling interest	(72,073)	-		
Basic earnings per share (Kobo)	**260**	108	152	141
Diluted earnings per shares (Kobo)	**260**	108	152	141

Results at a **Glance** Cont'd

PARENT	2023 N'000	2022 restated N'000	Changes N'000	Changes %
FINANCIAL POSITION				
Cash and cash equivalents	7,907,551	8,842,182	(934,631)	(11)
Financial Investments:				
- At fair value through profit or loss	10,463,494	5,800,623	4,662,871	80
- At fair value through other comprehensive income	75,219	53,731	21,488	40
- At amortised cost	36,355,234	12,159,020	24,196,214	199
Insurance contract assets	-	-	-	-
Trade Receivable	354,531	672,356	(317,825)	(47)
Reinsurance contract assets	9,433,042	9,472,703	(39,661)	(0)
Other receivables and prepayments	1,875,423	581,362	1,294,060	223
Investment in Subsidiary	435,000	150,000		
Investment properties	2,353,946	1,813,768	540,178	30
Statutory deposit	320,000	320,000	-	-
Intangible asset	42,161	15,721	26,440	168
Property, Plant and Equipment	4,059,350	3,878,192	181,158	5
Right-of-use Assets	609,015	149,520	459,495	307
Deferred tax asset	-	249,881	(249,881)	(100)
Total Assets	**74,283,965**	**44,159,059**		
Insurance contract liabilities	25,097,847	14,674,166	10,423,681	71
Reinsurance contract liabilities	-	-	-	-
Other insurance contract liabilities	783,901	487,527	296,374	61
Borrowings	1,557,737	-	1,557,737	100
Other payables	2,015,522	1,570,560	444,962	28
Lease liabilities	473,241	35,999	437,242	1,215
Retirement benefit obligations	-	29,497	(29,497)	(100)
Income tax liability	1,154,348	378,179	776,170	205
Deferred tax liabilities	4,505,697	-	4,505,697	100
Total Liabilities	**35,588,294**	**17,175,928**		
Share capital	5,016,477	5,016,477	-	-
Statutory contingency reserve	9,837,510	7,186,595	2,650,915	37
Retained earnings	21,779,997	12,681,279	9,098,718	72
FVOCI reserve	(46,277)	(67,765)	21,488	(32)
Asset revaluation reserve	2,107,964	2,107,964	-	-
Other Reserves - gratuity	-	58,581	(58,581)	(100)
Insurance finance reserve	-	-	-	-
Total Equity	**38,695,671**	**26,983,131**		
INCOME STATEMENT				
Insurance Revenue	51,993,997	31,433,600	20,560,397	65
Insurance Service expenses	(34,116,367)	(22,693,835)	(11,422,532)	50
Net expenses on Reinsurance contracts	(12,795,475)	(2,480,675)	(10,314,800)	416
Insurance Service Result	**5,082,155**	**6,259,090**	**(1,176,935)**	**(19)**
Interest revenue calculated using the effective interest method	2,648,134	1,085,092	1,563,042	144
Dividend Income	687,422	470,062	217,360	46
Net foreign exchange gain	11,388,625	297,149	11,091,476	3,733
Net Fair value gain	4,807,948	174,088	4,633,860	2,662
Net credit impairment losses	(213,317)	(18,927)	(194,390)	1,027
Net Investment result	**19,318,812**	**2,007,464**	**17,311,348**	**862**
Net Insurance finance expenses	(154,305)	(88,578)	(65,727)	74
Net Insurance and Investment result	**24,246,662**	**8,177,976**	**16,068,686**	**196**
Other operating income	180,117	1,027,743	(847,626)	(82)
Gain/(loss) on disposal of property, plant and equipment	13,657	(36,425)	50,082	(137)
Management expenses	(4,912,943)	(3,673,499)	(1,239,444)	34
Finance cost	(348,772)	-	(348,772)	100
Profit before taxation	**19,178,721**	**5,495,795**	**13,682,926**	**249**
Income taxes	(5,924,145)	(94,941)	(5,829,204)	6,140
Profit for the year after tax	**13,254,576**	**5,400,854**	**7,853,722**	**145**
Total other comprehensive income/(loss) for the year	10,025	(45,067)	55,092	(122)
Total Comprehensive Income for the year	**13,264,601**	**5,355,787**	**7,908,814**	**148**
Profit attributable to Equity holders of the parent	13,254,576	5,400,854	7,853,722	145
Basic earnings per share (Kobo)	**264**	108	157	145
Diluted earnings per shares (Kobo)	**264**	108	157	145

Message from the Chairman

Distinguished Shareholders, representatives of regulatory bodies here present, invited Guests, Ladies and Gentlemen. I welcome you all to the 54th Annual General Meeting of our great Company - NEM Insurance Plc.

Before we delve into the highlights of the meeting, permit me to recognize and appreciate the enormous and meaningful contributions enjoyed so far from our immediate past chairman who retired in August 2023, in person of Dr. Fidelis Ayebae, his unwavering commitment to the NEM project during his tenure as the chairman will remain indelible in the history of the company, even as the past chairman, the board will continue to benefit from his wealth of knowledge, experience and leadership versatility. On behalf of the Board of Directors & Management, your commitment to the growth of our dear company is well appreciated.

On that note, I have the honor and privilege as the Group Chairman to present to you the Annual Report and Financial Statements for the year ended 31st December 2023.

Operating Environment

The Operating environment was volatile and challenging because of the political activities prior to the presidential election which was conducted on 25th February 2023 and posed a whole lot of uncertainties and challenges in terms of insecurity, exchange rate fluctuations and other national issues.

Furthermore, the fuel subsidy removal was announced by the elected president during his inaugural speech on 29th May 2023, which brought about hike in prices of goods and services, fuel pump price was increased from N195 to between

Chaiman's **Statement** Cont'd

N600 and N700 per liter depending on the location, which affected the economy generally during the year under review.

Despite all the challenges, NEM Insurance Plc soared higher than ever before, and because of the spectacular insurance revenue generated, our company led the general business during the year.

This trend of excellent performance is expected to be sustained with the support from all stakeholders and the giant strides demonstrated by the government at all levels to fight corruption, improve security, tackle unemployment, diversify the economy, enhance climate resilience, and boost the living standard of citizens.

I am delighted to announce to you that another subsidiary was added to the group in 2023 (NEM Health Limited) which commenced operation in 2023. All hands must be on deck to take all our subsidiaries to greater heights.

Although, so much is still being expected as Nigeria is ranked 38th in the world GDP ranking and the largest in West African economy, the country's GDP grew by 2.74% in 2023 against 3.10% in 2022 according to the National Bureau of Statistics.

The average price per barrel of Brent crude oil was USD82.49 in 2023 against US$84.78 per barrel in 2022.

In real terms, the non-oil sector contributed about 95.30% to the Nation's GDP in the fourth quarter of the year 2023, lower than 95.66% in the same quarter of 2022.

Non-oil sources remained the focal point for Nation's economic recovery and expansion, while the essence of agricultural development cannot be overemphasized for the purpose of food security.

The economy grew slower than the growth rate in population, an indication of growing poverty. It also meant that the expansion did not create enough job opportunities for the unemployed population. External reserve stood at USD 33Billion in 2023 as against US$37.08Billion in 2022, this is a decrease of 12%.

The official exchange rate of the Dollar to Naira was unstable during the year under review. It was about N899.89/$ against N448.55/$ in 2022.

The Monetary Policy Rate was 18.75% in 2023 against 16.5% in 2022 while the inflation rate was 28.9% in 2023 against 21.34 in 2022.

Insecurity, incessant power outage, exchange rate fluctuations and high rate of inflation contributed to low foreign direct investment, while many of the manufacturing and telecommunication companies recorded huge exchange loss in 2023.

Nevertheless, The Nigeria Exchange (NGX) market capitalization recorded a significant improvement during the year under review, this was N39.6 trillion in 2023 as against N27.9 trillion at the end of year 2022.

Insurance Revenue

Insurance revenue grew from N31.4billion in 2022 to N52.1billion in 2023, an increase of 66% over the previous year.

The Group's Profit before Tax (PBT) for the year under review was **N18.9b** and **N5.5b** in 2023 and 2022 respectively, an increase of **244%**.

Chaiman's **Statement** Cont'd

Investment Income

An increase of 106% was achieved relative to 2022. The total investment income in 2022 was N1.6b while that of 2023 was N3.3b

Claims Expenses

The Claims paid during the year was N15.7b as against N12.3b in 2022; an increase of 28% over that of the preceding year. The Claims ratio for 2023 was 30% while that of 2022 was 40%, a decrease of 25%.

Management Expenses

The management expenses increased from N3.7b in 2022 to N5.3b in 2023, 43% increase was due to the impact of inflation and business growth during the year under review.

Regulatory Guidelines and standard implementation.

As part global business ethics, standards and best practices continue to evolve, Nigerian insurance companies are transiting to the International Financial Reporting Standard (IFRS) 17, which sets out the principles for reporting insurance contracts. The adoption of IFRS 17 was part of measures to improve reporting practices, transparency, comparability, and disclosures in line with international best practices.

IFRS 17 is effective for the annual reporting period beginning from 1st January 2023. NEM Insurance Plc is a leading insurance provider in Nigeria, offering all forms of general insurance products with a history of successful financial reporting under previous accounting standards, the company realized the importance of embracing IFRS 17 as well as the directives from regulatory authorities and adopted IFRS 17 in presenting its 2023 financials. This required significant changes to the actuarial models, processes and accounting treatment which was quite tasking, time-consuming and resource intensive.

As part of regulatory compliance also, we have complied with the Security & Exchange Commission's directive on Internal Control Over Financial Reporting (ICFR).

Profit for the Year

The Group's Profit before Tax (PBT) for the year under review was N18.9Billion and N5.5Billion in 2023 and 2022 respectively, an increase of 244%. The Parent Company's PBT was N19.2Billion for 2023 and N5.5Billion for 2022, an increase of 249%.

Financial Assets, Total Asset & Total Equity

The position of the Group Financial Assets between 2022 and 2023 increased by 160% while Total Assets and Total Equity also improved by 68% and 43% respectively.

Earnings Per Share (EPS)

The Group's EPS for the year under review was 260kobo while that of the previous year was 108kobo. Parent Company's EPS for 2023 was 264k against the preceding year of 108k.

Dividend

The Board is recommending a dividend of 60 kobo per N1 ordinary shares amounting to N3,009,886,660.20, if approved at this AGM, payable to shareholders subject to deduction of withholding tax at the appropriate rate.

The Parent Company's PBT was
N19.2b
for 2023 and
N5.5b
for 2022, an increase of
249%

Chairman's **Statement** Cont'd

To my beloved shareholders who have been consistent in their zest to add value to the growth of the company, you are greatly appreciated.

Our ever-loyal Brokers, Agents, Re-insurers, and our numerous clients, you are all highly appreciated.

Human Capital Development

In line with the company's policy on human capital development, more than 96% of our workforce attended various training courses both local and foreign to enhance better performance on the job. Also, deserving members of staff were promoted during the year.

At this juncture, it is pertinent to mention to you that Mr. Andrew Ikekhua was elevated to the position of Managing Director / Chief Executive Officer in 2023. Before his appointment in July, he was the Executive Director (Marketing). Also, Mr. Idowu Semowo was promoted from the position of General Manager to the rank of Executive Director (Finance & Investment) during the year under review.

In the course of the year, aside from our former chairman, Dr Fidelis Ayebae who retired having completed his tenure, Mrs. Olayinka Aletor also retired from the Board having also completed her tenure. In addition, Chief Ede Dafinone resigned from the Board to enable him focus on his national assignment having been elected as a Senator of the Federal Republic of Nigeria.

I want to use this opportunity to express my appreciation to all of them for the massive support and contribution they made towards the growth and development of the company. To strengthen the Board, three new members have been added and they will be presented to the shareholders for ratification as the meeting progresses.

Prospects

As part of our expansion strategy, our plan to set up a viable life assurance company is in progress.

Conclusion

Our excellent and progressive performance is indeed commendable, and we give glory to Almighty God who has consistently been our strength and helper. I also want to use this opportunity to appreciate the MD/CEO, management, and members of staff for their continued dedication and hard work in achieving the set goals. Also, the commitment and cooperation from the Board is highly appreciated. To my beloved shareholders who have been consistent in their zest to add value to the growth of the company, you are greatly appreciated.

Our ever-loyal Brokers, Agents, Re-insurers, and our numerous clients, you are all highly appreciated.

Once again, a very big thank you and God bless you all.

MR. TOPE SMART
GROUP CHAIRMAN


YOUR BEST COVER FOR
PEACEFUL JOURNEY
Marine Hull Policy
Marine Cargo Policy
Voyage Policy

MD/CEO Report

Despite the economic headwinds in 2023, the insurance industry recorded a growth rate of 4.82% year-on-year according to the National Bureau of Statistics. The new motor insurance rate, which was introduced by the National Insurance Commission (NAICOM) in December 2022, received full support of the operators. The awareness of the new rate by Nigerian Insurers Association (NIA) and the regulator's position on full compliance contributed immensely to the giant growth recorded in motor insurance portfolio and overall performance of the industry in 2023.

MD/CEO **Report**

As the global economy progressed toward a full recovery from the impact of the 2020 and 2021 COVID-19 pandemic with a positive economic growth index projection, the Russian-Ukraine war broke out in 2022. The ripple effect is still being felt across the world owing to the importance of both Russia and Ukraine in the global food chain and security. While the UN was still making frantic effort to restore peace to the warring nations, on October 7, 2023, another war broke out between Israel and the Hamas, a political-religion movement in the Palestinian State. This resulted in an abrupt security concern in the Middle East and across the world, with a significant effect on the aviation industry and global tourism businesses. Despite these global security setbacks in 2023, the global economy was able to record a growth rate of 3.1% owing to the positive impact of the fast-growing Asian economy, contrary to predictions of global economic watchdog, the International Monetary Fund (IMF) which had earlier projected a global economic growth rate to fall from estimated 3.5% to 3%.

On the African regional level, the democratically elected governments were toppled by military junta in the Republic of Niger and Gabon which led to the suspension of the countries from the Economic Community of West African States (ECOWAS). The sanctions resulted to high economic downturn in Republic of Niger with a serious impact on the other neighbouring sub-Sahara African countries economies.

On the local scene, the change in power in the year 2023 had a huge impact on the Nigerian economy. In the heat of the election period, the Central Bank of Nigeria (CBN) monetary policies, which included naira redesigning and cashless policies, had negative implication on the standard of living of the people due to significant scarcity of the naira. Consequently, the activities of the nation's micro-economy were seriously slowed down in Q1 and Q2 of 2023.

The post-election period was characterized by persistent high inflation and food insecurity as the economy showed no sign of recovery. The policies by the new government such as subsidy removal, adjustment of MPR from 18.50% to 18.75% and flexible exchange rates could not ameliorate the economic situation as the Naira experienced constant devaluation against the Dollar. The implication of subsidy removal led to an increase in pump price of the premium motor spirit (PMS), which is the fuel that largely drives Nigeria micro-economy and has a direct consequence on the food security in the country.

While the headline inflation rate rose to 28.92% in December 2023 from 21.82% in January 2023, the household purchasing power dropped with a huge gap between the nominal income and real income. As the demand for dollars continued to mount pressure on the naira in the forex market, capital importation further declined to $3.91 billion in 2023, which is the lowest since 2007 according to the National Bureau of Statistics. Consequently, the foreign reserves declined from $34.22 billion in January 2023 to $32.89 billion in December 2023. The Gross Domestic Product (GDP), which measures the

The company recorded a growth rate of **88% in** gross premium written which amounted to **N62.7bn** against **N33.4bn** recorded in 2022.

MD/CEO **Report** Cont'd

economic growth of the country, also dropped from 3.1% in 2022 to 2.74% in the year 2023. The economy was largely driven by service sectors with growth rate of 4.18%, while the oil sector's contribution and growth rate declined by 4.82% and 2.22% respectively in the year 2022.

The country was also exposed to high migration of talents popularly referred to as "JAPA". The banking, insurance, medical and information technology sectors were mostly affected by the "Japa Syndrome" in 2023. While the National Bureau of Statistics pegged the unemployment rate at 4.2%, insecurity took a new dimension with a high wave of kidnapping across the country especially in the Northern states due to the activities of illegal mining in the Northwest, banditry and unabated Fulani herdsmen and farmers' conflict.

Despite the economic headwinds in 2023, the insurance industry recorded a growth rate of 4.82% year-on-year according to the National Bureau of Statistics. The new motor insurance rate, which was introduced by the National Insurance Commission (NAICOM) in December 2022, received full support of the operators. The awareness of the new rate by Nigerian Insurers Association (NIA) and the regulator's position on full compliance contributed immensely to the giant growth recorded in motor insurance portfolio and overall performance of the industry in 2023.

Year 2023 also marked the beginning of the implementation of the IFRS 17 accounting method for all insurance operators leading to substantial changes across various aspects of insurers' business such as operations, finance, and actuarial practices. The insistence on the adoption of this new accounting system for year 2023 financial report by National Insurance Commission (NAICOM) has caused a slight delay to the financial report approval process.

The National Insurance Commission (NAICOM) still maintained their silence on the industry's new recapitalization regime but rather concentrated their effort on Risk Based Supervision (RBS) in 2023. The supervision option according to the National Insurance Commission (NAICOM) is geared to reduce the risk associated with the industry and ensure that all the control functions are effective. Other regulatory actions in 2023 includes introduction of regulatory sandbox operational guideline, new market conduct guidelines for Takaful Insurance operators, and Enterprise Risk Management Framework for Takaful operators in Nigeria.

Year 2023 remains a historical milestone in NEM Insurance Plc. Your company did not only meet her target for the year but rose to the number one position in general business insurance market in Nigeria. All our performance indices for the year came positive. The company recorded a growth rate of 89% in gross premium written which amounted to N62.7bn against N33.4bn recorded in 2022. Our total assets and shareholders' fund recorded a leap of 68% and 44% respectively. Total Assets grew from N44bn to N74bn while Shareholders' fund grew from N27bn to N39bn.

A sterling performance was also recorded on our profit before tax

Our total assets and shareholders' fund recorded a leap of **68%** and **44%** for 2023 and 2022 respectively

Total Assets grew from **N44bn** to **N74bn** while Shareholders' fund grew from **N27bn** to **N39bn**

MD/CEO **Report** Cont'd

Year 2023 remains a historical milestone in NEM Insurance Plc. Your company did not only meet her target for the year but rose to the number one position in general business insurance market in Nigeria. All our performance indices for the year came positive.

with a growth rate of 249% from N5.5bn in 2022 to N19.2bn in 2023. Meanwhile the total claim of N15.6bn was settled with a growth rate of 27% from N12.3bn paid out in 2022. During the year, the Global Credit Rating Agency of South Africa upgraded our financial strength from AA minus to AA with stable outlook. This new rating indicates our strong financial capacity to meet our obligations and plan big in the market. It also improves our brand acceptability with better chances of winning more corporate businesses. As part of our corporate strategy, five new retail products were developed and deployed into the market after NAICOM approval. More attention was given to the digital distribution of our commoditized products through various business partnerships. The company sustained her leadership position in motor insurance with a huge gap ahead of the other underwriters. This giant strike attracted a recognition of best CEO of the year Award which was won by our immediate past GMD/CEO from Business Day Newspaper Almond Production Insurance of the Year Award.

Going forward, we shall continue to press home our strategic objectives while leveraging on our strength built on reputation, branch acceptability and strong financial capacity. Although the year ended with a strong economic headwind and persistent increase in inflation rate, however, the gross domestic product of 3.46% in Q4, 2023 and growth rate projection of 3.3% from initial 2.7% by World Bank indicates a sigh of relief for the country in 2024. We shall exploit to our advantage, all opportunities with a positive outlook in the economy and recent regulatory guidelines.

Let me sincerely appreciate our immediate past GM/CEO, now Chairman Mr. Tope Smart for the great work he has done and good foundation of excellence he has laid for this company. The current milestone of NEM Insurance Plc is a result of his sacrifice, doggedness, and quality leadership. It is our plan to consolidate on this great foundation and ensure the company maintains its enviable position. I also thank our immediate past Chairman Dr. Fidelis Ayebae and all Board of Directors for their unflinching support to the Management.

Finally, I appreciate our shareholders, business partners, especially our Brokers and customers for their loyalty and continued support. More importantly, I salute the excellent spirt of all staff of NEM Insurance Plc, their support is very instrumental to our success. We shall continue to uphold the core values of this organization without compromising our commitment in protecting the interest of our valuable shareholders. Above all, I give God Almighty all the Glory for His protection and for His faithfulness all the time.

The future of this Company is very bright. We shall continue to strategize and come up with initiatives that will add value to the interest of all stakeholders, while we continue to review our processes from time to time as we strive towards excellence in all fronts of our operations.

ANDREW IKEKHUA
Managing Director/CEO

REPORT OF DIRECTORS

For the Year ended 31 December, 2023

The directors hereby present their annual reports on the affairs of NEM Insurance Plc ("the Company" or "the Parent") together with its subsidiaries ("the Group") Group and Company's consolidated and seperate financial statements with the independent auditor's report for the year ended 31 December 2023.

1. LEGAL FORM

The company was incorporated in 1970 as a Nigerian Company in accordance with the Companies Act of 1968. The company became listed on the Nigerian Stock Exchange in 1989 following its privatization by the Federal Government of Nigeria. The company was into Life and Non- Life business but following the recapitalization exercise in 2007, the company merged with Vigilant Insurance Company Ltd to transact all classes of General Insurance.

2. PRINCIPAL ACTIVITIES AND CORPORATE DEVELOPMENT

The Company is engaged in the business of General Insurance which includes marine and aviation, motor vehicle, fire and burglary, oil and gas, engineering, bond, general accident, and agriculture. The company has two subsidiaries: NEM Asset Management Company Limited, and NEM Health Limited. NEM Asset Management Company Limited engages in investment business of all kinds including Vehicle Leasing, Machinery Acquisition, Hire Purchase of diverse assets etc. while NEM Health Limited is involved in the provision of health care services through health care providers and for that purpose is accredited by the National Health Insurance Authority. There have been no material changes to the group's business from the previous year.

SUMMARY OF THE RESULT	Group		Parent	
Operating result	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Insurance Revenue	52,112,435	31,433,600	51,993,997	31,433,600
Investment Result	19,319,869	2,007,464	19,318,812	2,007,464
Other revenue	256,267	1,044,809	193,774	991,318
Total Revenue	**71,688,571**	**34,485,873**	**71,506,583**	**34,432,382**
Insurance Service expenses	34,218,973	22,693,835	34,116,367	22,693,835
Net expenses on Reinsurance contracts	12,795,475	2,480,675	12,795,475	2,480,675
Net insurance finance expenses	154,305	88,578	154,305	88,578
Management and other expenses	5,279,154	3,724,696	4,912,943	3,673,499
Finance cost	362,809	-	348,772	-
Total Insurance and other expenses	**52,810,716**	**28,987,784**	**52,327,862**	**28,936,587**
Profit before tax	18,877,855	5,498,089	19,178,721	5,495,795
Income tax expense	(5,929,070)	(96,667)	(5,924,145)	(94,941)
Profit For the Year	**12,948,785**	**5,401,422**	**13,254,576**	**5,400,854**
Other Comprehensive income/(loss) for the year	**10,025**	**(45,067)**	**10,025**	**(45,067)**
Total comprehensive income for the year	**12,958,810**	**5,356,355**	**13,264,601**	**5,355,787**
Basic Earnings Per Share (Kobo)	260	108	264	108
Diluted Basic Earnings Per Share (Kobo)	260	108	264	108
Profit attributable to Equity holders of the parent	13,020,855	5,401,422	13,254,576	5,400,854
Loss attributable to Non-controlling interest	(72,073)	-	-	-

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

3. CORPORATE GOVERNANCE

Introduction

The business of NEM Insurance Plc is conducted under a corporate governance structure that incorporates the Board, the Committees, and a functional management system with the Board as the apex decision making body. This is in accordance with the Code of Corporate Governance for the Insurance Industry in Nigeria, the Securities and Exchange Commission (SEC) and best practices. At NEM Insurance Plc, we have ensured that our business activities are implicitly transparent.

For the financial year under review, 2023; the Board is of the opinion that NEM Insurance Plc has in all material respects, complied with the requirements of the Code of Corporate Governance for Insurance industry in Nigeria.

A summary of the key components of our Corporate Governance system is provided hereunder.

The Board

The Board of the company is responsible for establishing the policy framework that would ensure that the Company fully discharges its legal, financial, as well as regulatory responsibilities. The Board monitors the performance of the Company, the effectiveness of the governance structure under which it operates and renders the Accounts of its stewardship of the company's resources to the shareholders.

The Board of Directors is composed of a mix of executives and non-executives whereby the number of non-executives exceeds the number of executives while the position of the Chairman of the Board is clearly delineated from that of the Chief Executive Officer.

The Chairman

The Chairman of NEM Insurance Plc was duly appointed. The Chairman's primary role is to ensure that the board carries out its governance role in the most effective manner. The Chairman manages the operations of the Board effectively to ensure that members made concrete contributions towards the decisions of the Board and that the Board operates in harmony.

The Chief Executive Officer

The CEO maintains the day-to-day operations of the company and implements the strategic and financial plans with the cooperation and support of the Board. The CEO ensures transparency and the effective operation and management of the company's resources to ensure profitability of its business operations and that all significant matters affecting the company are brought to the attention of the Board.

Independent Director

The Board has an Independent Director who has remained independent since his appointment.

Annual Board Appraisal

In accordance with the requirements of the NAICOM Code, the Board renewed the mandate of SIAO partners to conduct the appraisal of its performance for 2023. The Board embarked on implementation of some of the recommendations of the last Appraisal Report.

(A) ACTIVITIES OF THE BOARD

Board Meetings

The Board meets regularly to discuss pertinent issues affecting the company and performs other activities and responsibilities that fall within its purview as provided in the Company's Article of Association and by other

REPORT OF DIRECTORS Cont'd
For the Year ended 31 December, 2023

relevant regulatory authorities. Meetings were well attended with sufficient notice given well in advance of the meetings. Adequate time was also allotted to meetings as required to enable in-depth deliberations of items listed on the agenda.

The board met five times during the year. The composition and attendance are stated below:

S/N	Name of Director	Status	Meeting Dated 13/03/2023	Meeting Dated 27/04/2023	Meeting Dated 16/08/2023	Meeting Dated 26/10/2023	Meeting Dated 13/12/2023
1.	Mr. Tope Smart	*Group Chairman (WEF 1st August 2023)*	✓	✓	✓	✓	✓
2.	Dr. Fidelis Ayebae	*Chairman till 16th August 2023*	✓	✓	Retired	Retired	Retired
3.	Mr. Andrew Ikekhua	*Managing Director / Chief Executive Officer (WEF 3rd July 2023)*	✓	✓	✓	✓	✓
4.	Mr. Idowu Semowo	*Executive Director (Finance & Investment) (WEF 16th August 2023)*	–	–	✓	✓	✓
5.	Alhaji Ahmed I. Yakasai mni	*Non – Executive Director (Independent)*	✓	✓	✓	✓	×
6.	Mrs Joy Teluwo	*Non – Executive Director*	✓	✓	✓	✓	✓
7.	Mr. Papa Ndiaye	*Non – Executive Director*	✓	✓	✓	✓	✓
8.	Mr. Kelechi Okoro	*Non – Executive Director*	✓	✓	✓	✓	✓
9.	Chief Ede Dafinone	*Non – Executive Director*	×	✓	Resigned	Resigned	Resigned
10.	Mrs. OlaYinka Aletor	*Non – Executive Director*	✓	✓	Resigned	Resigned	Resigned
11.	Dr. Daphne Dafinone	*Non – Executive Director (WEF 1st September 2023)*	–	–	–	✓	×
12.	Chief (Dr) Anthony Aletor CON, mni (JP)	*Non – Executive Director (WEF 1st September 2023)*	–	–	–	✓	✓
13.	Mrs. Abisola Giwa – Osagie	*Non – Executive Director (WEF 1st October 2023)*	–	–	–	✓	✓

***Note:** WEF – With Effect From, ✓ Present, × Present, – Yet to come on board*

- *Mr. Tope Smart transitioned from his former role as Group Managing Director to assume the responsibilities of Chairman on 1st August 2023*
- *Dr. Fidelis Ayebae retired from the position of Chairman of the board on 16th August 2023.*
- *Mrs. Olayinka Aletor,mni retired from the Board as a Non-Executive Director on 16th August 2023.*
- *Chief Ede Dafinone, subsequent to his election as a Senator of the Federal Republic of Nigeria, resigned from the board on 16th August 2023, aligning with established corporate governance principles.*
- *Mr. Tope Smart transitioned from his role as Group Managing Director to assume the responsibilities of Chairman on 1st August 2023.*
- *Mr. Andrew Ikekhua was elevated from the role of Executive Director (Marketing) to the position of Managing Director/CEO on 3rd July 2023.*
- *Mr. Idowu Semowo was elevated from the position of General Manager (Finance & Investment) to Executive Director (Finance & Investment) on 16th August 2023.*
- *Dr. Daphne Dafinone commenced her tenure on the board effective 1st September 2023.*
- *Chief (Dr.) Anthony Aletor CON mni (JP) also commenced his tenure on the board effective 1st September 2023.*
- *Mrs. Abisola Giwa-Osagie joined the board on 1st October, 2023.*

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

(B) BOARD COMMITTEES

The Board's Committee structure is as specified in the NAICOM Code and adequate for the complexity of the operations of the company. The Committees and committee members for the 2023 financial year are as contained hereunder:

- Finance, General Purpose, and Investment Committee
- Enterprise and Risk Management Committee
- Strategy and Corporate Governance Committee
- Remuneration, Nomination and Governance Committee
- Audit and Compliance Committee

In the year under review, the above-mentioned Committees were provided with specified Terms of Reference to guide their activities.

Finance, General Purpose, And Investment Committee

The key responsibilities of this Committee are:

- To provides financial analysis, advice and oversight of the company's budget.
- Setting investment policies and guidelines as well as to ensure that the company is operating with the required financial resources to enable seamless execution of projects and services.
- Monitoring sources of income generation
- Overseeing investment and reinvestment of the funds of the company
- Ensuring integrity of financial reporting
- Expense control.

The Committee met four times during the year. The composition and attendance are stated below:

S/N	Name of Director	Status	Meeting Dated 13/03/2023	Meeting Dated 26/04/2023	Meeting Dated 21/07/2023	Meeting Dated 11/12/2023
1.	Mrs. Olayinka Aletor	*Chairman till 16th August 2023*	✓	✓	✓	–
2.	Chief (Dr) Anthony Aletor CON, mni (JP)	*Chairman WEF 26th October 2023*	–	–	–	✓
3.	Mr. Tope Smart	*Member till 1st August 2023*	✓	✓	✓	–
4.	Alhaji Ahmed Yakasai	*Member*	✓	✓	✓	✓
5.	Mr. Kelechi Okoro	*Member*	✓	✓	✓	✓
6.	Mr Andrew Ikekhua	*Member WEF 26th October 2023*	–	–	–	✓
7.	Mr. Idowu Semowo	*Member WEF 26th October 2023*	–	–	–	✓

* *Chief Anthony Aletor became the Chairman of the committee on 26th October 2023.*

** *Mrs Olayinka Aletor was the Chairperson of the Committee of the board until her retirement from the board on 16th August 2023.*

*** *Mr Tope Smart was a member of the committee until he became the Chairman of the company on 1st August 2023*

**** *Mr Andrew Ikekhua and Mr Idowu Semowo both became members of the committee on 26th October 2023.*

Enterprise and Risk Management Committee.

The key responsibilities of this Committee are:

- To determine and manage business risks as well as develop policies that stipulates the risk profile and risk limits of the company.
- To develop, recommend and implement strategic management plans.
- Review policies as required by the emerging dynamics of the operating environment.
- To study and advice on the strategic plans for the long-term development of the company.

REPORT OF DIRECTORS Cont'd
For the Year ended 31 December, 2023

- Ensure that all the departments of the company are adequately sensitized to the level of risks inherent in their operations.
- Conduct annual local-level assessment of risks or opportunities towards developing and implementing a risk response plan.

The Committee met twice during the year. The composition and attendance are as stated below:

S/N	Name of Director	Status	Meeting Dated 26/04/2023	Meeting Dated 18/10/2023
1.	Chief Ede Dafinone	*Chairman till 16th August 2023*	✓	Resigned
2.	Dr. Daphne Dafinone	*Chairman WEF 26th October 2023*	–	–
3.	Mrs. Joy Teluwo	*Member*	✓	✓
4.	Alhaji Ahmed Yakasai	*Member*	✓	✓
5.	Mr Andrew Ikekhua till 26th October 2023	*Member*	✓	✓
6.	Mr Idowu Semowo	*Member WEF 26th October 2023*	–	–

* *Dr Daphne Dafinone became the chairperson of the committee on 26th October 2023, while Mr idowu Semowo became a member of the committee on the same 26th October 2023.*

** *Chief Ede Dafinone was the Chairman of the committee until his retirement from the board on 16th August 2023.*

Strategy and Corporate Development Committee

The terms of the Reference of the Committee are:

- Develop an overall strategic plan for the company by prioritizing key issues based on the input from management.
- To work with the Company's management to develop corporate strategy, review and recommend strategic investment transactions proposed by the Company's management.
- Monitor progress towards the achievement of strategic goals as well as review key strategic projects.
- Oversight of the company's investment activities.
- Researching and making recommendations to the Board on long-term development strategies and plans of the company.

The Committee met once during the year. The Composition of Committee and Attendance are as stated below:

S/N	Name of Director	Status	Meeting Dated 21/07/2023
1.	Mrs Olayinka Aletor	*Chairman*	×
2.	Mr. Kelechi Okoro	*Chairman WEF 26th October 2023*	✓
3.	Mr. Tope Smart	*Member till 1st August 2023*	✓
4.	Mr. Andrew Ikekhua	*Member*	✓
5.	Mrs Abisola Giwa – Osagie	*Member WEF 26th October 2023*	–
6.	Mr Idowu Semowo	*Member WEF 26th October 2023*	–

* *Mr. Kelechi Okoro became the chairman of the committee on 26th October 2023.*

** *Mrs Olayinka Aletor was a member of the committee until her retirement from the board on 16th August 2023.*

*** *Mr Tope Smart was a member of the committee until he became the Chairman of the company on 1st August 2023.*

**** *Mr Idowu Semowo became a member on 26th October 2023*

***** *Mrs Abisola Giwa-Osagie became a member on 26th October 2023*

REPORT OF DIRECTORS Cont'd
For the Year ended 31 December, 2023

Remuneration, Nomination and Governance Committee

The terms of the Reference of the Committee are:

- To ensure the company has a succession policy and plan in place for the board, executive management and senior management positions as well as provide adequate oversight on succession plans applicable in the company.
- Make recommendations to the board on matters pertaining to appointments, removals, and resignations of executive and non-executive directors and ensure that the process of appointing executives is credible and transparent.
- To advise the Board on the Company's compliance with NAICOM Corporate Governance Guidelines, SEC Corporate Governance Codes, and the Nigerian Exchange Listed Company Rules and other applicable governance requirements.
- Establish board diversity target relating to the composition of the board and senior management as well as develop pathways for the board to tap into new, diverse networks of qualified board candidates.
- Routinely review the organisational diversity scorecard and develop an inclusive culture.

The Committee met twice during the year.
The Composition of Committee and Attendance are as stated below:

S/N	Name of Director	Status	Meeting Dated 26/07/2023	Meeting Dated 25/10/2023
1.	Mr Papa Ndiaye	Chairman	✓	✓
2.	Mrs Joy Teluwo	Member	✓	✓
3.	Alhaji Ahmed Yakasai	Member	✓	✓
4.	Dr. Daphne Dafinone	Member	–	–
5.	Chief Anthony Aletor	Member	–	–

* *Alhaji Ahmed Yakasai ceased to be a member of the committee due to the board reconstitution on 26th October, 2023.*

** *Dr Daphne Dafinone became a member of the committee on 26th October 2023.*

*** *Chief (Dr.) Anthony Aletor became a member of the committee on 26th October 2023.*

Audit And Compliance Committee

The NAICOM code makes the following provisions in respect of the responsibilities of the Audit and Compliance Committee:

- Be responsible for the review, integrity and transparency of the company's financial reporting and compliance practices.
- Oversee the company's system of internal controls, including controls over financial reporting, internal controls and risk management functions by ensuring compliance with laws, regulations, and company policies.
- Review the terms of engagement and recommend the appointment, reappointment and compensation of External Auditors and their external audit results to ensure they are in line with generally accepted auditing standards.
- Ensures that appropriate policies and processes are in place for the prevention and identification of fraud, such as asset misappropriation, corruption, and financial statement.

REPORT OF **DIRECTORS** Cont'd

For the Year ended 31 December, 2023

The Committee met five times during the year and the composition and schedule of attendance are as follows:

S/N	Name of Director	Status	Meeting Dated 13/03/2023	Meeting Dated 08/06/2023	Meeting Dated 14/06/2023	Meeting Dated 4/10/2023	Meeting Dated 19/10/2023
1.	Mr. Taiwo Oderinde	*Chairman*	✓	✓	✓	✓	✓
2.	Mr. Samuel Mpamaugo	*Member*	✓	✓	✓	✓	✓
3.	Mr. Christopher Ogba	*Member*	✓	✓	✓	✓	✓
4.	Mrs Olayinka Aletor	*Member*	✓	×	×	–	–
5.	Mr. Kelechi Okoro	*Member*	✓	✓	✓	✓	✓
6.	Mrs. Joy Teluwo	*Member*	✓	✓	✓	✓	✓
7.	Mrs. Abisola Giwa – Osagie	*Member WEF 26th October 2023*	–	–	–	–	–

* *Mr Taiwo Oderinde became the chairman of the committee on 14th June, 2023*

** *Mr Samuel Mpamaugo was the Chairman of the committee till 8th June 2023*

*** *Mrs Olayinka Aletor was a member of the committee until her retirement from the board on 16th August 2023.*

**** *Mrs Joy Teluwo was a member of the committee until the board reconstitution on 26th October 2023*

***** *Mrs Abisola Giwa-Osagie became a member of the committee on 26th October 2023.*

4. DIVIDEND

Subsequent to the year-end and subject to approval at the next annual general meeting, the directors proposed a final dividend of 60 kobo per share (2022: 30 kobo) on the issued and paid-up capital of N5bn (2022: N5bn) ordinary shares of N1.00 each for the year ended 31 December 2023 (see note 21). This amounts to N3bn (2022: N1.5bn) and this final dividend has not been reflected in the financial statements. Payment of dividends is subject to withholding tax at the rate of 10% in the hands of the recipient.

5. DIRECTORS AND DIRECTORS' INTEREST

i. Directors

In pursuant to Section 303 of the Companies and Allied Matters Act 2020, no Director has disclosed any declarable interest in any contract with the Company during the year.

ii. Directors' Interest

The interest of the Directors in the issued share capital of the Company as recorded in the register of share-holders and/or as notified by them for the purposes of Section 301 of the Companies and Allied Matters Act 2020 are as follows:

Directors' Interest December 31st 2023

S/N	Name of Director	Direct	Indirect	Total
1	MR. TOPE SMART	120,411,652	-	120,411,652
2	MR ANDREW IKEKHUA	1,362,856	-	1,362,856
3	MR. IDOWU SEMOWO	15,270,847	-	15,270,847
4	ALHAJI AHMED I. YAKASAI	-	-	-
5	MR PAPA NDIAYE	-	1,499,926,852	1,499,926,852
6	MR KELECHI OKORO	-	-	-
7	MRS JOY TELUWO	253,044	320,201,645	320,454,689
8	MRS ABISOLA GIWA-OSAGIE	13,986,656	-	13,986,656.00
9	CHIEF DAPHNE DAFINONE	-	350,023,219	350,023,219
10	CHIEF (DR) ANTHONY ALETOR	-	364,318,306	364,318,306
11	FIDELIS AYEBAE	23,155,158	-	23,155,158
		174,440,213	**2,534,470,022**	**2,708,910,235**

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

Directors' Interest as at December 31, 2022

S/N	Name of Director	Direct	Indirect	Total
1	MRS JOY TELUWO	106,990,287	320,201,645	427,191,932
2	MRS. YINKA ALETOR	NIL	364,318,306	364,318,306
3	CHIEF EDE DAFINONE	NIL	350,023,219	350,023,219
4	MR. TOPE SMART	120,411,652	NIL	120,411,652
5	DR. FIDELIS AYEBAE	23,155,158	NIL	23,155,158
6	MR ANDREW IKEKHUA	1,362,856	NIL	1,362,856
7	ALHAJI AHMED I. YAKASAI	NIL	NIL	NIL
8	MR PAPA NDIAYE	-	1,499,926,852	1,499,926,852
9	MR KELECHI OKORO	-		
10	MR. ODAMAH MOMOH	2,225,120	NIL	2,225,120
11	MR. ADEBAYO SUNDAY JOSHUA	3,275,501	NIL	3,275,501
		257,420,574	**2,534,470,022**	**2,791,890,596**

6. DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of the consolidated financial statements which gives a true and fair view of the state of affairs of the Group at the end of each financial year and of the income statement for that year and comply with the Insurance Act CAP I17 LFN 2004, Financial Reporting Council of Nigeria (Amendment) Act 2023 and the Companies And Allied Matters Act, 2020.

7. SHAREHOLDING

The Registrar have advised that the issued share capital of the Company at of 31st December 2023 were beneficially held as follows:

Share Range Analysis as of 31st December 2023

Shareholding Range		No of Holders	% of Total Holders	Share	% of Total Holdings
1	1,000	5487	12.99	2,906,232	0.06
1001	5,000	10886	25.78	33,249,056	0.66
5001	10,000	7977	18.89	64,438,297	1.28
10001	50,000	13063	30.93	317,977,756	6.34
50001	100,000	2759	6.53	211,410,899	4.21
100001	500,000	1718	4.07	355,356,674	7.09
500001	1,000,000	170	0.40	127,572,905	2.54
1000001	5,000,000	139	0.33	276,139,110	5.50
5000001	10,000,000	15	0.04	106,806,097	2.13
10000001	50,000,000	10	0.02	186,456,006	3.72
50,000,001	100,000,000	9	0.02	1,862,738,140	37.13
100000001	AND ABOVE	1	0.00	1,471,426,595	29.33
		42,234	**100.00**	**5,016,477,767**	**100.00**

REPORT OF **DIRECTORS** Cont'd

For the Year ended 31 December, 2023

NEM INSURANCE PLC SHARE CAPITAL FROM INCEPTION TO 2023

			Issued And Paid-Up Capital Other Than Bonus				
	Nominal Value		No Of Shares		By Bonus		Total
Year	1,600,0000	Amount N'000	No Of Shares	Amount N'000	No Of Shares	Amount N'000	Cummulative Units
1989	1,600,000	NIL	NIL	NIL	NIL	NIL	1,600,000
1990	20,000,000	NIL	NIL	NIL	NIL	NIL	1,600,000
1991	20,000,000	NIL	NIL	NIL	400,000	NIL	2,000,000
1992	20,000,000		NIL	NIL	NIL	NIL	2,000,000
1993	20,000,000	NIL	18,000,000	NIL	NIL	NIL	20,000,000
1996	240,000,000	NIL	NIL	NIL	5,000,000	NIL	25,000,000
1997	240,000,000	NIL	68,507,246	NIL	NIL	NIL	93,507,246
1998	240,000,000	NIL	NIL	NIL	93,992,754	NIL	187,500,000
1999	240,000,000	NIL	NIL	NIL	NIL	NIL	187,500,000
2000	240,000,000	NIL	NIL	NIL	NIL	NIL	187,500,000
2001	240,000,000	NIL	NIL	NIL	NIL	NIL	187,500,000
2002	240,000,000	NIL	NIL	NIL	NIL	NIL	187,500,000
2003	1,000,000,000	NIL	NIL	NIL	NIL	NIL	187,500,000
2004	1,000,000,000	NIL	NIL	NIL	518,628,000	NIL	706,128,899
2005	5,000,000,000	NIL	299,916,131	NIL	NIL	NIL	406,212,768
2006	5,000,000,000	NIL	NIL	NIL	NIL	NIL	406,212,768
2007	7,000,000,000	NIL	4,570,709,998	NIL	NIL	NIL	4,976,922,766
2008	8,400,000,000	NIL	NIL	NIL	NIL	NIL	4,976,922,766
2009	8,400,000,000	NIL	NIL	NIL	NIL	NIL	4 ,976,922,766
2010	8,400,000,000	NIL	303,580,147	NIL	NIL	NIL	5,280,502,913
2011	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2012	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2013	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2014	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2015	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2016	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2017	8.400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2018	8,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2019	10,000,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2020	10,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2021	10,400,000,000	NIL	NIL	NIL	NIL	NIL	5,280,502,913
2021	10,400,000,000	NIL	NIL	NIL	4,752,452,622	NIL	10,032,955,535
2021	5,016,477,767	NIL	NIL	NIL	NIL	NIL	5,016,477,767
2022	5,016,477,767	NIL	NIL	NIL	NIL	NIL	5,016,477,767
2023	5,016,477,767	NIL	NIL	NIL	NIL	NIL	5,016,477,767

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

SUBSTANTIAL SHAREHOLDING WITH 5% AND ABOVE

	31ST DEC 2023		31ST DEC 2022	
NAME	UNIT HOLDING	%HOLDING	UNIT HOLDING	%HOLDING
AFIG FUND 11 LP	1,499,926,851	29.90	1,499,926,851	29.90
CAPITAL EXPRESS ASSURANCE LIMITED	364,318,306	7.26	364,318,306	7.26
JEDOIC LIMITED	350,023,219	6.98	350,023,219	6.98
BUKSON INVESTMENT LIMITED	320,201,645	6.38	320,201,645	6.38
TOTAL HOLDING	**2,534,470,022**	**50.52**	**2,505,969,765**	**49.95**

DIRECTORS' SHAREHOLDING – DIRECT AND INDIRECT

DIRECTORS' INTEREST DECEMBER 31, 2023

S/N	Name of Director	Direct	Indirect	Total
1	MR. TOPE SMART	120,411,652	-	120,411,652
2	MR ANDREW IKEKHUA	1,362,856	-	1,362,856
3	MR. IDOWU SEMOWO	15,270,847	-	15,270,847
4	ALHAJI AHMED I. YAKASAI	-	-	-
5	MR PAPA NDIAYE	-	1,499,926,852	1,499,926,852
6	MR KELECHI OKORO	-	-	-
7	MRS JOY TELUWO	253,044	320,201,645	320,454,689
8	MRS ABISOLA GIWA-OSAGIE	13,986,656	-	13,986,656.00
9	CHIEF DAPHNE DAFINONE	-	350,023,219	350,023,219
10	CHIEF (DR) ANTHONY ALETOR	-	364,318,306	364,318,306
11	FIDELIS AYEBAE	23,155,158	-	23,155,158
		174,440,213	**2,534,470,022**	**2,708,910,235**

NAME	31st December 2023	%	31st December 2022	%
Free Float in Units and Percentage	2,307,567,531	46.00	2,224,587,170	46.47%
Free Float in Value	12,853,151,148		10,490,959,858.50	

Declaration

(A) NEM Insurance Plc with a free float percentage of 46.00% as of 31st December 2023 is compliant with the Exchange's free float requirements for companies listed on the Main Board.

(B) NEM Insurance Plc with a free float value of N12,853,151,148 as of the 31st of December 2023 is compliant with the Exchange's free float requirements for companies listed on the Main Board.

Securities Trading Policy

In compliance with Rule 17.15 – Disclosure of Dealings in Issuers' Shares Rulebook of the Exchange 2015 (Issuers Rule), NEM Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individual categorized as insiders with respect to their dealing in the Company's shares. The

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

Policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.
Rules Governing Free Float Requirements

In accordance with Rule 2.2 – Rules Governing Free Float Requirement, NEM Insurance Plc complies with the Exchange's Free Float requirement.

We hereby declare that apart from Bukson Investment Limited, Jedoic Limited, Capital Express Assurance Limited and AFIG Funds having 5% and above, no other person or persons hold more than 5% and above in the issued shares of the Company.

NAME	HOLDING	%HOLDING
AFIG FUND 11 LP	1,499,926,851	29.90
CAPITAL EXPRESS ASSURANCE LIMITED	364,318,306	7.26
JEDOIC LIMITED	350,023,219	6.98
BUKSON INVESTMENT LIMITED	320,201,645	6.38

- Mrs. Joy Teluwo represents Bukson Investment Limited
- Dr Daphne Dafinone represents Jedoic Limited
- Chief (Dr) Anthony Aletor CON (mni) JP represents Capital Express Assurance Limited
- Mr. Papa Ndiaye and Mr. Kelechi Okoro represent AFIG Funds

8. RETIREMENT BY ROTATION AND RE-ELECTION

In accordance with Section 285 of the Companies and Allied Matters Act 2020, Mr. Papa Ndiaye and Mr. Kelechi Okoro will retire by rotation and being eligible offer themselves for re-election. Their profiles are contained in the Annual Report and on the Company's website.

9. COMPOSITION OF DIRECTORS

The Board of Directors of the Company is currently comprised of the underlisted individuals:

Dr. Fidelis Ayebae	-	Chairman (Retired 16/8/2023)
Mr. Tope Smart	-	Group Chairman (Effective 1st August 2023)
Mr. Andrew Ikekhua	-	Managing Director/CEO (Effective 3rd July 2023)
Mr. Idowu Semowo	-	Executive Director (Effective 16/8/2023)
Alhaji Ahmed I. Yakasai mni	-	Independent Non-Executive Director
Mrs. Olayinka Aletor mni	-	Non-Executive Director (Retired 16/8/2023)
Chief Ede Dafinone	-	Non-Executive Director (Resigned 16/8/2023)
Mr. Papa Ndiaye	-	Non-Executive Director
Mr. Kelechi Okoro	-	Non-Executive Director
Mrs. Joy Teluwo	-	Non-Executive Director
Mrs. Abisola Giwa-Osagie	-	Non-Executive Director (Effective 1/10/2023)
Dr Daphne Oterie Dafinone	-	Non-Executive Director (Effective 1/9/2023
Chief (Dr) Anthony Aletor CON mni (JP)	-	Non- Executive Director (Effective 1/9/2023)

10. RECORDS OF THE DIRECTORS' ATTENDANCE

In accordance with Section 252 of the Companies and Allied Matters Act 2020, the records of the Directors attendance at Director's meeting in 2023 are available for inspection at the Annual General Meeting.

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

11. SECURITY TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares Rulebook of the Exchange 2015 (Issuers Rules), the Company has a Security Trading Policy that applies to all employees and Directors, and this has been circulated to all employees that may at times possess any insider or material information about the company. The policy includes the need to enforce confidentiality against external advisers.

12. COMPLAINTS MANAGEMENT POLICY

In compliance with the Securities and Exchange Commission's Rule on Complaints Management for Public companies, the company has in place an investor complaint desk at its head office to resolve complaints arising from issues covered under the Investment and Securities Act (ISA) 2007.

13. DONATIONS

S/N	Name	N Amount
1.	Elegba Festival Residential Community Development Association	1,000,000.00
2.	Nigerian Council of Registered Insurance Brokers	2,500,000.00
3.	Nigerian Insurers Association	1,500,000.00
4.	Professional Insurance Ladies Association	1,350,000.00
5.	Auchi Polytechnic	400,000.00
6.	Ansarudeen Society of Nigeria, Iseyin	250,000.00
7.	Affiliate of Trade Union Congress of Nigeria	200,000.00
8.	Growing Grace Home	750,000.00
9.	Alpes Charity Foundation	250,000.00
10.	Ignite Career Initiative	2,000,000.00
11.	Catholic Diocese of Issele Uku St Paul's Grammar School	300,000.00
12.	Yaba College Of Technology	1,000,000.00
13.	Securities and Exchange Commission	1,000,000.00
14.	Redeemed Christian Church of God	250,000.00
15.	Raco Child And Rural Care Initiatiative	800,000.00
16.	Dessy-Roxy Kids-Home	1,000,000.00
17.	Lift Above Poverty Organization	1,000,000.00
18.	Chartered Insurance Institute of Nigeria	1,000,000.00
19.	Lagos Chamber of Commerce and Industry	300,000.00
20.	Nigerian Britain Association	2,856,541.67
21.	African Insurance Women Association	2,321,970.00
22.	Lagos Business School	250,000.00
23.	Police Community Relation Committee, Ilupeju	300,000.00
24.	The Still Waters Mental Health Foundation	500,000.00
25.	Tiger Tennis Foundation	200,000.00
26.	Armed Forces Remembrance	250,000.00
	Total	**N23,528,511.67**

REPORT OF DIRECTORS Cont'd

For the Year ended 31 December, 2023

14. EVENTS AFTER REPORTING DATE

There were no significant events after reporting date which could have had a material effect on the consolidated financial statements for the year ended 31st December 2023 which have not been adequately provided for or disclosed in the financial statements.

15. EMPLOYMENT AND EMPLOYEES

It is the policy of the Group not to adopt criteria that may be discriminatory in considering applications for employment, including those from physically challenged persons. All employees are given equal opportunities to develop their abilities. When an employee becomes physically challenged during his/her employment, the Group endeavors to retain the individual for employment despite the disability, where it is reasonably possible. As of 31st December 2023, two physically challenged persons are in the employment of the company.

16. EMPLOYEES INVOLVEMENT, TRAINING AND DEVELOPMENT

i. Information Dissemination
The employees are regularly provided with information on matters that are of concern to them through established channels of communication.

ii. Consultation with employees
There are regular consultations between the staff and management, particularly on matters affecting staff welfare.

iii. Encouraging employee's involvement and training
The employees are the company's most valued assets; hence the company is committed to their continuous training and development. In line with this, several training programs and courses aimed at broadening their technical, managerial, and professional skills are scheduled and attended by members of staff.

iv. Health, Safety at work and welfare of employees
The company places premium on the health and general welfare of its employees. Adequate medical facilities are provided for staff and their families at private hospitals retained in the respective localities. Transportation, housing, and lunch subsidies are also provided to all levels of employees. Also, firefighting equipment are installed in strategic positions in the office building.

17. AUDITORS

The previous auditors, Messrs. BDO Professional Services who audited the prior financial statements up to 31 December 2022, resigned and KPMG Professional Services were appointed to fill the vacancy on 1 November, 2023.

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020, therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

By Order Of The Board

IFUNANYA IWUAGWU
Company Secretary
Lagos Nigeria
FRC/2024/PRO/ICSAN/002/252928
Dated:This 29 April 2024

Board of Directors

Board Of **Directors**

DR. FIDELIS AYEBAE
CHAIRMAN
retired from the position of Chairman of the board on 16th August 2023.

MR.TOPE SMART
- B.Sc (HONS), ACII, MBA
GROUP CHAIRMAN
transitioned from his role as Group Managing Director to assume the responsibilities of Group Chairman on 1st August 2023.

Board Of **Directors** Cont'd

MR. ANDREW M. IKEKHUA - HND, PGD (MGT), PGD (COMM. ADMIN) MBA, MNIM CHARTERED), FNIMN (CHARTERED), FCICN (CHARTERED) FICA, FCE, ACIIN

MANAGING DIRECTOR

was elevated from the role of Executive Director (Marketing) to the position of Managing Director/CEO on 3rd July 2023.

ALHAJI AHMED I. YAKASAI - mni, FPSN
INDEPENDENT DIRECTOR

MRS. JOY TELUWO
DIRECTOR

Board Of **Directors** Cont'd

PAPA MADIAW NDIAYE
DIRECTOR

KELECHI OKORO
DIRECTOR

CHIEF EDE DAFINONE
DIRECTOR
resigned from the board on 16th August 2023, aligning with established corporate governance principles.

MRS. OLAYINKA TITILOPE ALETOR
DIRECTOR
retired from the Board as a Non-Executive Director on 16th August 2023.

Board Of **Directors** Cont'd

MR. IDOWU OLAITAN SEMOWO - B.Sc., MBA, ACS, FCIB, FCA

DIRECTOR

was elevated from the position of General Manager (Finance & Investment) to Executive Director (Finance & Investment) on 16th August 2023.

CHIEF (DR) ANTHONY ALETOR

DIRECTOR

commenced his tenure on the board effective 1st September 2023.

DR. DAPHNE OTERIE DAFINONE

DIRECTOR

commenced her tenure on the board effective 1st September 2023.

MRS. ABISOLA GIWA-OSAGIE

DIRECTOR

joined the board on 1st October, 2023.

Board Of Directors' Profile

MR. TOPE SMART

Board Chairman

Tope Smart, a graduate and an award winner from the University of Lagos also holds a master's degree in Business Administration (MBA) from the University of Nigeria, Nsukka. He is an Associate member of both the Chartered Insurance Institute of London and the Chartered Insurance Institute of Nigeria. Tope, an astute professional, believes very strongly in the entrenchment of insurance in the minds of all Africans.

He is an unrepentant advocate of a better and stronger Insurance Sector in Africa. He is a Council member, Chartered Insurance Institute of Nigeria, Council member, West African Insurance Companies Association (Ghana), Council member, Nigeria-Britain Association, member of Senate, University of Lagos, and a past Chairman of Nigeria Insurers Association. Tope is a past President of the African Insurance Organisation (AIO). During his presidency, AIO witnessed phenomenal growth and increased visibility as a result of several initiatives introduced by him.

Tope is presently the Chairman, Alpha Morgan Capital Limited, Chairman, NEM Health Limited, Vice-Chairman, AIO Foundation, amongst others. In 2014, he was appointed by the Federal Government as Co-Chairman of the Insurance Industry Transformation Committee. He was also recently appointed Chairman, Planning Committee of the University of Lagos Alumni Association's Golden Jubilee Anniversary.

In recognition of his outstanding achievements, Tope has won several awards among which are Distinguished Alumnus by the University of Lagos, University of Lagos Alumni Association Golden Jubilee Special Recognition Award amongst others. Tope is the winner of year 2023 (Almond Insurance Industry Award) Insurance CEO of the Year. He is also a two-time winner of the Businessday Top 25 CEOs award and an alumnus of Harvard Business School.

Board Of Directors' Profile Cont'd

MR. ANDREW M. IKEKHUA
Managing Director/Chief Executive Officer

Andrew Ikekhua holds a Master of Business Administration (MBA) in Administration from the London School of Business and Finance as well as an MBA in Entrepreneurship from ITTL- Doctoral Research Centre and University of Phoenix, Arizona.

He holds two Post Graduate Diplomas in Management (2000) and Commercial Administration (2004) from University of Lagos and University of Calabar respectively and is also an Associate of the Chartered Insurance Institute of Nigeria (ACIIN).

Andrew is an Associate of the Chartered Insurance Institute of Nigeria (ACIIN) and a Fellow of the Institute of Chartered Economists of Nigeria (FCE) (2009). He is also a full member, Nigeria Chartered Institute of Management (MNIM) 2014, a Fellow of the Institute of Marketing of Nigeria 2020, Fellow of the Institute of Commerce of Nigeria, and a Fellow of the Institute of Credit Administration.

Prior to his appointment as the Company's Branch Manager, Ibadan and Ikeja from 2001 to 2006, he worked at various levels of the accounts and audit department of both BAICO (1981 -1990) and NEM Insurance Plc, (1990 -2000). He later became the Head of the Lagos Mainland Branch upon recapitalization in 2007 and later an Assistant General Manager in 2009.

In recognition of his excellent track record, he was promoted to the position of Deputy General Manager in 2013 and to General Manager (Marketing) in 2014. Andrew subsequently became the Executive Director (Marketing) in 2017 and he is currently the Managing Director/ Chief Executive Officer of the company.

Andrew is a Council Member of the Nigeria Insurers Association as well as an Alumni of the Columbia University, New York USA.

He is married with children and has attended several marketing and management courses both locally and internationally.

Board Of Directors' Profile Cont'd

ALHAJI YAKASAI AHMED I. MNI, FPSN

Director

Kachallan Kano is an accomplished Pharmacist and Independent Consultant with comprehensive background in pharmaceutical fields and international marketing with bias in Search and Social Media marketing and Public-Private Partnerships. He has a long-distinguished career in various fields of Pharmacy, Healthcare Research, Engineering and Construction, Telecoms and Regulatory Affairs with over 41 years' experience.

He is the immediate Past President of the Pharmaceutical Society of Nigeria (PSN) from 2015 – 2018 and is also an Honorary Consul-General of Pakistan in Nigeria and Founder/CEO, Pharmaplus Nigeria Limited, Multiplus Resource Limited and Blue Quest Engineering and Construction Company Limited.

He obtained his first degree in Pharmacy from the prestigious Ahmadu Bello University, Zaria in 1983 and so many post-graduate courses including International Marketing (Search and Social Media Marketing) 2014 – 2015 from University of Salford, Manchester UK. Alhaji Yakasai attended the prestigious National Institute for Policy and Strategic Studies (NIPSS), Kuru , SEC 42, 2020 and graduated with Member National Institute (mni) on 12th December 2020.

Ahmed worked variously in both the public and private sectors: Two terms Commissioner in Kano State, First, he was Commissioner of Commerce, Industry, Cooperatives and Tourism (2005 – 2010) and was redeployed to the ministry of Land and Physical Planning from 2010-2011. Alhaji Yakasai was also former Vice President, Kano State Chamber of Commerce.

He is a Fellow of the Pharmaceutical Society of Nigeria, Fellow of Nigeria Academy of Pharmacy, Fellow of the West African Postgraduate College of Pharmacists, Fellow of Nigerian Institute of Chartered Chemists, Fellow of Professional Excellence Foundation of Nigeria amongst others.

Yakasai Ahmed is also on the board of several companies.

Board Of **Directors' Profile** Cont'd

MRS. JOY TELUWO

Director

Joy Teluwo is a leader, entrepreneur and a registered nurse and midwife with over 25 years' experience after graduating from the Edo State School of Nursing. She currently sits as the Managing Director/Chief Executive Officer of Jotel Trade Park Limited.

In her journey in the corporate sector, with a career spanning over 15 years, she specializes in risk management, where she garnered more skills in management which include team building, business development, customer service relationship, marketing management, amongst others. She joined Vigilant Oil & Gas Limited as General Manager where she set up the risk management unit in 2002.

Joy continues to successfully run three indigenous companies including Tropical Farms Limited.

Board Of Directors' Profile Cont'd

MR. PAPA MADIAW NDIAYE

Director

Papa is a graduate of Harvard College with a bachelor's degree in Economics. He holds an M.A. in International Affairs from the University of Pennsylvania's Lauder Institute, and an M.B.A. from the Wharton School of Business.

He spent the early part of his career at Salomon Brothers and joined JP Morgan's Emerging Markets Group in 1992. In 2000, Papa served as Special Advisor for Economic and Financial Affairs to the President of the Republic of Senegal and Chairman of the Senegalese Presidential Economic and Financial Advisory Council.

He is Founding Partner of AFIG Funds and currently the Chief Executive Officer of the company.

Prior to his current position at AFIG, he has worked as Investment Director at Emerging Markets Partnership in Washington (EMP, now ECP) and held senior responsibilities for IFC's equity and debt investment activities in capital markets and financial institutions in Africa between 1996 and 2000.

Papa sits on the boards of several African companies and non-profit organizations pertaining to Africa.

Board Of Directors' Profile Cont'd

MR. KELECHI OKORO

Director

Kelechi Okoro holds a Bachelor's in Human Physiology from the University of Ibadan, and an M.B.A. from Lagos Business School.

He is a Director at AFIG Funds responsible for sourcing, executing and managing investments for the funds under management.

Prior to joining AFIG Funds in 2013, Kelechi was at Argentil Capital Partners where he originated and executed infrastructure transactions. He also a has stint with the Infrastructure and Natural Resources Group of the International Finance Corporation (IFC), and at ARM Investment Managers both in Nigeria.

Board Of Directors' Profile Cont'd

MR. IDOWU SEMOWO

Executive Director

Idowu Semowo holds a Bachelor of Science Degree in Fisheries Management in 1990 from the University of Ibadan and a Master of Business Administration in Marketing from the University of Lagos (1995). He is a Fellow of the following institutes: The Institute of Chartered Accountants of Nigeria [FCA], Chartered Institute of Bankers of Nigeria [FCIB] and Chartered Institute of Stockbrokers of Nigeria [FCS].

He started his career with BBC Balogun Badejo & Co [a firm of Chartered Accountants] in 1993 and later worked with some banks: UTB, Magnum and MBC International Bank Limited between 1997 and 2005. He has over thirty-one years of experience in the financial industry [Auditing, Banking and Stock Broking].

Idowu worked with Kinley Securities Limited as AGM [Finance Services] up till December 2007 before joining NEM Insurance Plc in 2008. He has attended several courses on Professional Management, Leadership, Credit Analysis, Selling, Marketing and Costing of Financial Services and Products.

Given his extensive expertise, he was appointed as Executive Director (Finance & Investment) in August 2023.

Board Of **Directors' Profile** Cont'd

DR. DAPHNE OTERIE DAFINONE PhD, FCA

Director

Daphne Oterie Dafinone is a distinguished Fellow of both the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Nigeria. Few of her academic accomplishments include the attainment of a master's degree in Internal Audit and Management Finance from City University, London in 1996, followed by the successful completion of a Ph.D. in Internal Audit and Corporate Governance at City University of London in 2001.

She is the Chief Operating Officer of Crowe Dafinone and has over thirty years of professional experience. Daphne has been involved in numerous consulting and audit assignments and her experience includes corporate governance, due diligence, corporate restructuring, merger and acquisitions, reverse-takeovers, debt restructuring schemes, fund raising exercises, valuation exercises, feasibility reviews, and valuation of infrastructure projects.

Board Of Directors' Profile Cont'd

CHIEF (DR) ANTHONY ALETOR CON, mni, JP

Director

Chief (Dr) Anthony Aletor, CON, mni, (JP), is an astute businessman with interests in insurance, investment banking, commodity trading, mining, shipping, and logistics. He is the Chairman of Capital Express Holdings Limited and sits on the boards of various notable companies.

He is a distinguished strategist, manager, and administrator with sterling leadership qualities that have been recognized by groups, organisations and governments, with numerous awards and laurels. He holds the chieftaincy title of The Aare Bashorun Parakoyi of Ibadanland, Aradakan of Owo Kingdom, The Ehinoma of Igueben Kingdom, and Ci-Garin Hausa.

He has a degree in Insurance from the University of Lagos, an MBA from the University of Ibadan, an Honorary Doctorate Degree in Leadership and Community Development from the Ecole Superieur d'Administration et d'Economie (ESAE-University), Cotonou, Benin Republic, and is also a Doctoral Fellow (Dr. ICRMP), International Certified Risk Management Professionals, United Kingdom.

Chief Aletor, has attended several local and international courses and he is a member of several reputable professional and non-professional associations, such as: National Institute for Policy and Strategic Studies, Kuru, Jos (mni); Member, The Nigerian Council of Registered Insurance Brokers; Member of the Association of Pensions Fund Managers of Nigeria; Member of the Institute of Directors (IOD); Associate Member, Nigerian Institute of Management (AMNIM); Associate, Chartered Insurance Institute of London (ACII); Associate, Chartered Insurance Institute of Nigeria (ACIIN); Associate, Corporation of Insurance Brokers (ACIB); Fellow of the Chartered Institute of Stockbrokers (CIS); and Honorary Fellowship, Chartered Institute of Loan & Risk Management of Nigeria (HCILRM).

Board Of **Directors' Profile** Cont'd

MRS. ABISOLA GIWA OSAGIE

Director

Mrs. Abisola Giwa-Osagie, a distinguished Director, is a luminary in the field of law and business development. A graduate of the esteemed University of Warwick in Coventry, England, she holds a profound understanding of legal intricacies, further enriched by a master's degree in international law (L.L.M.). Mrs. Giwa-Osagie commenced her illustrious career at the prestigious Law Firm of Femi Okunnu & Co (SAN) in Lagos, where her acumen and dedication garnered early recognition.

Her journey led her to the National Insurance Corporation of Nigeria (NICON), where she navigated various roles with finesse and deep understanding. Recognized for her astute leadership and strategic vision, she assumed the mantle of Head of Legal Services/Admin at Olympia Insurance Company, leaving an indelible mark on the organization before her departure in 1996.

In 1997, Mrs. Giwa-Osagie embarked on a new chapter, joining African International Bank (A.I.B.) with a pivotal role in the Legal Department, overseeing the institution's assets and insurance matters across the nation. Her tenure witnessed transformative strides, emblematic of her commitment to excellence and her ability to navigate complex regulatory landscapes.

In 2004, she embarked on a transformative journey with NEM Insurance, where she assumed the role of Executive Director (Business Development), spearheading the company's foray into the dynamic realm of energy insurance. Her tenure was characterized by strategic foresight and unwavering dedication.

Mrs. Giwa-Osagie's quest for knowledge and excellence led her to prestigious leadership programs at Harvard Business School, Columbia, Wharton, and other renowned global business schools, further honing her strategic acumen and leadership prowess.

Following the successful recapitalization exercise in 2007, Mrs. Giwa-Osagie's leadership was reaffirmed through her reappointment as Executive Director (Business Development). Her tenure culminated in her appointment as Deputy Managing Director, a testament to her exemplary leadership and profound impact. Today, Mrs. Abisola Giwa-Osagie's illustrious career continues to flourish as she imparts her invaluable insights and expertise across various boards.

She has attained the status of a trailblazer in the realms of law, business development, and corporate governance.

Management Team Profile

Management **Team Profile**

Mr. Andrew Ikekhua holds a Master of Business Administration (MBA) in Administration from the London School of Business and Finance. In addition, he has a Master of Business Administration (MBA) in Entrepreneurship from ITTL-Doctoral Research Center and University of Phoenix, Arizona.

He is an Associate of the Chartered Insurance Institute of Nigeria (ACIIN) and a Fellow of the Institute of Chartered Economists of Nigeria (FCE 2009). A full member, Nigeria Institute of Management (MNIM 2014); a Fellow of the Institute of Marketing of Nigeria (Chartered 2020); a Fellow of the Institute of Commerce of Nigeria (Chartered 2020) and a Fellow of the Institute of Credit Administration (2020)

Prior to his appointment as the company's branch manager, Ibadan and Ikeja from 2001 to 2006, he worked at various levels of the accounts and audit department of both BAICO (1981 -1990) and NEM Insurance Plc, (1990 -2000). Subsequently, he became the Head of the Lagos Mainland Branch upon recapitalization in 2007 and an Assistant General Manager in 2009.

In recognition of his excellent track record, he was promoted to the position of Deputy General Manager in 2013 and in 2014 to the position of General Manager (Marketing). In 2017, he was elevated to the position of Executive Director (Marketing and Business Development).

Mr Ikekhua has demonstrated a high level of commitment and dedication to the insurance sector and this has earned him the enviable position of Managing Director/ CEO, a position he occupies till date.

He is married with children and has attended several marketing and management courses both locally and internationally.

Mr. Andrew M. Ikekhua

– MNIM (CHARTERED), FNIMN (CHARTERED), FCICN (CHARTERED) FICA, FCE, ACIIN

Managing Director/Chief Executive Officer

Management **Team Profile** Cont'd

Idowu Semowo holds a Bachelor of Science Degree in Fisheries Management in 1990 from the University of Ibadan and a Master of Business Administration in Marketing from the University of Lagos (1995). He is a fellow both The Institute of Chartered Accountants of Nigeria [FCA] and Chartered Institute of Bankers of Nigeria [FCIB] respectively. He is also a Fellow of the Chartered Institute of Stockbrokers of Nigeria [ACS].

He has over twenty-seven of experience in the financial industry [Auditing, Banking and Stock Broking]. He started his career with BBC Balogun Badejo & Co [a firm of Chartered Accountants] in 1993 and later worked with various banks: UTB, Magnum and MBC International Bank Limited between 1997 and 2005.

He worked with Kinley Securities Limited as AGM [Finance Service] up till December 2007 before joining NEM Insurance Plc in 2008. He has attended several courses on Professional Management, Credit Analysis, Selling, Marketing and Costing of Financial Services and Products.

Given his extensive expertise, He became an Executive Director (Finance & Investment) in 2023.

Mr. Idowu Semowo

- B.SC., MBA, ACIB, FCS, FCA

Executive Director, Finance & Investment

Management **Team Profile** Cont'd

Adeyemi Mabayoje Mayadenu holds a Higher National Diploma Certificate in Insurance from The Polytechnic Ibadan (1993). He became an Associate member of the Chartered Insurance Institute of Nigeria (ACIIN) in 2001.

His insurance career started from Nigeria Life & Pensions, Lagos where he served as a clerk in 1990. He served as a Youth Corp Member at the Regional office of NICON Insurance Company, Benin City (1994-1995). He then proceeded to Hogg Robinson (Nig.) Limited, Warri as a senior staff (1995-1998). Thereafter, he worked in various capacities with reputable insurance companies including IGI Company Limited and Goldlink Insurance Company. He joined Vigilant Insurance Company Limited as Assistant Controller (2003-2007) and rose to become a Group Executive and headed the Port Harcourt branch of NEM Insurance Plc upon the merger and recapitalization.

Mr. Mayadenu is a versatile Insurance practitioner with vast experience in technical and marketing skills. In recognition of his marketing expertise, he was elevated to the position of Assistant General Manager in 2011 and continued as Head of the Port Harcourt branch of the company.

He has attended several courses (home and abroad) in Insurance, Marketing and Management and is presently the Deputy General Manager (Strategy & Systems). He is happily married with children.

Mr. Adeyemi Mabayoje Mayadenu

-HND, ACIIN

Executive Director (Technical)

Management **Team Profile** Cont'd

Mojisola Teluwo is a graduate of Yaba College of Technology where she obtained the Higher National Diploma [HND] certificate in Business administration, 1993.

She is a full member of the Nigeria Institute of Management [MNIM] 2003 and Fellow Institute of Chartered Economist of Nigeria [FCE] 2011. She is also an Associate of the Chartered Institute of Personnel Management of Nigeria [ACIPM] 2012.

She is a seasoned veteran of over two decades in the insurance industry and her career started with Vigilant Insurance Company in 1994 where she rose to the position of AGM/Head Corporate Affairs. She continued to head the Corporate Affairs department of NEM Insurance Plc after the recapitalization exercise in 2007. Mrs. Teluwo is presently a General Manager and heads the Corporate Services Department.

She has attended several courses on management, Human Resources, and Industrial Relations.

Mrs. Mojisola Teluwo

– HND; ACIPM MNIM, FCE

General Manager, Corporate Services

Management **Team Profile** Cont'd

George Augustine Emefiele holds a bachelor's degree in Sociology in 1986 from the University of Ibadan. He proceeded to the University of Lagos where he obtained an M.Sc. in Industrial Relations and Personnel Management and MBA from Federal University of Technology Akure, Ondo State. He is also an Associate of the Chartered Institute of Personnel Management of Nigeria [ACIPM].
He has over 20 years working experience as an academic and as a seasoned insurance marketer.

He started his working career with Yaba College of Technology as a lecturer in 1995 and later worked with Piccadilly Insurance Company Limited, 1999, Vigilant Insurance company Limited (2004). In 2004, he moved to the United States of America where he worked in various organizations amongst which are Farmers Insurance incorporated, Home Depot Inc., USA, and Citi Group Inc. Dallas, USA.

In January 2009, he joined NEM Insurance Plc as a Group Executive and is currently the Deputy General Manager, Marketing and Business Development.

He has attended many courses in Management and Marketing Strategy locally and internationally.
He is also happily married with children.

Mr. George Augustine Emefiele

– B.Sc, M.Sc, MBA, ACIPM

Deputy General Manager, Marketing (Business Development)

Management **Team Profile** Cont'd

Kayode Arimoro is a graduate of Obafemi Awolowo University and Ambrose Alli University where he bagged Bachelor of Arts and master's in business administration respectively. He started his insurance career with Leadway Assurance Limited in 1995 where he grew through the ranks to become the Assistant Branch Manager of the Warri branch. In 2001, he joined Vigilant Insurance Co. Limited as Branch Manager (Warri).

His business acumen and dedication to work has contributed immensely to the company performance and brand recognition in Warri and its environs where he managed the company's growing clients' base for over a decade.

He is an associate member of the Chartered Insurance Institute of Nigeria (ACIIN) and the National Institute of Marketing of Nigeria and has also attended several courses locally and international which cuts across management, strategy, financial management and business development.

Mr. Arimoro is presently the Deputy General Manager in charge of Branch Operations and Special Accounts. He is happily married with children.

Mr. Kayode Busuyi Arimoro

-BA, MBA, ACIIN

Deputy General Manager, Branch Operations and Special Accounts

Management **Team Profile** Cont'd

Mrs. Moyosola Olayinka Okeremi is a graduate of Insurance from the Enugu State University of Science and Technology, Enugu (1996). She obtained a master's in business administration (MBA) from the Ladoke Akintola University, Ogbomoso in year 2005. She is a member of various professional associations which includes the Nigeria Institute of Marketing NIM and Nigeria Institute of Management (Chartered) MNIM.

She began her working career at Airclaims Consult Limited in 1997 as a Youth Corps Member. Due to her commitment and dedication to work, she was employed after her service year as a clients relations officer by the company. In 1999, Mrs. Okeremi joined Piccadilly Insurance Company Limited where she started her insurance career and was with the company till March 2002.

In 2002, she joined NEM Insurance Plc as Senior Manager, Marketing and has grown through the ranks and is currently the Assistant General Manager, Marketing.

Mrs Okeremi is a good manager with excellent business acumen and has attended various courses both locally and internationally in insurance, management, business processes and marketing.

Mrs. Moyosola Olayinka Okeremi

– BSC, MBA, MNIM (CHARTERED)

Assistant General Manager, Marketing

Management **Team Profile** Cont'd

Emmanuel Ajayi is a seasoned finance executive with over two decades of experience in the insurance industry that cuts across development of financial strategies, preparation of company's statement of accounts, investment, and credit management. Mr. Ajayi started his career in 1993 with Nigeria – French Insurance Company Limited as Management Trainee and rose to the position of Manager (Finance & Admin) in 2002. In 2003, he joined Vigilant Insurance Company Limited as Finance and Investment Manager.

Mr. Ajayi graduated from University of Nigeria, Nsukka in 1992 where he studied Economics. He got his Master of Business Administration from University of Technology Akure in 2002. He is a fellow of the Institute of Chartered Accountant of Nigeria (FCA). He has attended several professional courses both locally and abroad.

Following the recapitalization exercise in the insurance industry in 2007, Vigilant Insurance Company Limited merged with NEM Insurance Plc and Mr. Ajayi was among the staff retained by NEM Insurance Plc after the merger. He was elevated to Group Head in 2018, the position he held until his recent promotion to Assistant General Manager (Finance & Investment).

Mr. Emmanuel Ojo **Ajayi**

-BSC, FCA

Assistant General Manager, Finance & Investment

Management **Team Profile** Cont'd

Onorienbohwo attended the Federal Polytechnic, Ado-Ekiti (1989) and Yaba College of Technology, Yaba-Lagos (1998) where he obtained National Diploma and Higher National Diploma respectively in accounting.

In addition to having a professional certification in accountancy, he has also obtained a master's degree in business administration (MBA).

Onos, as popularly called, started his career with Guinea Insurance Plc in the early 90s and in 2004, he moved briefly to the then Hallmark Assurance Plc as Finance Manager. In December 2005, NEM Insurance Plc employed him as Senior Manager in the Finance Department. He is currently an Assistant General Manager and oversees the Internal Audit Department at NEM Insurance Plc.

Mr. Onorienbohwo is a Fellow of Institute of Chartered Accountants and has attended several courses locally and internationally on Finance, Internal Auditing and Risk-Based Internal Audit. He is happily married with children.

Mr. James Obevu **Onorienbohwo**

– HND, MBA, FCA

Assistant General Manager (Internal Audit)

Management **Team Profile** Cont'd

Michael Alaba Giwa holds a bachelor's degree in political science from the renowned Ahmadu Bello University, Zaria in 1989 and is an Associate Member of the Nigeria Institute of Management (MNIM).

He started his insurance career at Leadway Assurance Company Limited from 1993 to 1997 where he worked in various departments and capacities. Thereafter, he worked as a Marketer and Branch Manager in various reputable insurance companies including; Acen Insurance Co. Limited, Kaduna (1998-1999), Pioneer Branch Manager of STACO Insurance Plc, Kaduna and STACO Insurance Plc, Abuja (1999-2005), and Vigilant Insurance Company Limited Abuja (2005-2007). Upon the merger of NEM Insurance Plc and Vigilant Insurance Company Limited, he has worked with NEM Insurance Plc from 2007 till date.

His vast experience and aggressive marketing saw NEM Insurance Plc Abuja under him witnessing transformation and has grown from one (1) branch to three (3) branches, all operating at maximum capacity.

Mr. Giwa has attended several courses in Modern Marketing Strategies, Strategic Sales & Marketing, Business Development and Management both locally and internationally.

He is currently the Assistant General Manager (Garki-Abuja) and is happily married with children.

Mr. Michael Alaba Giwa

-BSC, MNIM

Assistant General Manager (Garki- Abuja Branch)

Management **Team Profile** Cont'd

Bunmi Agbabiaka is a graduate of the prestigious University of Lagos, Akoka Yaba, Lagos where he studied Insurance. He also holds an MSc in Risk Management and Insurance from the same institution.

He started his insurance career with Vigilant Insurance Company Limited and thereafter proceeded to African Reinsurance Corporation for his National Youth Service where he served in the General Underwriting/Reinsurance Department. Bunmi was retained and posted to the Oil & Gas/Aviation Insurance and Reinsurance Department between 2004 and 2007.

In December 2007, he joined NEM Insurance Plc as an Assistant Manager and pioneer staff starting off the Oil & Gas/ Aviation Insurance unit under the Marketing department. Bunmi is currently a Group Head, and currently heads the Oil and Gas, Energy/Special Risks department at NEM Insurance Plc.

He is a member of both the Chartered Insurance Institute, (CII) London and The Chartered Insurance Institute of Nigeria (CIIN). He is also an Associate of The Chartered Insurance Institute of Nigeria (ACIIN). He has attended various training/ courses and conferences in Oil & Gas Insurance, Underwriting/ Claims and Aviation Insurance.
He is happily married with children.

Mr. Bunmi Agbabiaka
– BSC, MSC, ACIIN
Assistant General Manager (Oil And Gas)

Management **Team Profile** Cont'd

Bolanle Baruwa obtained her HND, Insurance in 2003 at Lagos State Polytechnic (now Lagos State University of Science & Technology, Lagos) and her Master of Business Administration (MBA) in 2012 at Ladoke Akintola University of Technology, Ogbomoso. Bolanle started her insurance career with Vigilant Insurance Company Limited in 2005 and later joined NEM Insurance Plc after the merger with Vigilant Insurance Limited sequel to the 2007 industry recapitalization.

She is an adept insurance professional with nineteen years of underwriting working experience across various non-life policies. She is hardworking and passionate about getting results in every assigned duty. Bolanle has been instrumental in the development of the company's underwriting strategy and policy, process re-engineering, product development and risk management. In 2017, the company awarded her the best manager in recognition of her commitment.

In 2019 she was appointed as the Head of Underwriting and in 2021 promoted to Group Head of the department where she supervises activities of the company's underwriting, risk survey & management. Before her appointment as the Head of the Underwriting department, Bolanle previously served as head of general accident, engineering, and bonds. She is currently the Assistant General Manager, Underwriting.

She has attended several courses and conferences, both locally and internationally in underwriting, Risk Management, Leadership, Strategy, and Technology. She is happily married with children.

Mrs. Bolanle Baruwa

-HND, MBA, ACIIN

Assistant General Manager, Underwriting

Management **Team Profile** Cont'd

Martins Ilegoma is a public administration graduate from the University of Jos (1997). He holds a Post Graduate Diploma (PGDM) from the University of Calabar, 1999 and a master's degree in business administration in Marketing from Ambrose Alli University, Edo State, 2002; He has over twenty years' experience in the insurance industry and is a seasoned underwriter and marketer. Martins started his insurance career with the America International Insurance Company (AIICO), Lagos. While there, he served the company in various capacities and rose to the position of Marketing Supervisor before leaving for Abuja, where he joined the service of Royal Trust Insurance Company Limited in 2005. He rose to the position of the head of Marketing Department of Abuja Branch of the company.

After the recapitalization and merger exercise in the insurance industry in 2007, Martins left Royal Trust Insurance Company and joined Crusader Insurance Company Plc to broaden his experience. He later became the Marketing Manager in charge of the Abuja/ Jos offices before joining Nem Insurance Plc in 2008 as Deputy Branch Manager.

Martins has demonstrated a very high commitment to insurance marketing and his efforts have contributed immensely to the NEM brand's acceptability and growing market penetration in Nigerian northern insurance market. Mr. Ilegoma is a versatile marketer, a team player, and in recognition of this, he was recently promoted to the position of Assistant General Manager (Marketing). He is currently the AGM /Branch Manager (Wuse- Abuja).

He is a Fellow, Institute of Corporate Administration, 2023; Doctorate Fellow, Institute of Corporate & Public Administration of Nigeria (2019); Fellow, Portfolio Management Institute (Chartered), 2015; Fellow, Chartered Institute of Loan & Risk Management of Nigeria, 2013; Full Member, National Institute of Marketing of Nigeria (Chartered),2005; Member, Nigeria Institute of Management (Chartered), 2005; and Member, Chartered Insurance Institute, Nigeria.

He has attended top professional courses in insurance, marketing and management both locally and internationally. He is happily married with children.

Mr. Martins Ilegoma

– BSC, PGD, MBA, FCAI, FCILRMN, FPMI

Assistant General Manager,
Wuse- Abuja

Management **Team Profile** Cont'd

Olayinka Ojikutu hold a bachelor's degree in political science from University of Lagos, Nigeria, and a master's degree in human resources management from London Metropolitan University, London, United Kingdom. She is also an Associate Member of the Chartered Institute of Personnel Management (ACIPM), as well as a Senior Professional in Human Resources International (SPHRi) from HR Certification Institute (HRCI), and a PPA Certified Practitioner from Thomas International.

She started her career with the now defunct West Anglia Great Northern Railway line (WAGN) in 2002 and over the years, she progressively held positions at London Borough of Hackney, Makers UK. In 2012, she joined InterContinental Hotel, Lagos (IHG) as a pioneer staff and was a key member of the preopening team responsible for recruitment, strategic workforce planning, policy and process development, onboarding, and employee engagement.

Prior to joining NEM Insurance Plc in April 2021, she was the HR Manager at Southern Sun Ikoyi Hotel where she played a pivotal role in the success of the company's business continuity plan during the COVID-19 pandemic outbreak that affected hospitality industry's operations. She has garnered over 15 years' HR management experience drawn from various organizations in major economic sectors in Nigeria & UK and is currently the Group Head, Human Resources at NEM Insurance Plc where she is responsible for providing people management solutions and practices that are people driven and able to deliver on organizational strategic direction, corporate values and philosophies.

Ms. Olayinka Ojikutu

-ACIPM, SPHRi, MA. HRM

Group Head, Human

Management **Team Profile** Cont'd

Agboola is a graduate of Insurance from the Lagos State University, Ojo, Lagos. He has Master of Business Administration (MBA in Finance) from Obafemi Awolowo University, Ile Ife. Agboola has over ten (10) years of working experience in underwriting and claims management in insurance industry.

He is a member of Institute of Chartered Accountant of Nigeria and Chartered Insurance Institute of Nigeria. Agboola is currently the Group Head, Claims and Reinsurance Department.

He has attended various courses, seminars and conferences on general insurance underwriting, claims management and reinsurance both locally and internationally.

Mr. Abiola Agboola

– BSC, ACIIN, MBA

Group Head, Claims and Reinsurance

Management **Team Profile** Cont'd

Ifunanya Iwuagwu is a highly skilled legal practitioner, having graduated from the Ambrose Alli University, Ekpoma in 2002 with over fifteen years of relevant experience. She started her professional career as a legal officer with Messrs Taiwo Kupolati & Co where she garnered vast experience in litigation and also as an assistant editor with the Federation Weekly Law Reports. Thereafter, she joined the Firm of Messrs. Koya & Kuti Solicitors in 2009 and there she acquired experience in legal drafting, negotiation in cross border transactions as well as corporate and commercial law practice.

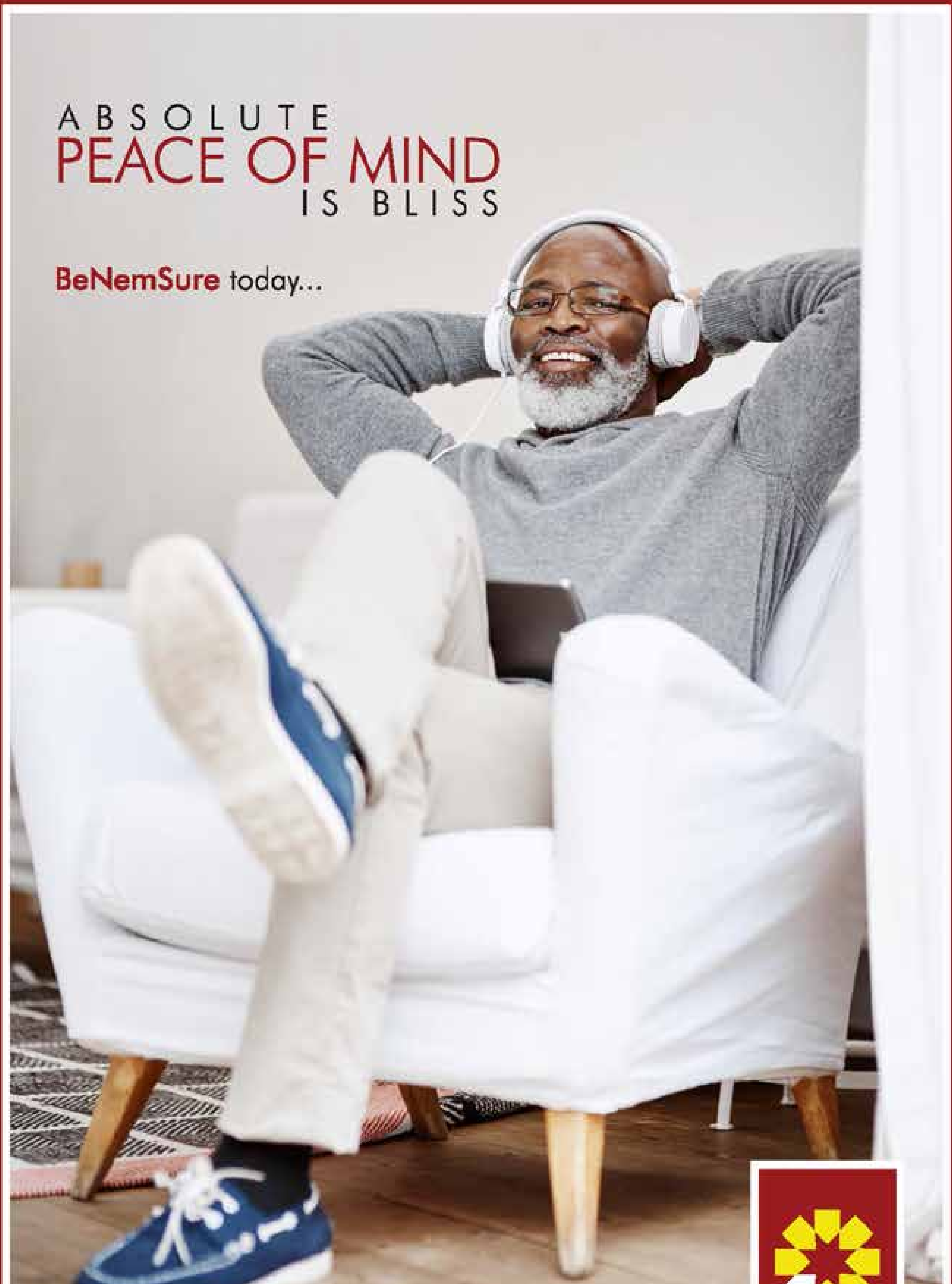
In 2014, Ifunanya was employed as a Legal Executive in Red Star Express Plc and served in several capacities, one of which was as Secretary to the Board of Trustees of the Red Star Foundation Ltd/Gte. Whilst in Red Star Express Plc, she reviewed and negotiated key agreements and provided strategic legal advice to executive leadership and most recently was a member of the Group Executive Committee and served as Head, Legal/Legal Adviser to the Company.

She has also attended several training courses on dispute resolutions and mediation, corporate governance, and is a member of the Institute of Credit Administrators, a Chartered Secretary & Administrator, and a certified Data Analyst. She is currently the Company Secretary/ Legal Adviser of the company.

Mrs. Ifunanya Iwuagwu

-LLB, BL, ACIS

Company Secretary/Legal Adviser



NAICOM/CA/ADV/2020/3330

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Financial Statements & Notes to the Accounts

Report Of **External Consultants On Board Appraisal**

NEM INSURANCE PLC

In line with the provisions of Principle 14.1 of the National Code of Corporate Governance, Section 15.1 of the Securities and Exchange Commission (SEC) Code of Corporate Governance, SIAO was engaged by NEM Insurance Plc. to carry out an evaluation of the performance of the Board of directors, and an assessment of the Company's corporate governance structure for the year ended 31st December 2023. A summary of our findings are as follows:

The Board is composed of a mix of executives and non-executives which indicates that the non-executives are in greater proportion than the executives. The proportion of executives to non-executives is 1:4. Members are individuals of diverse professional backgrounds and business experience. Among the non-executives are: An astute insurer, a risk management expert, a foremost industrialist and economics expert, an experienced auditor, a lawyer and management expert, as well as an investment specialist. The Executive Directors are qualified professionals with cognate experience in their areas of specialization and vast knowledge of Insurance business and its operating terrain. Members possess the requisite qualification and experience required for their positions and have been bringing their experience to bear in directing the affairs of the Company which has since been reflected in the performance of the company over the years.

In accordance with the NAICOM Code, the Board Chairman is a Non-Executive Director; there is a clear delineation of responsibilities between the position of the MD and the Chairman while no one individual occupies the two positions at the same time avoiding the issue of executive duality. The two individuals are not members of the same family.

The Operations/Processes of the Board were managed within the context of regulatory requirements and in accordance with Best Practices. Accordingly, the Board held five meetings during the year under review and attendance was outstanding whereby each member met the 75% minimum requirement prescribed in The Code in respect of attendance. A Committee structure comprising of the minimum requirement of the NAICOM Code was institutionalized and the committees were provided with the required Terms of Reference. The agenda contained issues meant for the attention of the Board and the preparation of the agenda was flexible in allowing all members to introduce relevant subject matters to the Board.

Adequate notice was given for meetings and Board materials were circulated promptly to members which allowed them adequate time to prepare for the meetings. Members were given equal opportunity and they made cogent contributions to deliberations and most decisions were arrived at by consensus. The Board enjoys a cordial working relationship and meetings were conducted in an atmosphere devoid of rancor. The above review suggests that the composition and Processes/Operations of the Board meet most of the parameters of the NAICOM Code.

Members performed their oversight responsibilities with respect to the activities of management in particular as regards the Group's growth strategy, its Financial Performance, Business Prospects as well as status of Regulatory Compliance.

Following the recommendation made to the Board, particularly the regularization of its size, we observed that the Board has instituted the required mechanism to address the issue in order to enhance its governance practices.

Following the recommendation made to the Board, particularly the inclusion of individuals with expertise in other key business areas, we observed that the Board has instituted the required mechanism to address the issue in order to enhance its governance practices.

BY ORDER OF THE BOARD

ABIODUN ARIYIBI
SIAO PARTNERS
Lagos, Nigeria

Statement of Directors' Responsibilities in Relation to the Consolidated and Seperate Financial Statements for the year ended 31 December 2023

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

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act. (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Mr. Tope Smart (Group Chairman)
FRC/2013/CIIN/00000001331
29 April 2024

Mr. Andrew Ikekhua (MD/CEO)
FRC/2018/CIIN/00000018245
29 April 2024

Mr. Idowu Semowo (CFO)
FRC/2013/ICAN/00000001466
29 April 2024

Statement of **Corporate Responsibility for the Consolidated and separate Financial Statements for the Year Ended 31 December 2023**

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief Financial Officer, hereby certify the consolidated and separate financial statements of NEM Insurance Plc ("the Company") and its subsidiaries ("together referred to as "the Group") for the year ended 31 December 2023 as follows:

a) That we have reviewed the audited consolidated and separate financial statements of the Group for the year ended 31 December 2023.

b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

c) That the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group and subsidiaries as of and for, the year ended 31 December 2023.

d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Group is made known to us by other officers of the companies, during the year ended 31 December 2023.

e) That we have evaluated the effectiveness of the Group's internal controls within 90 days prior to the date of audited consolidated and separate financial statements, and certify that the Group's internal controls are effective as of that date.

f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

g) That we have disclosed the following information to the Group's Auditors and Audit Committee:

   (i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report financial data, and have identified for the Group's auditors any material weakness in internal controls, and

   (ii) there is no fraud that involves management or other employees who have a significant role in the Group's internal control.

Mr. Andrew Ikekhua (MD/CEO)
FRC/2018/CIIN/00000018245
29 April 2024

Mr. Idowu Semowo (CFO)
FRC/2013/ICAN/00000001466
29 April 2024

Certification Pursuant to Section 60 of the Investment and Securities Act, 2007

We, Andrew Ikekhua and Idowu Semowo, certify that:

a) We have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2023 of NEM Insurance Plc ("the Company");

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

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

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

e) We have disclosed, based on our most recent evaluation of internal control system to the Company's auditors and the audit committee
   1) That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
   2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

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

Name: Mr. Andrew Ikekhua
Designation: CEO
FRC No: FRC/2018/CIIN/000000018245

29 April 2024

Name: Mr. Idowu Semowo
Designation: Chief Financial Officer
FRC No: FRC/2013/ICAN/00000001466

29 April 2024

Management's Report On The Effectiveness Of Internal Control Over Financial Reporting

The management of NEM Insurance Company Plc ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Securities and Exchange Act, 2007 and the Financial Reporting Council (Amendment) Act, 2023.

The management of NEM Insurance Plc assessed the effectiveness of our internal control over financial reporting of the Company and its subsidiaries (together "the Group") as of 31 December 2023 using the criteria set forth in Internal Control—2013 Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act, 2007.

As of December 31, 2023, the management of NEM Insurance Plc did not identify any material weakness.

As a result, management has concluded that, as of December 31, 2023, the Group's internal control over financial reporting was effective.

The Company's independent auditor, KPMG Professional Services, who audited the consolidated and separate financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 December 2023 based on the limited assurance engagement performed by them.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group's internal control over financial reporting.

Mr. Andrew Ikekhua (MD/CEO)	**Mr. Idowu Semowo (CFO)**
MD/CEO	CFO
FRC/2018/CIIN/00000018245	FRC/2013/ICAN/00000001466

Environmental, Social and Governance (ESG) Report

NEM Insurance Plc demonstrates a steadfast commitment to the principles of Environmental, Social, and Governance (ESG) initiative. This initiative is anchored on the fundamental pillars of environmental protection, social responsibility, and institutional advancement. Guided by the oversight of the company's board, a robust long-term strategy has been meticulously developed to address all pertinent ESG considerations.

The company has broadened its social impact by actively engaging in endeavours aimed at bolstering client protection principles and support. These efforts encompass transparency initiatives, the development of beneficial products tailored to safeguard diverse client interests, stringent measures to protect client data privacy, and the establishment of an effective feedback mechanism to address clients' concerns, thereby enhancing service delivery. NEM is dedicated to preserving and safeguarding the environment through conscientious management of water and electricity resources. Rigorous maintenance practices for generators and vehicles are upheld to minimize fuel consumption. Additionally, the company has implemented safety measures such as the installation of first aid kits and fire safety equipment across all branches and at the head office.

NEM ensures that staff members receive regular training on fire safety and emergency first aid protocols. There are also closed – circuit television cameras in strategic places in the workplace to always ensure the safety of staff members and monitor movement within our facility at every given time.

Initiatives aimed at reducing energy consumption, including the installation of inverters and energy-efficient bulbs, are also actively carried out. Industrial printers have been introduced to curtail paper usage, contributing to sustainability efforts. Efforts are also being taken to ensure that staff members are acquainted of their health status through comprehensive training sessions on health awareness and informative lectures facilitated by the company's subsidiary, NEM Health Limited.

Report Of The **Audit and Compliance Committee**

To the members of NEM Insurance Plc

In accordance with the provisions of Section 404 of the Companies and Allied Matters Act, 2020, we the Members of the Audit and Compliance Committee of NEM Insurance Plc, having carried out our statutory functions under the Act, hereby report as follows:

- We have reviewed the scope and planning of the audit for the year ended 31 December 2023 and we confirm that they were adequate;
- The Company's and its Subsidiaries reporting and accounting policies as well as internal control systems conform to legal requirements and agreed ethical practices; and
- We are satisfied with the departmental responses to the External Auditors' findings on management matters for the year ended 31 December 2023

Finally, we acknowledge and appreciate the co-operation of Management and Staff in the conduct of these duties.

Chairman of the Audit and Compliance Committee
FRC/2024/PRO/AUDITCOM/002/632839
Date: 29 April 2024

Members of the Audit Committee

Mr. Taiwo Oderinde	(Shareholders' Representative)	Chairman
Mr. Samuel Mpamaugo	(Shareholders' Representative)	Member
Mr. Christopher Ogba	(Shareholders' Representative)	Member
Mr. Kelechi Okoro	(Non Executive Director)	Member
Mrs. Joy Teluwo	(Non Executive Director)	Member
Mrs Abisola Giwa Osagie	(Non Executive Director)	Member

The Company Secretary/Legal Adviser acted as the Secretary to the Committee.

Independent **Auditor's Report**

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
PMB 40014, Falomo
Lagos

Telephone 234 (1) 234 8955
234 (1) 234 8599

Internet home.kpmg/ng

To the shareholders of NEM Insurance Plc
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of NEM Insurance Plc ("the Company") and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Adoption of IFRS 17 Insurance Contracts

On 1 January 2023, the Group adopted IFRS 17 Insurance Contracts which replaced the existing standard for insurance contracts IFRS 4. The adoption of IFRS 17 was done on a retrospective basis which had an impact on the Group's January 1, 2022 opening equity balances. IFRS 17 is a complex accounting standard requiring considerable judgment and interpretation in its implementation, and significantly modifies the accounting criteria for the recognition and measurement of insurance contracts.

In adopting the new standard, the Group used significant judgment in developing and implementing accounting policies, including policies specific to transition. In particular, the determination of the measurement models (general model or premium allocation approach) to apply under the standard, the determination of risk adjustment and onerous contract methodologies, and the determination of the discount rate, were deemed to be significant to the overall impact of transition. The new standard has also had a significant impact on the disclosures in the financial statements.

Due to the significance of the changes introduced by the standard, we considered the transition to the new standard to be a key audit matter.

Refer to the following notes in the consolidated and separate financial statements: **Note 1.5.8** *Judgments, Estimates and Assumptions on Transition to IFRS 17* and **Note 3.33** *Transition Policy and adjustments.*

How the matter was addressed in our audit

Our audit procedures included the following:

- With the assistance of our actuarial specialist, we performed the following procedures:
  - We assessed the significant judgements used by the Group to determine the relevant accounting policies against the requirements of IFRS 17. These included judgements used to determine the measurement models adopted, risk adjustment, onerous contracts and discount rates used.
  - We evaluated the appropriateness of the Premium Allocation Approach for insurance and reinsurance contracts with coverage periods greater than one year, including testing the relevant supporting data, the significant assumptions used, and the accuracy of models used.
  - We evaluated the appropriateness of the methodology used to determine the risk adjustment, including assessing the underlying discounted cash flow model and significant assumptions.
  - We assessed the updated discounting methodology, including the determination of the illiquidity premium against the requirements of the standard and compared to external market data where available.
  - We tested the supporting calculations related to the material transition adjustments at 1 January 2022, with the standard applied retrospectively.

- We also assessed the reasonableness of the new and restated disclosures in the consolidated and separate financial report against the requirements of IFRS 17.

Valuation of insurance contract liabilities

As at 31 December 2023, the Group had insurance contract liabilities of N25.29 billion (2022: N14.67 billion). The measurement of insurance liabilities consists of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) including both reported but not settled claims as well as incurred but not reported claims (IBNR).

The Group adopted IFRS 17 Insurance Contracts from 1 January 2023 and comparative figures have been restated. The Group primarily uses the Premium Allocation Approach (PAA) under IFRS 17. The PAA is applied for the measurement of the groups of insurance contracts.

The result of management's assessments regarding the calculation of the liability for incurred claims depends on inputs, the choice of actuarial methods and the precision of management judgment in determining actuarial assumptions. Key assumptions with the greatest impact on the carrying amount include inflation, discount rates as well as estimated future payments for claims.

Valuation of insurance contract liabilities requires significant management judgement and accounting assumptions about uncertain future events, which may materially affect the carrying amount, and thus is a key audit matter.

Refer to the following notes in the consolidated and separate financial statements: **Note 1.5.4** *Judgments, Estimates and Assumptions on Insurance Contracts liabilities,* **Note 3** *IFRS 17 – Insurance Contracts Accounting Policies,* **Note 6** *Reinsurance contract assets,* **Note 15** *Insurance Contract Liabilities* and **Note 49** *Financial Risk Management Policy – Management of financial and insurance risk section.*

How the matter was addressed in our audit

Our audit procedures included the following:

- We evaluated the design, implementation and operating effectiveness of key controls implemented by the Group and the Company which includes management review of data used for the valuation of insurance contract liabilities
- We evaluated the Group's methodology to determine and allocate expected premium receipts to periods.
- We tested the completeness and accuracy of the databases used in determining the assumptions, as well as on actuarial calculations.
- We considered the Group's valuation methodology and assumptions for consistency between reporting periods, as well as for indicators of possible bias.
- Assisted by our actuarial specialists, we performed the following procedures:
  - We evaluated management's PAA eligibility assessment.
  - We evaluated the appropriateness of methods/models and assumptions to determine ultimate expected claims including ultimate claims ratios, frequency and severity of claims, payment patterns and estimate discount rate curves.
  - We performed walkthroughs on the computation of insurance revenue for selected portfolios for each cohort under PAA.
  - We assessed the assumptions used in estimating risk adjustments to evaluate whether it is in line with the requirements of the relevant accounting standard and industry practices.
  - We assessed whether the method/ model for determining future cash flows is in line with the requirements of the relevant accounting standard and standard industry practices.
- We assessed the appropriateness of the disclosures in the consolidated and separate financial statements with regard to the liability for incurred claims associated with the premium allocation approach, considering the requirements of IFRS 17.

Other Matter

The consolidated and separate financial statements for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those consolidated and separate financial statements on 28 March 2023.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Results at a Glance, Reports of Directors, Report of external consultants on Board Appraisal, Statement of Directors' responsibilities, Statement of Corporate responsibilities, , Environmental, Social and Governance (ESG) Report, Report of the Audit and Compliance Committee and Other national disclosures which we obtained to the date of this auditor's report, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Other information also include Notice of 54th Annual General Meeting, Message from the Chairman, GMD/CEO Report, Profile of the Board of Directors, Management Team Profile, Proxy Form, Shareholder's information, E-dividend Mandate Activation Form, together the "outstanding reports", which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent **Auditor's Report** Cont'd

KPMG

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Independent **Auditor's Report** Cont'd

KPMG

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

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020.

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.

iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Penalties

The Company paid penalties in respect of contravention of the requirements of the National Insurance Commission Guidelines and Circulars during the year ended 31 December 2023. Details of penalties paid are disclosed in Note 36(e) to the consolidated and separate financial statements.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Group's internal control over financial reporting as of December 31, 2023. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 29 May 2024.

Obaloje

Obaloje J. Oseme,
FCA FRC/2013/PRO/ICAN/004/00000004803
For: KPMG Professional Services
Chartered Accountants
29 May 2024
Lagos, Nigeria

Statement Of Material Accounting Policies

1.0 General Information

(a) NEM Insurance Plc ("the Company") is a public limited liability company domiciled in Nigeria. The Company's registered and corporate office is 199, Ikorodu Road, Obanikoro, Lagos.

In 2016, the Company opened a subsidiary NEM Asset Management Company Limited . The company also established another subsidiary, Nem Health Limited which commenced business in 2023.

The financial statements were authorized for issue by the Board of Directors on 29 April 2024.

(b) Principal activity
The Group is principally engaged in the business of General Insurance activities . Such services include provision of non-life insurance services which ranges from motor, fire, marine & aviation, general accident, oil and gas, engineering, bond and agric businesses for both corporate and individual customers. NEM Asset Management Company Limited, a wholly owned subsidiary was created to engage in investment business of all kinds including vehicle Leasing, machinery acquisition, hire purchase of diverse assets etc. for both individual & corporate organizations. NEM Health Limited was established by the group to provide all forms of health insurance services to both individuals and corporate clients.

1.1 Going Concern

These financial statements have been prepared on the going concern basis. The Group has no intention or need to reduce substantially its business operations, the management believes that the going concern assumption is appropriate for the Group due to sufficient capital adequacy ratio and projected liquidity, based on historical experience that short-term obligations will be refinanced in the normal course of the business. Liquidity ratio and continuous evaluation of current ratio of the group is carried out by the group to ensure that there are no going concern threats to the operations of the group.

1.2 Basis of Preparation and Compliance with IFRS

The Group's financial statements for the year 2023 have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), Companies and Allied Matters Act, 2020, Insurance Act CAP I17, LFN 2004 and Prudential Guidelines issued by National insurance Commission and Investment and Securities Act 2007.

1.2.1 Foreign currency translation

(a) Functional and Presentation Currency
The financial statements are presented in Nigerian currency (Naira) which is the Group's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousand (N '000)

1.2.2 Basis of measurement

The financial statements are prepared on the historical cost basis except for the following:

- Financial instruments at fair value through profit or loss;
- Financial assets classified as FVOCI which are measured at fair value through other comprehensive income;
- Land and building (included in property and equipment) which are measured at fair value through other comprehensive income;
- Financial assets which are measured at amortized costs; and
- Investment properties which are measured at fair value.
- In accordance with IFRS 17 Insurance contracts, the Group has applied existing accounting policies for its Non-life Insurance contracts, modified as appropriate to comply with the IFRS framework.

Statement Of **Material Accounting Policies** Cont'd

1.3 Critical Accounting Estimates, Judgments and Assumptions

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Group's financial statements therefore present the financial positions and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed in Note 1.5.

1.4 Judgments, Estimates and Assumptions

The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognized in the year in which the estimate is revised, if the revision affects only that year or if the revision affects both current and future years.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most material effect on the amounts recognized in the financial statements are described below:

1.4.1 Income Taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions.

1.4.2 Retirement Benefits

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of gratuity obligations. The assumptions used in determining the net cost (income) for gratuity include the discount rate, rate of return on assets, future salary increments and mortality rates.

The Group determines the appropriate discount rate at the end of the year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the gratuity obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability. Other key assumptions for gratuity obligations are based in part on current market conditions.

In most cases, no explicit assumptions are made regarding the future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, (e.g. to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Statement Of **Material Accounting Policies** Cont'd

Similar judgments, estimates and assumptions are employed in the assessment of adequacy of provisions for unearned premium. Judgment is also required in determining whether the pattern of insurance service provided by a contract requires amortization of unearned premium on a basis other than time apportionment.

1.4.3 Fair Valuation of Investment Properties

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is determined by reference to observable market prices. The fair value of investment property does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers. Assumptions are made about expected future cash flows and the discounting rates.

1.4.4 Liability for remaining coverage (LRC) and Liability for Incurred claims (LIC)

The measurement of group's liability resulting from the insurance contracts that it issues requires a significant use of estimates and judgements. The group estimates the liability for future insurance contract obligations, taking into account the expected cash flows for fulfilling these contracts. This involves making assumptions about future claim payments, premium income, and discount rates. See note 2.38 for how the group recognises and measures this liabilities.

1.4.5 Reinsurance contracts

The group assesses the impact of the reinsurance contracts that it hold on its financial statements, including estimating the expected recoveries from reinsurers. This involves evaluating the terms of reinsurance agreements, the creditworthiness of reinsurers, and the effect on the measurement of re-insurance contract assets and liabilities. See note 2.45 for how the group recognises and measures reinsurance contracts.

1.4.6 Fulfillment Cash Flows

In estimating its liabilities and assets as it relates to insurance and reinsurance contracts, the group makes significant assumptions relating to the future cash flows that will arise from fulfilling insurance contracts, considering variables such as claims experience, lapses, and policyholder behavior. These estimates require judgment and are influenced by historical data and actuarial projections. See note 2.37 for how the group determines and measures cashflows relating to insurance and reinsurance contracts.

The group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, using market variables consistent with observable market prices, where applicable.

1.4.7 Risk adjustment

In the measurement of risk adjustment, the group makes use of significant judgements including estimations, actuarial projections and historical data in determining a reasonable compensation for bearing non-financial risks as it relates to insurance contracts that its issues. It also employs similar assumptions and methodoligies in estimating the expected reinsurance portion or recoverrable as it relates to risk adjustment. See note 2.40 for the company's policy regarding the determination and measurement of risk adjustment.

1.4.8 IFRS 17 Transition

The measurement of the Group's liability for the IFRS 17 transition resulting from the insurance contracts that it issues requires a significant use of estimates and judgements. The Group estimates the IFRS 17 transition insurance contract obligations, taking into account the contract's fulfilment cashflows. The Group has applied the full retrospective approach on transition to all short-term insurance contracts in force at the transition date.

Statement Of **Material Accounting Policies** Cont'd

All groups of insurance and Reinsurance contracts for which the full retrospective approach was impracticable-modified retrospective approach was adopted. This involves making assumptions about future claim payments, premium income, and discount rates. See note 2.53 for full disclosure of the group's IFRS 17 transition policy.

1.4.9 Discount rates

The determination of appropriate discount rates to value future cash flows is critical in the application of IFRS 17. The group considers factors such as the time value of money, credit risks and iliquidity premiums in selecting its discount rates. Significant judgement is used by the group to ensure that the selected rates reflects the characteristics of the cashflows and the risks associated with insurance contracts. See note 2.39 for the Group's policy regarding discount rates used in assessing insurance and reinsurance contracts.

1.5 Changes in material accounting policies

1.5.1 Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 2 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

1.5.2 New standards, interpretations and amendments effective from 1 January 2023

The effective interpretations and IFRS Accounting Standards that need to be considered for financial years ended 31 December 2023 are listed below:

Standard/Interpretation		Date issued by IASB	Effective date
IFRS 17	Insurance contracts. This establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard.	1 June 2020	1 January 2023
IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	12 February 2021	1 January 2023
IAS 8	Definition of Accounting Estimates (Amendments to IAS 8)	12 February 2021	1 January 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a single Transaction (Amendments to IAS 12)	7 May 2021	1 January 2023

Adoption of IFRS 17

The Group has initially applied IFRS 17, including any consequential amendments to other standards, from 1 January 2023. These standards have brought significant changes to the accounting for insurance and reinsurance contracts and financial instruments. As a result, the Group has restated certain comparative amounts and presented a third statement of financial position as at 1 January 2022. Except for the changes below, the Group has consistently applied the accounting policies as set out in to all periods presented in these consolidated financial statements.

Statement Of Material Accounting Policies Cont'd

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses. Insurance finance income and expenses are prsented in the profit or loss separately from insurance revenue and insurance service expenses.

For an explanation of how the Group accounts for insurance and reinsurance contracts under IFRS 17, see Note 2.30 to 2.53.

1.5.3 New standards, amendments and interpretations issued but not yet effective

There are new or revised IFRS Accounting Standards and Interpretations in issue that are not yet effective. The directors have considered all of these IFRS Accounting Standards and Interpretations and found none to be applicable to the business of the entity and therefore do not expect any impact on future financial statements.

2 Material Accounting Policies

Material accounting policies are defined as those that are reflective of significant judgements and uncertainties and potentially give rise to different results under different assumptions and conditions.

The accounting policies set out below have been consistently applied to all periods presented in these financial statements.

2.1 Consolidation

(i) Business combination

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. In determining whether an acquired set of activities and assets is a business, the Group assesses whether the acquired set includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as they are incurred, unless they are related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Statement Of **Material Accounting Policies** Cont'd

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non- controlling interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Group.

Inter- company transactions, balances and unrealized gains on transactions between Companies within the Group are eliminated on consolidation. Unrealized losses are also eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment. Accounting policies of the subsidiary has been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in the subsidiary in the separate financial statements of the Company entity is measured at cost.

Acquisition - related costs are expensed as incurred.
If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re- measured to fair value at the acquisition date through profit or loss.

(iii) Disposal of subsidiaries

On loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity, accounted investment or as a financial asset under the Amortized Cost or Fair Value Through Other Comprehensive Income category depending on business model intended and the level of influence retained.

(iv) Non-controlling interests (NCI)

NCI are initially measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(v) Special purpose entities

Special purpose entities that are created to accomplish a narrow and well- defined objective such as the securitization of particular assets, or the execution of specific borrowings or lending transactions or the provision of certain benefits to employee.

The financial statements of special purpose entities are included in the Group's consolidated financial statements, where the substance of the relationship is that the Group controls the special purpose entity.

(vi) Associates

In the financial statements, the Company's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Company has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the associate.

The share of profit of the associate is shown on the face of the income statement. This is profit attributable to equity holders of the associate and, therefore, is profit after tax and non-controlling interests in the subsidiaries of the associates.

Statement Of **Material Accounting Policies** Cont'd

2.2 Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and at banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Due to their short-term nature, the carrying value of cash and cash equivalents approximates their fair value, hence they are carried at fair value in the statement of financial position.

2.3 Financial Instruments

2.3.1 Recognition

The Group on the date of origination or purchase recognizes placements, equity securities and deposits at the fair value of consideration paid. Regular-way purchases and sales of financial assets shall be recognized on the settlement date. All other financial assets and liabilities, including derivatives, shall be initially recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

2.3.2 Classification and Measurement

Initial measurement of a financial asset or liability shall be at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs shall be recognized immediately in profit or loss. Financial assets include placement with banks, treasury bills and equity instruments.

The Group classifies its financial assets into the following categories in line with the provisions of IFRS 9:
(a) Fair Value Through Profit or Loss (FVTPL)
(b) Amortized Cost
(c) Fair Value Through Other Comprehensive Income (FVOCI)

The Group shall classify its financial assets based on the business model for managing the assets and the asset's contractual cash flows characteristics.

Business Model Assessment

Business model assessment shall involve determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Group shall assess business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Group will take into consideration the following factors:

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 shall be funding those assets or realizing cash flows through the sale of the assets;

(i) How the performance of assets in a portfolio will be evaluated and reported to the relevant heads of departments and other key decision makers within the Group's business lines;
(ii) The risks that affect the performance of assets held within a business model and how those risks shall be managed;
(iii) How compensation shall be determined for the Group's business lines, management that manages the assets; and
(iv) The frequency and volume of sales in prior periods and expectations about future sales activity.

Statement Of **Material Accounting Policies** Cont'd

Management shall determine the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

I) Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows
II) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and
III) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above.

These shall be basically financial assets held with the sole objective to trade and to realize fair value changes.
The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions shall be met:

(i) Where these sales shall be infrequent even if significant in value. A Sale of financial assets shall be considered infrequent if the sale shall be one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.
(ii) Where these sales shall be insignificant in value both individually and in aggregate, even if frequent. A sale shall be considered insignificant if the portion of the financial assets sold shall be equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.
(iii) When these sales shall be made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial asset has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:
1. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2. Selling the financial asset to manage credit concentration risk (infrequent)
3. Selling the financial asset as a result of changes in tax laws (infrequent).
4. Other situations also depend upon the facts and circumstances which need to be judged by the Management

Cash flows Characteristics Assessment

The Group shall assess the contractual features of an instrument to determine if they give rise to cash that shall be consistent with a basic investment arrangement.

Contractual cash flows shall be consistent with a basic deposit arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Principal shall be defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest shall be defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

A. Classification of Financial Assets

a) Financial assets measured at amortized cost
Financial assets shall be measured at amortized cost if they are held within a business model whose objective shall be to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category shall be carried at amortized cost using

Statement Of **Material Accounting Policies** Cont'd

the effective interest rate method. The effective interest rate shall be the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost shall be calculated taking into account any discount or premium on acquisition, transaction costs and fees that shall be an integral part of the effective interest rate. Amortization shall be included in Interest income in the Consolidated Statement of profit or loss and other comprehensive Income. Impairment on financial assets measured at amortized cost shall be calculated using the expected credit loss approach.

Financial assets measured at amortized cost shall be presented net of the allowance for credit losses (ACL) in the statement of financial position.

b) Financial assets measured at FVOCI

Financial assets shall be measured at FVOCI if they are to be held within a business model whose objective shall be to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that shall be solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI shall be recorded in Other Comprehensive Income (OCI).

c) Financial assets measured at FVTPL

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that shall be solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments shall be measured at fair value in the Consolidated Statement of Financial Position, with transaction costs recognized immediately in the Consolidated Statement of profit or loss and other comprehensive Income.

d) Equity Investments

Equity instruments shall be measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value shall be recognized in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The Group can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election shall be made upon initial recognition, on an instrument-by-instrument basis and once made shall be irrevocable. Gains and losses on these instruments including when derecognized/sold shall be recorded in OCI and shall not be subsequently reclassified to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Dividends received shall be recorded in Interest income in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Any transaction costs incurred upon purchase of the security shall be added to the cost basis of the security and shall not be reclassified to the Consolidated Statement of Profit or Loss and Other Comprehensive Income on sale of the security.

B. Classification of Financial Liabilities

Financial liabilities shall be classified into one of the following measurement categories:

a) Fair Value through Profit or Loss (FVTPL)
b) Amortized cost

(a) Financial Liabilities at fair value through profit or loss

Financial liabilities accounted for at fair value through profit or loss fall into two categories: Financial liabilities held for trading and Financial liabilities designated at fair value through profit or loss on inception Financial liabilities at fair value through profit or loss shall be financial liabilities held for trading. A financial

Statement Of **Material Accounting Policies** Cont'd

liability shall be classified as held for trading if it shall be incurred principally for the purpose of repurchasing it in the near term or if it shall be part of a portfolio of identified financial instruments that shall be managed together and for which there shall be evidence of a recent actual pattern of profit-taking. Derivatives shall also be categorized as held for trading unless they shall be designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller. Gains and losses arising from changes in fair value of financial liabilities classified as held for trading shall be included in the income statement and shall be reported as 'Net gains/(losses) on financial instruments classified as held for trading'. Interest expenses on financial liabilities held for trading shall be included in 'Net interest income'.

Financial Liabilities shall be designated at FVTPL when either the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value shall be recognized in the Consolidated Statement of profit or loss and other comprehensive Income, except for changes in fair value arising from changes in the Group's own credit risk which shall be recognized in OCI. Changes in fair value of liabilities due to changes in the Group's own credit risk, which are recognized in OCI, shall not be subsequently reclassified to the Consolidated Statement of Profit or Loss and Other Comprehensive Income upon derecognition/extinguishment of the liabilities.

(b) Financial Liabilities at amortized cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and shall be measured at amortized cost using the effective interest rate method. Financial liabilities measured at amortized cost shall be debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

C. Reclassifications

Financial assets shall not be reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. A change in the Group's business model will occur only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example: an acquisition of a private asset management company that might necessitate transfer and sale of assets to willing buyers, this action will constitute changes in business model and subsequent reclassification of the assets held from BM1 to BM2 Category.

Any other reason that might warrant a change in the Group's business model are determined by management based on facts and circumstances.

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

(a) A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
(b) A temporary disappearance of a particular market for financial assets.
(c) A transfer of financial assets between parts of the Group with different business models.

When reclassification occurs, the Group shall reclassify all affected financial assets in accordance with the new business model. Reclassification shall be applied prospectively from the 'reclassification date'. Reclassification date shall be 'the first day of the first reporting period following the change in business model. For example, if the Group decides to shut down the retail business segment on 30 April 2020, the reclassification date will be 1 January, 2021 (i.e. the first day of the entity's next reporting period), the Group shall not engage in activities consistent with its former business model after 30 April, 2020. Gains, losses or interest previously recognized shall not be restated when reclassification occurs.

Statement Of **Material Accounting Policies** Cont'd

2.3.3 Impairment Of Financial Assets

In line with IFRS 9, the Group assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

1. Amortized cost financial assets; and
2. Debt securities classified as at FVOCI.

Equity instruments and financial assets measured at FVTPL shall not be subjected to impairment as it is not required under the standard.

Expected Credit Loss Impairment Model

The Group's allowance for credit losses calculations shall be outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group shall adopt a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

Stage 1 – Where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss shall be recorded. The expected credit loss shall be computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity shall be used.

Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it shall be included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

Stage 3 – Financial instruments that are considered to be in default shall be included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model shall be to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance shall be based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination. Examples of financial assets with low credit risk (no significant increase in credit risk) include: Risk free and gilt edged debt investment securities that shall be determined to have low credit risk at the reporting date; and Other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Measurement of Expected Credit Losses

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses shall be modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

Details of these statistical parameters/inputs are as follows:

PD – The probability of default shall be an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the asset has not been previously derecognized and are still in the portfolio.

Statement Of **Material Accounting Policies** Cont'd

12-month PDs – This is the estimated probability of default occurring within the next 12 months (or over the remaining life of the financial instrument if that is less than 12 months). This shall be used to calculate 12-month ECLs.

Lifetime PDs – This is the estimated probability of default occurring over the remaining life of the financial instrument. This shall be used to calculate lifetime ECLs for "stage 2" and stage 3 exposures. PDs shall be limited to the maximum exposure required by IFRS 9

EAD – The exposure at default shall be an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD – The loss given default shall be an estimate of the loss arising in the case where a default occurs at a given time. It shall be based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It shall be usually expressed as a percentage of the EAD.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

The Group shall rely on a broad range of forward looking information as economic inputs, such as GDP growth, unemployment rates, central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays shall be made as temporary adjustments using expert credit judgement.

The Group shall determine allowance for credit losses using three probability-weighted forward looking scenarios. The Group shall consider both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Nigeria Insurers Association, Financial Markets Dealers Quotation (FMDQ), and Trading Economics. The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn shall be used in the estimation of the multiple scenario ECLs. The 'normal case' represents the most likely outcome and shall be aligned with information used by the company for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)

At each reporting date, the Group shall assess whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors shall be a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor

Statement Of **Material Accounting Policies** Cont'd

depends on the type of product, characteristics of the financial instruments and the borrower and the geographical region.

The Group shall adopt a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the Group's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A backstop shall be used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for Default shall be transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Group shall assess whether financial assets are credit impaired. A financial asset shall be credit impaired when one or more of the following events have a detrimental impact on the estimated future cash flows of the financial asset:

- Significant financial difficulty of the Issuer;
- A breach of contract such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization
- The disappearance of an active market for a security because of financial difficulties

A debt that has been renegotiated due to a deterioration in the issuer's condition shall be considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there shall be no other indicators of impairment. In making an assessment of whether an investment in sovereign debts is credit-impaired, the Group shall consider the following factors:

1. The market's assessment of credit worthiness as reflected in the bond yields
2. The rating agencies' assessments of credit worthiness
3. The country's ability to access the capital markets for new debt issuance
4. The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness
5. The international support mechanisms in place to provide the necessary support as lender of last resort to that country as well as the intention, reflected in public statements of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and irrespective of the political intent, whether there is the capacity to fulfil the required Criteria.

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL shall be presented in the statement of financial position as follows:
- Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets
- Financial assets measured at FVOCI: loss allowance shall be recognized in the statement of financial position because the carrying amount of these assets shall be their fair value. However, the loss allowance shall be disclosed and recognized in the fair value reserve.

Statement Of **Material Accounting Policies** Cont'd

Write-off

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there shall be no realistic prospect of recovery. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be 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.

2.4 Trade Receivables

This relates to premium due from brokers. Trade receivables are initially recognized at fair value and subsequently measured at amortized cost less provision for impairment. A provision for impairment is made when there is an objective evidence (such as the probability of solvency or significant financial difficulties of the debtors) that the Group will not be able to collect all the amount due based on the original terms of the invoice. Allowances are made based on an impairment model which consider the loss given default for each customer, probability of default for the sectors in which the customer belongs and emergence period which serves as an impairment trigger based on the age of the debt. Impaired debts are derecognized when they are assessed as uncollectible. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previous recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortized cost at the reversed date. Any subsequent reversal of an impairment loss is recognized in the profit or loss.

2.5 Trade Payables

This relates to outstanding balances to the Group's reinsurance brokers. These amounts are initially recognized at recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

2.6 Other Receivables And Prepayments

2.6.1 Other receivables

Other receivables are made up of amounts due from parties which are not directly linked to insurance or investment contracts. Other receivables are stated after deductions of amount considered bad or doubtful of recovery. When a debt is deemed not collectible, it is written-off against the related provision or directly to the profit or loss to the extent not previously provided for. Any subsequent recovery of written-off debts is credited to the profit or loss.

2.6.2 Prepayments

Prepayments are carried at cost less amortization and accumulated impairment losses.

2.7 Investment In Associate

In the separate financial statements of NEM Insurance Plc, investment in associate is accounted for using the equity method of accounting.

Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the associate.

Statement Of **Material Accounting Policies** Cont'd

The share of profit of the associate is shown on the face of the income statement. This is profit attributable to equity holders of the associate and, therefore, is profit after tax and non-controlling interests in the subsidiaries of the associates.

2.8 Investment in Subsidiary

In the separate financial statements of NEM Insurance Plc, investment in subsidiary is accounted for at cost less impairment.

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the Group, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from their activities. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Group.

Inter-company transactions, balances and unrealized gains on transactions between Companies within the Group are eliminated on consolidation. Unrealized losses are also eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment.

On loss of control, the Group de-recognizes the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognized in income statement.

If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as fair value through other comprehensive income financial asset depending on the level of influence retained.

2.9 Investment Properties

Properties that are held for long-term rental yields or for capital appreciation or both and that are insignificantly occupied by the entities in the group are classified as investment properties. These properties consist of land and buildings.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost was incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market condition at the date of the consolidated statement of financial position.

Gains or losses arising from the changes in the fair value of investment properties are included in the consolidated income statement in the year in which they arise. Subsequent expenditure is included in the assets carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred. The fair value of investment property is based on the nature, location and condition of the specific asset.

Statement Of **Material Accounting Policies** Cont'd

Rent receivable is recognized in profit or loss and is spread on a straight-line basis over the period of the lease. Where lease incentive, such as a rent free period is given to a Lessee, the carrying value of the related investment property excludes any amount reported as a separate asset as a result of recognizing rental income on this basis.

2.10 Statutory Deposit

Statutory deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) in pursuant to Section 10(3) of the Insurance Act of Nigeria CAP I17, 2004. Statutory deposit is measured at cost.

2.11 Intangible Assets

(i) Software

Software acquired by the Group is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognized as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. Development costs previously expensed cannot be capitalized. The capitalized costs of internally developed software include all costs attributable to developing the software and capitalized borrowing costs and are amortized over its useful life. 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 profit or loss 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 future economic benefits embodied in the asset. The maximum useful life of software is five years. Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the Company acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses in goodwill are not reversed.

2.12 Property, Plant and Equipment

(i) Recognition and measurement

Property, plant and equipment are initially recorded at cost. Land is subsequently carried at revalued amount being the fair value at the date of revaluation, while buildings are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The Group revalues its land and building every three years in line with relevant provisions of International Accounting Standard (IAS) 16.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Any increase in an asset's carrying amount, as a result of revaluation is credited to other comprehensive income and accumulated in Revaluation Surplus within Revaluation reserves in equity. The increase is recognized in profit or loss to the extent that it reverses a decrease of the same asset previously recognized in 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 Group and its cost can be

Statement Of **Material Accounting Policies** Cont'd

measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognized in Profit or Loss and is provided on a straight-line basis over the estimated useful life of the assets. Depreciation methods, estimated useful lives and residual values are reviewed annually and adjusted when necessary. No depreciation is charged on property, plant and equipment until they are available for use. The company recognizes full depreciation on the year of purchase and zero depreciation on the year of disposal. The average useful lives per class of asset are as follows:

Assets class	Average useful life
Land	Nil
Building under Construction	Nil
Buildings	2%
Machinery and equipment	20%
Motor vehicles	20%
Furniture and fittings	20%
Computer equipment	20%

(iv) De-recognition

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

2.13 Leases

The Group 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.

Group as a lessee

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

(i) Right-of-use assets

The Group recognizes 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 recognized, 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 unless the title to the asset transfers at the end of the lease term.

Statement Of **Material Accounting Policies** Cont'd

(ii) Lease liabilities

At the commencement date of the lease, the Group recognizes 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 company separates the lease components from the non-lease components before arriving at the lease liability. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. 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.

2.14 Other Payables

Other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

2.15 Retirement Obligations And Employee Benefits

The Group operates the following contribution and benefit schemes for its employees:

(i) Defined benefit gratuity scheme

The Group has a defined benefit gratuity scheme for management and non-management staff. Under this scheme, a specified amount as determined by actuarial valuation is contributed by the Group and charged to the income statement over the service life of each employee.

Employees are entitled to gratuity after completing a minimum of five continuous full years of service. The gratuity obligation is calculated annually by Independent Actuaries using the projected unit credit method. The present value of the gratuity obligation is determined by discounting the estimated future cash outflows using market yields on high quality corporate bonds (except where there is no deep market in such bonds, in which case the discount rate is based on market yields on Government bonds). The liability recognized in the statement of financial position in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the date of the statement of the financial position less the fair value of plan assets. Actuarial gains or losses arising from the valuation are credited or charged to Other Comprehensive Income (OCI) in the financial year in which they arise.

(ii) Defined contribution pension scheme

In line with the provisions of the Nigerian Pension Reform Act, 2014, the Group has instituted a defined contributory pension scheme for its employees. The scheme is funded by fixed contributions from employees and the Group at the rate of 8% by employees and 10% by the Group of basic salary, transport and housing allowances invested outside the Group through Pension Fund Administrators (PFAs) of the employee's choice. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due.

(iii) Short-term benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are recognized as employee benefit expenses and paid in arrears when the associated services are rendered by the employees of the Group.

Statement Of **Material Accounting Policies** Cont'd

2.16 INCOME TAX

Income tax expense comprises current and deferred tax

(i) Current income tax

Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognized as an expense for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity.

(ii) Deferred income tax

Deferred income tax is provided using liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation of property, plant and equipment, revaluation of certain financial assets and liabilities and in relation to acquisitions on the difference between the fair values of the net assets acquired and their tax base.

However, deferred income tax is not recognized for:

(a) Temporary differences arising on the initial recognition of goodwill

(b) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

(c) Temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized when it is probable that future taxable profit will be available against which these temporary differences can be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

2.17 Share Capital and Premium

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Share premium accounts for the amount the Group raises in excess of par value.

2.18 Contingency Reserve

Contingency reserve is credited at the higher of 3% of total premiums during the year and 20% of net profit per year, until it reaches the higher of the minimum paid up capital or 50% of net premium in accordance with Section 21 (2) of the Insurance Act CAP I17, LFN 2004.

Statement Of Material Accounting Policies Cont'd

2.19 Asset Revaluation Reserve

When the Group's land and building are revalued by independent professional valuer, surpluses arising on the revaluation of these assets are credited to the asset revaluation reserve account. When assets previously revalued are disposed off, any revaluation surplus relating to the disposed assets is transferred to retained earnings.

2.20 Retained Earnings

This represents the accumulated profits of the company which are available for dividend distribution to the equity shareholders of the Group.

2.21 Fvoci Reserve

FVOCI reserve comprises the cumulative net change in the fair value of the Group's investments categorized as Fair Value Through Other Comprehensive Income (FVTOCI). Net fair value movements are recycled to income statement if an investment categorized as Amortized Cost is either derecognized or impaired.

2.22 Other Reserves - Employee Benefit Actuarial Surplus

Actuarial surplus/deficit on employee benefits represent changes in benefit obligation due to changes in actuarial valuation assumptions or actual experience differing from experience. The gains/losses for the year, net of applicable deferred tax assets/liability on employee benefit obligation, are recognized in other comprehensive income.

2.23 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entities operate (the 'functional currency'). The consolidated financial statements are presented in Nigerian Naira (N), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-ends exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

Foreign exchange gains and losses relating to financial assets are presented in the income statement within 'Net foreign exchange gain'. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income' or ' Other operating expenses'.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Groups of insurance and reinsurance contracts that generate cash flows in a foreign currency are treated as monetary items.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

2.24 Investment Income

(a) Dividend income

Dividend income from equities is recognized when the right to receive payment is established, this is the ex-dividend date for equity securities.

Statement Of **Material Accounting Policies** Cont'd

(b) Interest income and expense

Interest income on financial assets that are classified as amortized cost and interest expense on financial liabilities other than those at FVTPL are determined using the effective Interest rate method. Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for financial assets that have subsequently become credit-impaired (or stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortized cost (i.e. net of the expected credit loss provision). Interest income on assets classified as amortized cost are recognized in investment income.

2.25 Management Expenses

Management expenses are expenses other than claims, investment expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include rents, professional fee, depreciation expenses and other non-operating expenses. Management expenses are accounted for on accrual basis and recognized in the income statement upon utilization of the service or at the date of their origin.

2.26 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it can earn and incur expenses, including revenues and expenses that relate to transaction with any of the Group's other components, whose revenues and operating results are reviewed regularly by Executive Management to make decisions about the resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs that are directly traceable to the operating segments are allocated to the segment concerned while indirect costs are allocated based on the benefits derived from such costs.

2.27 Contingent Liabilities

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Group has a present obligation as a result of past events which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to crystallize.

2.28 Other Insurance Contract Liabilities

Other insurance contract liabilities refers to financial obligations arising from the group's insurance business that are basically outside the scope of the definition of insurance contracts. The group consistently evaluents these liabilities and measures them at fair value at each reporting date.

2.30 IFRS 17-INSURANCE CONTRACTS ACCOUNTING POLICIES

2.31 Key types of insurance contracts issued, and reinsurance contracts held.

Non-Life Business - The Group issues non-life insurance to individuals and commercial businesses. Non-life insurance products offered include Motor, Property, Marine & Aviation, Bond, Engineering, Oil and Gas, fire, Agriculture and General Accident. These products offer financial protection to policyholder's assets and indemnification of other parties against financial loss prompted by the action of the policyholder.

The Group accounts for these contracts applying the principles underlying International Financial Reporting Standard (IFRS17) Insurance Contracts and other relevant accounting standards issued by the International Accounting Standards Board(IASB). The Group also holds appropriate types of reinsurance contracts to mitigate risk exposure, including: proportional and non-proportional facultative arrangements.

Statement Of **Material Accounting Policies** Cont'd

2.32 Definition and Classification of Insurance contracts

Products sold by the Group are classified as insurance contracts when the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder's finances.

The Group's accounting and financial assessment are made on a cohort basis and on a contract-by-contract basis at the contract issue date. In making this assessment, the Group considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

The Group determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Group to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

The Group does not issue any pure life insurance contracts or any life insurance contracts with direct participating features or any contract of insurance with investment component. The Group issues only non-life(General Business) insurance to individuals and commercial businesses.

2.33 Separating components from insurance and reinsurance contracts

The Group assesses its insurance and reinsurance products to determine whether they contain components which must be accounted for under another applicable IFRS rather than IFRS 17 (distinct non- insurance components). After separating any distinct components, the Group applies IFRS 17 to all remaining components of the (host) insurance contract on a cohort basis right from initial recognition and subsequent recognition until expiration of insurance service on the contract.

Currently, the Group's products do not include distinct non insurance components such as investment components, goods and services, embedded derivatives that require separation.

2.34 Level of aggregation

Under IFRS 17 the Group determines a granular grouping of individual contracts for the purpose of measuring insurance contract liability and in the recognition of profitability. The Group identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Group considers the similarity of risks rather than the specific labelling of product lines. The Group has determined that all contracts within each product line, as defined for management purposes, have similar risks. Therefore, when contracts are managed together, they represent a portfolio of contracts. The Group's insurance contracts portfolios are disaggregated into annual cohorts or cohorts of periods that are not more than one year apart. Limiting groups to contracts issued within one year or less apart improves the transparency of profitability to be reported in the Group's set of financial statements.

Each portfolio is subdivided into groups of contracts to which the recognition and measurement requirements of IFRS 17 are applied.

At initial recognition, the Group segregates contracts based on when they were issued. A cohort contains all contracts that were issued within a 12-month period. Each cohort is then further disaggregated into three groups of contracts:

- Contracts that are onerous on initial recognition
- Contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently
- Any remaining contracts

Statement Of **Material Accounting Policies** Cont'd

For short term contracts accounted for applying the Premium Allocation Approach (PAA), the Group determines that its contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. As IFRS 17 does not define what "facts/circumstances" entail; the following are considered on their impact on expected cashflows and resulting profitability:

- Significant changes in external conditions including economic or regulatory changes.
- Changes to the organization or processes
- Changes in underwriting and pricing strategies
- Trends in experience and expected variability in cashflows

All the Group's short-term contracts currently held have been assessed as having no possibility of becoming onerous except for the motor portfolio (onerous in 2023). In subsequent periods, non-onerous contracts are re-assessed based on the likelihood of prevailing facts and circumstances leading to significant possibility of becoming onerous.

2.35 Reinsurance contracts held

Reinsurance contracts held(loss-occurring reinsurance contracts) are for one year or less. For Risk-attaching reinsurance contracts, the Group reasonably expects that the resulting measurement of the assets for remaining coverage would not differ materially from the result of applying the accounting policies that are the same as the underlying the measurement model for the insurance contracts they protect. Reinsurance contracts are assessed for aggregation on an individual contract basis and are assessed separately from insurance contracts. The smallest unit of account is a reinsurance contract, even where this contract covers more than one type of insurance product. However, there are cases where a reinsurance contract covers separate and identifiable product lines which are only included in the same legal document for administrative convenience. These contracts have been separated into its different components.

2.36 Recognition of Insurance contracts

An insurance contract issued by the Group is recognised from the earliest of:

- the beginning of its coverage period (i.e. the period during which the Group provides services in respect of any premiums within the boundary of the contract);
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- when facts and circumstances indicate that the contract is onerous.

An insurance contract acquired in a transfer of contracts or a business combination is recognised on the date of acquisition.

As the Group adheres to the statutory "no premium no cover", the date premium is received from the policyholder will always be earlier or on the same date as the coverage period. This premium receipt date would then be used to separate the groups of insurance contracts into annual cohorts. The contract groupings shall not be reassessed until they are derecognized.

2.37 Contract Boundaries

The Group 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 Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

Statement Of **Material Accounting Policies** Cont'd

- The Group 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 Group 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 are not recognized. Such amounts relate to future insurance contracts.

2.38 Measurement of insurance contracts issued.

(a) Initial Measurement-Premium Allocation Approach (PAA)

At initial recognition, the Group measures the carrying amount of the liability for remaining coverage (LRC) as the premiums received on initial recognition minus any insurance acquisition cashflows allocated to the group of contracts at that date, and adjusted for any amount arising from derecognition of any assets or liabilities previously recognized for cash flows related to the group(including assets for insurance acquisition cashflows). The Group has not chosen to expense insurance acquisition cashflows when they are incurred. Subsequently , the carrying amount of the LRC is increased by any premiums received and the amortization of insurance acquisition cashflows recognized as expenses and decreased by amount recognized as insurance revenue for services provided and any additional insurance acquisition cashflows allocated after initial recognition. On initial recognition the Group expects that the time between providing part of the services and the related premium due date is not more than a year.

(b) Subsequent Measurement-Premium Allocation Approach (PAA)

In estimating the total future fulfilment cash flows, the Group distinguishes between those relating to already incurred claims and those relating to future service. At the end of each reporting period, the carrying amount of the group of insurance contracts will reflect a current estimate of the liability for remaining coverage (LRC) as at that date and a current estimate of the liability for incurred claims (LIC).

(i) Liability for Remaining Coverage

The LRC represents the Group's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, amounts that relate to other insurance contract services not yet provided (i.e. provision of investment-return and investment-related services) and investment components and other amounts not related to insurance contract services that have not yet been transferred to the LIC.

When applying the PAA, the Group does not discount the liability for remaining coverage to reflect the time value of money and financial risk for its non-life policies with a coverage period of one year or less.

The Group measures the liability for remaining coverage at each subsequent reporting date as follows: Sum of:
(a) Previous carrying amount,
(b) Premium received in the period
(c) Amortization of insurance acquisition cashflows
Less:
(d) Capitalized insurance acquisition cashflows
(e) insurance revenue recognized and
(f) investment paid or transferred to the liability for incurred claims

Statement Of Material Accounting Policies Cont'd

(ii) Liability for Incurred claims (LIC)

The LIC includes the Group's liability to pay valid claims for insured events that have already incurred, other incurred insurance expenses arising from past coverage service and the liability for claims incurred but not yet reported. It also includes the Group's liability to pay amounts the Group is obliged to pay the policyholder under the contract. This includes repayment of investment components, when a contract is derecognized. The current estimate of LIC comprises the fulfilment cash flows related to current and past service allocated to the group at the reporting date.

For those claims that the Group expects to be paid within one year or less from the date of occurrence, the Group does not adjust future cash flows for the time value of money and the effects of financial risks. However, claims expected to take more than one year to settle are discounted applying the discount rate at the time the incurred claim is initially recognized.

2.39 Discount Rate

In line with IFRS17(59) (B), IAS8(36) the Group adjusts the measurement of the liability for incurred claims(LIC) for the impact of the time value of money and other financial risk of the claims not settled within 12 months, time value of money is measured separately from expected future cash flows with changes in financial risks recognized in profit or loss at the end of each reporting period and the Group has elected an accounting policy to present the time value of money separately in profit or loss and other comprehensive income. The Group measures the time value of money using discount rates that reflect the liquidity characteristics of the insurance contracts and the characteristics of the cash flows, consistent with observable current market prices. They exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts (e.g., credit risk).

For all insurance contracts the Group agrees to adopt the Premium allocation approach in which determined interest rate (locked in rate) is used to calculate the present value of future cashflows at the date of initial recognition of the group of insurance contracts in line with IFRS17 Para B72b. The locked -in interest rates is used for accreting interest rate accruing on the value of the contracts at initial recognition and loss components changes as a result of changes in Fulfilment Cashflow(FCF) that relate to future years service.

To derive the current discount rates which are judged to be used for the contracts cashflows, the Group uses discount rates starting from a risk-free rate of assets(high quality bonds) with similar characteristics as the underlining liability cashflows plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid FGN Bonds.

Average fixed locked-in rate is used for the group of insurance contracts issued over the 12 months cohort period, where the average fixed locked in rate is taken to be the simple arithmetic mean or geometric mean. The illiquidity premium is determined by reference to observable market rates, including sovereign debt, corporate debt and market swap rates. The Group shall adopt the Nigeria Actuarial Society committee discount rates as published on its website or on the NAICOM website whenever available.

2.40 Risk adjustment(RA) for non-financial risk

The risk adjustment measures the compensation the Group would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than those relating to financial risk. The Group chooses a technique which aligns with the principles of risk adjustment and disclose significant judgement which has been made in determining the risk adjustment and the equivalent confidence level utilized. The group has service level agreements that enhances prompt claim settlement except when circumstances warranted such delay. Amount recoverable from risk adjustment is recognized in the financial statement.

For the purposes of the financials, a bootstrap approach was adopted in determining the risk adjustment margin. A confidence level of the 75th percentile was adopted to be 7.94%.

Statement Of **Material Accounting Policies** Cont'd

2.41 PAA Eligibility Calculation and Materiality

The Group determine that its businesses satisfies the criteria for adopting the use of the simplified measurement model(PAA) as follows:

(a) That such simplification would produce a measurement of the liability for remaining coverage that would not differ materially from that produced applying the General Model; or
(b) That the coverage period of each contract in the group is one year or less.

In determining the level of materiality, the Group has taken a view that if the total volume of premiums in a cohort of contracts with coverage period of more than one year is less than 10%, then this would be deemed as immaterial to the justification of using the implied measurement model PAA- statistically insignificant in line with paragraph 5.2.2 of Guidance note on IFRS17 issued by NAICOM.

The Group has opted to test the PAA eligibility for the entire group (population) of contracts instead of just a sample within the population of insurance contracts, using a quantitative assessment approach involving application of simplified mathematical approach.

Based on quanitative assessment carried out by the group, the portion that is above one year based on volume of premium is 0.63%, 0.40% and 0.62% for 2021, 2022 and 2023 respectively, while the portion above 365 days based on policy count is 0.46%, 0.93% and 0.70% for 2021, 2022 and 2023 respectively, and the group considers these to be immaterial as to significantly impact the result of the premium allocation approach.

2.42 Insurance acquisition cash flows

The Group chooses to amortize acquisition cashflows over the contracts' coverage period, provided that the coverage period of each contract in the group at initial recognition is no more than one year. The Group includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, the group itself or the portfolio of insurance contracts to which the group belongs.

The Group estimates, at a portfolio level, insurance acquisition cash flows not directly attributable to the group but directly attributable to the portfolio. The Group then allocates them to the group of newly written and renewed contracts on a systematic and rational basis.

The Group applies judgement in determining the inputs used in the methodology to systematically and rationally allocate insurance acquisition cash flows to groups of insurance contracts. This includes judgements about whether insurance contracts are expected to arise from renewals of existing insurance contracts and, where applicable, the amount to be allocated to groups including future renewals and the volume of expected renewals from new contracts issued in the period.

In the current and prior years, the Group did not allocate any insurance acquisition cash flows to future groups of insurance contracts, as it did not expect any renewal contracts to arise from new contracts issued in the period.

In the current and prior year, the Group did not identify any facts and circumstances indicating that the assets may be impaired.

2.43 Changes in fulfilment cash flows

At the end of each reporting period, the Group updates the fulfilment cash flows for both LIC and LRC to reflect the current estimates of the amounts, timing and uncertainty of future cash flows, as well as discount rates and other financial variable.

Statement Of **Material Accounting Policies** Cont'd

The Group has an accounting policy choice which calculates changes in fulfilment cash flows at the end of a reporting period for changes in non-financial assumptions, changes in discount rates and financial assumptions. The Group first calculates the changes in discount rates and financial assumptions on the fulfilment cash flows (as expected at the beginning of the period) and then calculate changes on those cash flows from the change in non-financial assumptions.

Experience adjustments are the difference between:
- The expected cash flow estimates at the beginning of the period and the actual cash flows for premiums received in the period (and any related cash flows paid such as insurance acquisition cash flows and insurance premium taxes)

- The expected cash flow estimates at the beginning of the period and the actual incurred amounts of insurance service expenses in the period (excluding insurance acquisition expenses).

Experience adjustments relating to current or past service are recognized in profit or loss. For incurred claims (including incurred but not reported) and other incurred insurance service expenses, experience adjustments always relate to current or past service. They are included in profit or loss as part of insurance service expenses.

2.44 Onerous Contracts

If at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, then the Group determines the loss component and recognizes the loss immediately. The Group considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract, less any previously recognized acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow.

The Group conducts the onerousity assessment on a portfolio level by assessing future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

For contracts that are measured under PAA, the assumption is that there are no onerous contracts at initial recognition, unless facts and circumstances indicate otherwise. If the measurement of the LIC results in a loss-making group, this does not translate to the LRC being onerous. In this case, the group will be assessed as to whether its LRC will be similar to the incurred experience and hence considered to be onerous. For example, actions taken to improve profitability on the motor portfolio which is loss-making (in 2023) may indicate that the LRC will have a different loss experience.

If facts and circumstances indicate that a group of contracts is onerous during the coverage period, the onerous liability is calculated as the difference between:

(a) the carrying amount of the liability for remaining coverage; and
(b) the FCF that relates to remaining coverage similar to what is needed under the GMM.

This difference is recognized as a loss and shall increase the liability for remaining coverage.

2.45 Measurement of Reinsurance Contracts Held

(a) Recognition

Proportional reinsurance contracts held will be first recognized on the later of the beginning of the coverage period of the reinsurance contract or the date that the first underlying insurance contract in the treaty is initially recognized.

Statement Of **Material Accounting Policies** Cont'd

For example, if we enter a surplus fire reinsurance contract on 1 January 2022 and the first fire insurance policy in the treaty is written in February 2022, then the date of recognition of the surplus reinsurance contract will be February 2022. Though the contract agreement is in place in January, cashflows on the contract don't start until February.

Non-Proportionate reinsurance coverage will be recognized at the beginning of the coverage period of the contract.

(b) Reinsurance contracts held measured under the PAA.

The Group applies the same accounting policies to measure its group of reinsurance contracts ,adapted where necessary to reflect features that differ from those of insurance contracts. Reinsurance contracts held are generally assets, rather than liabilities. They are separate from underlying insurance contracts; however, they correspond with them. To ensure that the impact of reinsurance is smoothened out over the period of the underlying contracts, the Group has a policy to recognizing reinsurance contract held over the coverage period as each underlying contract is recognized. If a loss-recovery component is created for a group of reinsurance contracts measured under the PAA, then the Group adjusts the carrying amount of asset for remaining coverage. All reinsurance contracts with contract boundaries not exceeding one year are automatically considered to meet PAA eligibility. Most of the Group's Surplus reinsurance contracts are immediately eligible for PAA as they are written on a clean-cut basis. At the end of the period, the reinsurer withdraws from the contract and the reinsurance held portfolio (including outstanding recoveries and ceded portion of unexpired premiums) is transferred to a new reinsurer.

A smaller number of surplus reinsurance contracts and all Facultative contracts are written on an underwriting year basis. This basis extends the contract boundary beyond one year as coverage of contracts ceded to the treaty may continue even after the underwriting year has ended.

The Group incurs incremental administrative costs that are insurance services expenses, namely cashflows that relate directly to the fulfilment of the underlying insurance contracts issued and are to be included in the measurement of the reinsurance contracts assets. The Group treats the actual incurred cost as insurance service expense. Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Group adjusts the carrying amount of the asset for remaining coverage and recognizes a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The recognition of this gain results in the recognition for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held.

(c) Methods of Presenting Reinsurance Premiums and Recoveries from Reinsurance Contracts Held

For reinsurance contracts held, inline with IFRS 17.86, the group has an accounting policy of presenting income or expenses from reinsurance contracts held (other than insurance finance income or expenses) as separate amounts: the amounts recovered from the reinsurer and allocation of the premiums paid. Both the recovered amount and the allocated premiums paid together should give a net amount equal to the equivalent single amount option. The allocation of premium paid is not used as a reduction to premium revenue for the reinsurance contracts held.

(d) Accounting for Fixed Commissions by the Reinsurer

The Group treats ceding commission that are not contingent on claims as a reduction in premiums. Reinsurance Contracts may included fixed ceding commission payable to the Group.

2.46 Modification and Derecognition

The Group derecognizes the original contract and recognizes the modified contract as a new contract, if the terms of insurance contracts are modified and the following conditions are met:

Statement Of **Material Accounting Policies** Cont'd

If the modified terms were included at contract inception and the Group would have concluded that the modified contract:

- Is outside of the scope of IFRS 17
- Results in a different insurance contract due to separating components from the host contract
- Results in a substantially different contract boundary
- Would be included in a different group of contracts.
- The original contract met the definition of an insurance contract with direct participating features, but the modified contract no longer meets the definition.
- The original contract was accounted for applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach.

If the contract modification meets any of the conditions, the company performs all assessments applicable at initial recognition, derecognizes the original contract and recognizes the new modified contract as if it was entered for the first time.

If the contract modification does not meet any of the conditions, the Group treats the effect of the modification as changes in the estimates of fulfilment cash flows.

For insurance contracts accounted for using the PAA, the Group adjusts insurance revenue prospectively from the time of the contract modification.

The Group derecognizes an insurance contract when, and only when the contract is:

- Extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled)
- Modified and the derecognition criteria are met.

When the Group derecognizes an insurance contract from within a group of contracts, it:

- Adjusts the fulfilment cash flows allocated to the group to eliminate the present value of the future cash flows and risk adjustment for non-financial risk relating to the rights and obligations that have been derecognized from the group.

When the Group transfers an insurance contract to a third party and that results in derecognition, the Group adjusts the CSM of the group from which the contract has been derecognized for the difference between the change in the carrying amount of the group caused by the derecognized fulfilment cash flows and the premium charged by the third party for the transfer.

When the Group derecognizes an insurance contract due to modification, it derecognizes the original insurance contract and recognizes a new one.

2.47 Presentation

The Group has presented separately in the Group's statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, and the portfolios of reinsurance contracts held that are assets and those that are liabilities.

The Group disaggregates the amounts recognized in the consolidated statement of profit or loss and other comprehensive income into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the 'net insurance finance income or expenses' sub-total. The Group has voluntarily included the net insurance finance income or expenses line in another sub-

Statement Of **Material Accounting Policies** Cont'd

total: net insurance and investment result, which also includes the income from all the assets backing the Group's insurance liabilities.

The Group includes any assets for insurance acquisition cash flows recognized before the corresponding groups of insurance contracts are recognized in the carrying amount of the related portfolios of insurance contracts issued.

2.48 Insurance Revenue

When applying the PAA, the Group recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each period of service.

At the end of each reporting period, the Group considers whether there was a change in facts and circumstances indicating a need to change, on a prospective basis, the premium receipt allocation due to changes in the expected pattern of claim occurrence.

2.49 Insurance service expenses

Insurance service expenses arising from insurance contracts issued are recognized in the profit or loss generally as they are incurred. The company's insurance expenses comprises:

- Incurred claims and other insurance service expenses Changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components.(if any)
- Changes in the LIC related to claims and expenses incurred in prior periods (related to past service)
- Other directly attributable insurance service expenses incurred in the period. This includes technical salaries and wages and 30% of other administrative expenses.
- Amortization of insurance acquisition cash flows, which is recognized at the same amount in both insurance service expenses and insurance contract revenue.
- Loss component of onerous groups of contracts initially recognized in the period.

2.50 Net expenses from reinsurance contracts held.

The Group presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following two amounts:

- Amount recovered from reinsurers.
- An allocation of the premiums paid.

The Group presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

The Group establishes a loss recovery component of the asset for the remaining coverage for a group of reinsurance contracts held. This depicts the recovery of losses recognized on the initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group.The loss recovery component is then adjusted to reflect:

- Reversals of loss recovery component to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.
- Allocations of the loss recovery component against the amounts recovered from reinsurers reported in line with the associated reinsured incurred claims or expenses.

Statement Of **Material Accounting Policies** Cont'd

2.51 Insurance finance income and expenses

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk of a group of insurance contracts and a group of reinsurance contracts held.

2.52 The presentation for insurance finance income and expenses

The Group has an accounting policy choice to present all the period's insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). When considering the choice of presentation of insurance finance income or expenses, the Group examines the assets held for that portfolio and how they are accounted for.

Currently the Group present all the period's insurance finance income or expenses in the profit or loss. The Group does not write participating contracts and does need to reassess its accounting policy choice in respect of such policies.

2.53 Transition policy

The Group shall apply IFRS 17 retrospectively using the full retrospective approach.
On transition to IFRS 17, the Group applied the full retrospective approach unless impracticable to do so in which it applied the modified retrospective approach.

At 1 January 2022 group of risk on transition to IFRS 17 are identified and measured with the following approaches:

Transition approach	Year of issue
All groups of insurance and Reinsurance contracts - Full retrospective approach was adopted	2021 - 2022
All groups of Insurance and Reinsurance contracts for which the full retrospective approach was impracticable - modified retrospective approach was adopted	Prior to 2021

Transition approach Year of issue

All groups of insurance and Reinsurance contracts - Full retrospective approach was adopted 2021 - 2022

All groups of Insurance and Reinsurance contracts for which the full retrospective approach was impracticable - modified retrospective approach was adopted Prior to 2021

The Group has applied the full retrospective approach on transition to all short-term insurance contracts in force at the transition date.

To do this, at the transition date, we have identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied; and derecognized any existing balances that would not exist had IFRS 17 always applied; and finally recognized any resulting net difference in equity.

The modified retrospective approach entails that the group has tried its best to achieve the closest outcome to full retrospective application possible using reasonable and supportable information available without undue cost or effort. Accordingly, in adopting this approach, the entity has used reasonable and supportable information. The group has maximized the use of information that would have been used to apply a fully retrospective approach, but has only used information available to the group without undue cost or effort.

(a) Contracts existing at transition date.

On transition date, 1 January 2023, the Group:

Statement Of **Material Accounting Policies** Cont'd

- Has identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied (unless impracticable).
- Has identified, recognized and measured assets for insurance acquisition cash flows as if IFRS 17 had always applied. However, no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed, and no impairment loss was identified.
- Derecognized any existing balances that would not exist had IFRS 17 always applied.
- Recognized any resulting net difference in equity.

In determining the appropriate transition approach, the following were considered:

- the coverage period of the in-force policies
- the availability of historical data and assumptions driving measurement and the ability to obtain these without undue cost and effort.

(b) Transition adjustments

The group has adopted IFRS 17 Insurance contracts from 1 January 2023 and comparatives have been retrospectively restated from the transition date of 1 January 2022. A restated opening statement of financial position and statement of comprehensive income have been included to reflect the transition from IFRS 4 to IFRS 17 and to indicate the impact of the adoption on the group's financials.

IFRS 17 Transition Adjustment For Statement Of Financial Position

As At 1 January 2022 (Group)

	Notes	2022 IFRS 4 N'000	Reclassi-fication N'000	Remea-surement N'000	2022 IFRS 17 N'000
Assets					
Cash and cash equivalents		7,895,469	-	-	7,895,469
Financial assets			-	-	
- At fair value through profit or loss		5,354,017	-	-	5,354,017
- At fair value through other comprehensive income		84,884	-	-	84,884
- At amortised cost		8,143,491	-	-	8,143,491
Trade receivables		1,479,056	-	-	1,479,056
Insurance contract Assets	a	-	-	-	-
Reinsurance assets	b(c)	7,565,820	(7,565,820)	-	-
Reinsurance Contract assets	c(b,e,n)	-	7,204,110	224,461	7,428,571
Deferred acquisition costs	f(h)	1,030,753	(1,030,753)	-	-
Other receivables and prepayments		414,712	-	-	414,712
Investment in Subsidiary		-	-	-	-
Investment properties		1,706,167	-	-	1,706,167
Statutory deposit		320,000	-	-	320,000
Intangible asset		10	-	-	10
Property, Plant and Equipment		3,794,957	-	-	3,794,957
Right-of-use Assets		209,920	-	-	209,920
Deferred tax assets		257,505	-	-	257,505
Total Assets		**38,256,761**	**(1,392,463)**	**224,461**	**37,088,759**
Liabilities					
Insurance contract liabilities	g(h)	12,217,843	(12,217,843)	-	-
Insurance contract liabilities	h(g,f,o,j)	-	11,187,090	370,552	11,557,642
Reinsurance contract liabilities	d	-	-	-	-
Other Insurance contract liability	l(m)	-	410,728	-	410,728
Trade payables	m(l)	410,728	(410,728)	-	-
Other payables	n(c)	1,893,238	(361,710)	-	1,531,528
Lease liabilities		139,623	-	-	139,623
Retirement benefit obligations		52,414	-	-	52,414
Income tax liability		623,508	-	-	623,508
Deferred tax liabilities		10,387	-	-	10,387
Total Liabilities		**15,347,741**	**(1,392,463)**	**370,552**	**14,325,830**
Share capital		5,016,477	-	-	5,016,477
Statutory contingency reserve		6,098,784	-	-	6,098,784
Retained earnings	o(e,h,j)	9,649,912	-	(146,091)	9,503,821
FVOCI reserve		(36,612)	-	-	(36,612)
Asset revaluation reserve		2,107,964	-	-	2,107,964
Other Reserves - gratuity		72,495	-	-	72,495
Total Equity		**22,909,020**	**-**	**(146,091)**	**22,762,929**
Total Equity and Liabilities		**38,256,761**	**(1,392,463)**	**224,461**	**37,088,759**

IFRS 17 **Transition Adjustment For Statement Of Financial Position**

As At 1 January 2022 (Parent)

	Notes	2022 IFRS 4 N'000	Reclassi- fication N'000	Remea- surement N'000	2022 IFRS 17 N'000
Assets					
Cash and cash equivalents		7,841,181	-	-	7,841,181
Financial assets			-	-	
- At fair value through profit or loss		5,354,017	-	-	5,354,017
- At fair value through other comprehensive income		84,884	-	-	84,884
- At amortised cost		8,143,491	-	-	8,143,491
Trade receivables		1,479,056	-	-	1,479,056
Insurance contract Assets	a	-	-	-	-
Reinsurance assets	b(c)	7,565,820	(7,565,820)	-	-
Reinsurance Contract assets	c(b,e,n)	-	7,204,110	224,461	7,428,571
Deferred acquisition costs	f(h)	1,030,753	(1,030,753)	-	-
Other receivables and prepayments		263,776	-	-	263,776
Investment in Associate Regency NEM		-	-	-	-
Investment in Subsidiary		150,000	-	-	150,000
Investment properties		1,706,167	-	-	1,706,167
Statutory deposit		320,000	-	-	320,000
Intangible asset		10	-	-	10
Property, Plant and Equipment		3,784,962	-	-	3,784,962
Right-of-use Assets		209,920	-	-	209,920
Deferred tax assets		253,568	-	-	253,568
Total Assets		**38,187,605**	**(1,392,463)**	**224,461**	**37,019,603**
Liabilities					
Insurance contract liabilities	g(h)	12,217,843	(12,217,843)	-	-
Insurance contract liabilities	h(g,f,o,j)	-	11,187,090	370,552	11,557,642
Reinsurance contract liabilities	d	-	-	-	-
Other Insurance contract liability	l(m)	-	410,728	-	410,728
Trade payables	m(l)	410,728	(410,728)	-	-
Other payables	n(c)	1,860,814	(361,710)	-	1,499,104
Lease liabilities		139,623	-	-	139,623
Retirement benefit obligations		52,414	-	-	52,414
Income tax liability		618,736	-	-	618,736
Deferred tax liabilities		10,387	-	-	10,387
Total Liabilities		**15,310,545**	**(1,392,463)**	**370,552**	**14,288,634**
Share capital		5,016,477	-	-	5,016,477
Statutory contingency reserve		6,098,784	-	-	6,098,784
Retained earnings	o(e,h,j)	9,617,952	-	(146,091)	9,471,861
FVOCI reserve		(36,612)	-	-	(36,612)
Asset revaluation reserve		2,107,964	-	-	2,107,964
Other Reserves - gratuity		72,495	-	-	72,495
Total Equity		**22,877,060**	**-**	**(146,091)**	**22,730,969**
Total Equity and Liabilities		**38,187,605**	**(1,392,463)**	**224,461**	**37,019,603**

IFRS 17 Transition Adjustment For Statement Of Financial Position

As At 31 December 2022 (Group)

	Notes	2022 IFRS 4 N'000	Reclassi- fication N'000	Remea- surement N'000	2022 IFRS 17 N'000
Assets					
Cash and cash equivalents		8,878,011	-	-	8,878,011
Financial assets					
- At fair value through profit or loss		5,800,623	-	-	5,800,623
- At fair value through other comprehensive income		53,731	-	-	53,731
- At amortised cost		12,159,020	-	-	12,159,020
Trade receivables		672,356	-	-	672,356
Insurance contract Assets	a		-	-	-
Reinsurance assets	b(c)	9,712,498	(9,712,498)	-	-
Reinsurance contract assets	c(b,e,n)		9,180,930	291,773	9,472,703
Deferred acquisition costs	f(h)	1,446,991	(1,446,991)	-	-
Other receivables and prepayments		723,428	-	-	723,428
Investment in Subsidiary		-	-	-	-
Investment properties		1,813,768	-	-	1,813,768
Statutory deposit		320,000	-	-	320,000
Intangible asset		15,721	-	-	15,721
Property, Plant and Equipment		3,886,188	-	-	3,886,188
Right-of-use Assets		149,520	-	-	149,520
Deferred tax assets		256,411	-	-	256,411
Total Assets		**45,888,266**	**(1,978,559)**	**291,773**	**44,201,480**
Liabilities					
Insurance contract liabilities	g(h)	15,645,093	(15,645,093)	-	-
Insurance contract liabilities	h(g,f,o,j)	-	14,198,102	476,064	14,674,166
Reinsurance contract liabilities	d	-	-	-	-
Other Insurance contract liability	l(m)	-	487,527	-	487,527
Trade payables	m(l)	487,527	(487,527)	-	-
Other payables	n(c)	2,107,289	(531,568)	-	1,575,721
Lease liabilities		35,999	-	-	35,999
Retirement benefit obligations		29,497	-	-	29,497
Income tax liability		379,224	-	-	379,224
Deferred tax liabilities		3,687	-	-	3,687
Total Liabilities		**18,688,316**	**(1,978,559)**	**476,064**	**17,185,821**
Share capital		5,016,477	-	-	5,016,477
Statutory contingency reserve		7,186,595	-	-	7,186,595
Retained earnings	o(e,h,j)	12,898,098	-	(184,291)	12,713,807
FVOCI reserve		(67,765)	-	-	(67,765)
Asset revaluation reserve		2,107,964	-	-	2,107,964
Other Reserves - gratuity		58,581	-	-	58,581
Total Equity		**27,199,950**	**-**	**(184,291)**	**27,015,659**
Total Equity and Liabilities		**45,888,266**	**(1,978,559)**	**291,773**	**44,201,480**

IFRS 17 **Transition Adjustment For Statement Of Financial Position**

As At 31 December 2022 (Parent)

	Notes	2022 IFRS 4 N'000	Reclassi-fication N'000	Remea-surement N'000	2022 IFRS 17 N'000
Assets					
Cash and cash equivalents		8,842,182	-	-	8,842,182
Financial assets					
- At fair value through profit or loss		5,800,623	-	-	5,800,623
- At fair value through other comprehensive income		53,731	-	-	53,731
- At amortised cost		12,159,020	-	-	12,159,020
Trade receivables		672,356	-	-	672,356
Insurance contract Assets	a		-	-	-
Reinsurance assets	b(c)	9,712,498	(9,712,498)	-	-
Reinsurance contract assets	c(b,e,n)		9,180,930	291,773	9,472,703
Deferred acquisition costs	f(h)	1,446,991	(1,446,991)	-	-
Other receivables and prepayments		581,362	-	-	581,362
Investment in Associate Regency NEM		-	-	-	-
Investment in Subsidiary		150,000	-	-	150,000
Investment properties		1,813,768	-	-	1,813,768
Statutory deposit		320,000	-	-	320,000
Intangible asset		15,721	-	-	15,721
Property, Plant and Equipment		3,878,192	-	-	3,878,192
Right-of-use Assets		149,520	-	-	149,520
Deferred tax assets		253,568	-	-	253,568
Total Assets		**45,849,532**	**(1,978,559)**	**291,773**	**44,162,746**
Liabilities					
Insurance contract liabilities	g(h)	15,645,093	(15,645,093)	-	-
Insurance contract liabilities	h(g,f,o,j)	-	14,198,102	476,064	14,674,166
Other Insurance contract liability	l(m)	-	487,527	-	487,527
Reinsurance contract liabilities	d	-	-	-	-
Trade payables	m(l)	487,527	(487,527)	-	-
Other payables	n(c)	2,102,128	(531,568)	-	1,570,560
Lease liabilities		35,999	-	-	35,999
Retirement benefit obligations		29,497	-	-	29,497
Income tax liability		378,179	-	-	378,179
Deferred tax liabilities		3,687	-	-	3,687
Total Liabilities		**18,682,110**	**(1,978,559)**	**476,064**	**17,179,615**
Share capital		5,016,477	-	-	5,016,477
Statutory contingency reserve		7,186,595	-	-	7,186,595
Retained earnings	o(e,h,j)	12,865,570	-	(184,291)	12,681,279
FVOCI reserve		(67,765)	-	-	(67,765)
Asset revaluation reserve		2,107,964	-	-	2,107,964
Other Reserves - gratuity		58,581	-	-	58,581
Total Equity		**27,167,422**	**-**	**(184,291)**	**26,983,131**
Total Equity and Liabilities		**45,849,532**	**(1,978,559)**	**291,773**	**44,162,746**

IFRS 17 Transition Adjustment For Statement Of **Profit Or Loss And Other Comprehensive Income** For The Year Ended 31 December 2022 (Group)

	Notes	IFRS 4 2022 N'000	Reclassification N'000	Remeasurement N'000	IFRS 17 2022 N'000
Insurance Revenue	q(r,w,d)	-	31,433,600	-	31,433,600
Gross premiums written		33,369,050	(33,369,050)	-	-
Increase in unearned premium		(1,935,450)	1,935,450	-	-
Gross premium income	r(q)	31,433,600	(31,433,600)	-	-
Insurance service expenses	u(v,w,j)	-	(22,588,323)	(105,512)	(22,693,835)
Net expenses on reinsurance contracts	s(t,v,r,e)	-	(2,547,987)	67,312	(2,480,675)
Reinsurance expenses		(9,283,442)	9,283,442	-	-
Net premium income		22,150,158	(22,150,158)	-	-
Fees and commission income	t(u)	1,562,242	(1,562,242)	-	-
Net underwriting income		23,712,400	(23,712,400)	-	-
Claims expenses	v(u)	(7,647,470)	7,647,470	-	-
Underwriting expenses	w(q,u)	(9,856,218)	9,856,218	-	-
Underwriting profit		6,208,712	(6,208,712)	-	-
Insurance Service Result		**-**	**-**	**-**	**6,259,090**
Interest revenue calculated using the effective interest method	z(y)	1,085,092	-	-	1,085,092
Dividend Income	i(y)	470,062	-	-	470,062
Net foreign exchange gain	p(k)	297,149	-	-	297,149
Net Fair value gain		174,088	-	-	174,088
Net credit impairment loss	(x)	(18,927)	-	-	(18,927)
Net Investment result			**-**	**-**	**2,007,464**
Insurance finance expenses from insurance contracts issued	ab(v)		(225,554)	-	(225,554)
Insurance finance Income from insurance contracts issued	aa(v)		136,976	-	136,976
Net Insurance finance expenses			-	-	(88,578)
Net Insurance and Investment result	k(p)		-	-	8,177,976
Other operating income		1,081,234	-	-	1,081,234
Loss on disposal of property, plant and equipment		(36,425)	-	-	(36,425)
Management expenses		(3,724,696)	-	-	(3,724,696)
Finance cost		-	-	-	-
Profit before NITDA and taxation		**5,536,289**	**-**	**(38,200)**	**5,498,089**
Information Technology Development Levy		(54,792)	-	-	(54,792)
Profit before taxation		**5,481,497**	**-**	**-**	**5,443,297**
Income taxes		(41,875)	-	-	(41,875)
Profit for the year after tax		**5,439,622**	**-**	**-**	**5,401,422**
Other comprehensive income:					
Items within OCI that may be reclassified to the Profit or loss:					
Actuarial loss change in assumption		(72)	-	-	(72)
Actuarial loss - experience adjustment		(20,542)	-	-	(20,542)
Deferred tax		6,700	-	-	6,700
Gain on FVTOCI		(31,153)	-	-	(31,153)
Items within OCI that will not be reclassified to the Profit or loss:					
Gain on revaluation of land and buildings		-	-	-	-
Deferred tax		-	-	-	-
Total other comprehensive loss for the year		**(45,067)**	**-**	**-**	**(45,067)**
Total comprehensive income for the year		**5,394,555**	**-**	**-**	**5,356,355**
Basic earnings per share (Kobo)		108			108
Diluted earnings per shares (Kobo)		108			108

IFRS 17 Transition Adjustment For Statement Of **Profit Or Loss And Other Comprehensive Income** For The Year Ended 31 December 2022 (Parent)

	Notes	IFRS 4 2022 N'000	Reclassification N'000	Remeasurement N'000	IFRS 17 2022 N'000
Insurance Revenue	q(r,w,d)	-	31,433,600	-	31,433,600
Gross premiums written		33,369,050	(33,369,050)	-	-
Increase in unearned premium		(1,935,450)	1,935,450	-	-
Gross premium income	r(q)	31,433,600	(31,433,600)	-	-
Insurance service expenses	u(v,w,j)	-	(22,588,323)	(105,512)	(22,693,835)
Net expenses on reinsurance contracts	s(t,v,r,e)	-	(2,547,987)	67,312	(2,480,675)
Reinsurance expenses		(9,283,442)	9,283,442	-	-
Net premium income		22,150,158	(22,150,158)	-	-
Fees and commission income	t(u)	1,562,242	(1,562,242)	-	-
Net underwriting income		23,712,400	(23,712,400)	-	-
Claims expenses	v(u,aa,ab)	(7,647,470)	7,647,470	-	-
Underwriting expenses	w(q,u)	(9,856,218)	9,856,218	-	-
Underwriting profit		6,208,712	(6,208,712)	-	-
Insurance Service Result		**-**	**-**	**-**	**6,259,090**
Interest revenue calculated using the effective interest method	z(y)	1,085,092	-	-	1,085,092
Dividend Income	i(y)	470,062	-	-	470,062
Net foreign exchange gain	p(k)	297,149	-	-	297,149
Net Fair value gain		174,088	-	-	174,088
Net credit impairment loss	(x)	(18,927)	-	-	(18,927)
Net Investment result			**-**	**-**	**2,007,464**
Insurance finance expenses from insurance contracts issued	ab(v)		(225,554)	-	(225,554)
Insurance finance Income from insurance contracts issued	aa(v)		136,976	-	136,976
Net Insurance finance expenses			**-**	**-**	(88,578)
Net Insurance and Investment result			**-**	**-**	8,177,976
Other operating income	k(p)	1,027,743	-	-	1,027,743
Loss on disposal of property, plant and equipment		(36,425)	-	-	(36,425)
Management expenses		(3,673,499)	-	-	(3,673,499)
Finance cost		-	-	-	-
Profit before NITDA and taxation		5,533,995	-	(38,200)	5,495,795
Information Technology Development Levy		(54,792)	-	-	(54,792)
Profit before taxation		5,479,203	-	-	5,441,003
Income taxes		(40,149)	-	-	(40,149)
Profit for the year after tax		5,439,054	-	-	5,400,854
Other comprehensive income:					
Items within OCI that may be reclassified to the Profit or loss:					
Actuarial loss-change in assumption		(72)	-	-	(72)
Actuarial loss - experience adjustment		(20,542)	-	-	(20,542)
Deferred tax		6,700	-	-	6,700
Gain on FVTOCI		(31,153)	-	-	(31,153)
Items within OCI that will not be reclassified to the Profit or loss:					
Gain on revaluation of land and buildings		-	-	-	-
Deferred tax		-	-	-	-
Total other comprehensive loss for the year		**(45,067)**	**-**	**-**	**(45,067)**
Total comprehensive income for the year		**5,393,987**	**-**	**-**	**5,355,787**
Basic earnings per share (Kobo)		108			108
Diluted earnings per shares (Kobo)		108			108

Notes To **The Transition Adjustment**

Note		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
a	**Insurance Contract assets**	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	-	-	-	-
	Remeasurement	-	-	-	-
	Balance as per (IFRS 17)	-	-	-	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
b	**Reinsurance assets (IFRS 4)**	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	9,712,498	7,565,820	9,712,498	7,565,820
	Reinsurance share of UPR reclassified to Reinsurance contract asset (Note c)	(2,374,961)	(1,583,477)	(2,374,961)	(1,583,477)
	Reinsurance Share of outstanding claims reclassified to Reinsurance contract assets (Note c)	(2,369,489)	(1,615,475)	(2,369,489)	(1,615,475)
	Reinsurance share of IBNR reclassified to Reinsurance contract assets (Note c)	(2,144,718)	(1,951,123)	(2,144,718)	(1,951,123)
	Reinsurance share of Claims paid reclassified to Reinsurance contract assets (Note c)	(2,792,910)	(2,038,968)	(2,792,910)	(2,038,968)
	Co-assurance receivables reclassified to Reinsurance contract assets (Note c)	(30,420)	(376,777)	(30,420)	(376,777)
	Balance as per (IFRS 17)	-	-	-	-

Notes To **The Transition Adjustment** Cont'd

c	Reinsurance Contract assets	Group 31 Dec 2022 N'000	Group 1 Jan 2022 N'000	Parent 31 Dec 2022 N'000	Parent 1 Jan 2022 N'000
	Balance as at (IFRS 4)	-	-	-	-
	Reinsurance share of UPR reclassified from Reinsurance assets (note b)	2,374,961	1,583,477	2,374,961	1,583,477
	Deferred Commission Income reclassified from Other payables (note n)	(531,568)	(361,710)	(531,568)	(361,710)
	Asset for remaining coverage	**1,843,393**	**1,221,767**	**1,843,393**	**1,221,767**
	Reinsurance Share of outstanding claims reclassified from Reinsurance assets (Note b)	2,369,489	1,615,475	2,369,489	1,615,475
	Reinsurance share of IBNR reclassified from Reinsurance assets (Note b)	2,144,718	1,951,123	2,144,718	1,951,123
	Reinsurance share of Claims paid reclassified from Reinsurance assets (Note b)	2,792,910	2,038,968	2,792,910	2,038,968
	Co assurance Receivables reclassified from Reinsurance assets (Note b)	30,420	376,777	30,420	376,777
	Amount Recoverable on Incurred Claims-Risk Adjustment (Note e)	291,773	224,461	291,773	224,461
	Amount recoverable on incurred claims	**7,629,310**	**6,206,804**	**7,629,310**	**6,206,804**
	Balance as per (IFRS 17)	**9,472,703**	**7,428,571**	**9,472,703**	**7,428,571**

d	Reinsurance contract Liabilities	Group 31 Dec 2022 N'000	Group 1 Jan 2022 N'000	Parent 31 Dec 2022 N'000	Parent 1 Jan 2022 N'000
	Balance as per (IFRS 4)	-	-	-	-
	Reclassifications	-	-	-	-
	Remeasurements	-	-	-	-
	Balance as per (IFRS 17)	-	-	-	-

e	Amount Recoverable on Incurred Claims-Risk Adjustment	Group 31 Dec 2022 N'000	Group 1 Jan 2022 N'000	Parent 31 Dec 2022 N'000	Parent 1 Jan 2022 N'000
	Balance as at (IFRS 4)	-	-	-	-
	Opening balance	224,461	-	224,461	-
	Remeasurement (Note s)	67,312	224,461	67,312	224,461
	Balance as per (IFRS 17)	**291,773**	**224,461**	**291,773**	**224,461**

Notes To **The Transition Adjustment** Cont'd

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
f	**Deferred acquisition Cost**	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	1,446,991	1,030,753	1,446,991	1,030,753
	Deferred acquisition Cost Reclassified to Insurance contract liability (note h)	(1,446,991)	(1,030,753)	(1,446,991)	(1,030,753)
	Balance as per (IFRS 17)	-	-	-	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
g	**Insurance Contract Liability (IFRS 4)**	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	15,645,093	12,217,843	15,645,093	12,217,843
	Outstanding Claims Reserve reclassified to Insurance contract liability (Note h)	(3,018,611)	(2,512,860)	(3,018,611)	(2,512,860)
	Incurred but not Reported (IBNR) reclassified to Insurance contract liability (Note h)	(4,361,125)	(3,375,076)	(4,361,125)	(3,375,076)
	Unearned Premium Reserve reclassified to Insurance contract liability (Note h)	(8,265,357)	(6,329,907)	(8,265,357)	(6,329,907)
	Balance as per (IFRS 17)	-	-	-	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
h	**Insurance Contract Liability (IFRS 17)**	N'000	N'000	N'000	N'000
	Insurance Contract Liability (IFRS 4)	-	-	-	-
	Reclassification from Unearned Premium Reserve (Note g)	8,265,357	6,329,907	8,265,357	6,329,907
	Insurance acquisition cost reclassified from DAC (Note f)	(1,446,991)	(1,030,753)	(1,446,991)	(1,030,753)
	Remeasurement transferred to retained earnings (Note o)	-	-	-	-
	Liability for Remaining Coverage (LRC)	**6,818,366**	**5,299,154**	**6,818,366**	**5,299,154**
	Reclassification from Outstanding Claim Reserve (Note g)	3,018,611	2,512,860	3,018,611	2,512,860
	Reclassification from Outstanding Claim reserve (Note g)	4,361,125	3,375,076	4,361,125	3,375,076
	Liability for Incurred Claims (LIC)	**7,379,736**	**5,887,936**	**7,379,736**	**5,887,936**
	Risk Adjustment (Note j)	476,064	370,552	476,064	370,552
	Balance as per (IFRS 17)	**14,674,166**	**11,557,642**	**14,674,166**	**11,557,642**

Notes To The Transition Adjustment Cont'd

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
i	Dividend Income	N'000	N'000	N'000	N'000
	Dividend Income reclassified from Investment income(Note y)	470,062	622,121	470,062	622,121
		470,062	**622,121**	**470,062**	**622,121**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
j	Risk Adjustment	N'000	N'000	N'000	N'000
	Opening balance (IFRS 4)		-		
	Opening balance (IFRS 17)	370,552		370,552	
	Remeasurement (Note u)	105,512	370,552	105,512	370,552
	Balance as per (IFRS 17) (Note o)	**476,064**	**370,552**	**476,064**	**370,552**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
k	Other operating Income	N'000	N'000	N'000	N'000
	Balance as per IFRS 4	1,378,383	292,526	1,324,892	251,147
	Unrealized foreign exchange gain transfer to Net foreign exchange income/(expense) (Note p)	(297,149)	(183,312)	(297,149)	(183,312)
		1,081,234	**109,214**	**1,027,743**	**67,835**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
l	Other Insurance contract liabilities	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	-	-	-	-
	Trade payables reclassified from trade payables (Note m)	487,527	410,728	487,527	410,728
	Remeasurement	-	-	-	-
	Balance as per (IFRS 17)	**487,527**	**410,728**	**487,527**	**410,728**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
m	Trade Payables	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	487,527	410,728	487,527	410,728
	Trade payables reclassified to Other Insurance contract liabilities (Note l)	(487,527)	(410,728)	(487,527)	(410,728)
	Balance as per (IFRS 17)	**-**	**-**	**-**	**-**

Notes To The Transition Adjustment Cont'd

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
n	Other Payables	N'000	N'000	N'000	N'000
	Balance as at (IFRS 4)	2,107,289	1,893,238	2,102,128	1,860,814
	Deferred Commission Income reclassified to Reinsurance contract assets (Note c)	(531,568)	(361,710)	(531,568)	(361,710)
	Balance as per (IFRS 17)	**1,575,721**	**1,531,528**	**1,570,560**	**1,499,104**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
o	Retained Earnings	N'000	N'000	N'000	N'000
	Opening balance (IFRS 4)	12,898,098	9,649,912	12,865,570	9,617,952
	Remeasurement of Risk adjustment (Note j)	(476,064)	(370,552)	(476,064)	(370,552)
	Remeasurement of Reinsurance share of Risk adjustment (Note e)	291,773	224,461	291,773	224,461
	Balance as per (IFRS 17)	**12,713,807**	**9,503,821**	**12,681,279**	**9,471,861**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
p	Net foreign exchange income/(expense)	N'000	N'000	N'000	N'000
	Unrealized foreign exchange gain transfer from Other operating income (Note k)	297,149	183,312	297,149	183,312
		297,149	**183,312**	**297,149**	**183,312**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
q	Insurance Revenue	N'000	N'000	N'000	N'000
	Gross Premium Income reclassified from Gross Premium written (Note r)	31,433,600	26,545,254	31,433,600	26,545,254
	Movement in Remeasurement of Liability for remaining coverage (Note d)	-	-	-	-
	Balance as per (IFRS 17)	**31,433,600**	**26,545,254**	**31,433,600**	**26,545,254**

Notes To **The Transition Adjustment** Cont'd

r		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
r	**Gross Premium Written**	N'000	N'000	N'000	N'000
	Gross Premium Written (IFRS 4)	33,369,050	27,875,088	33,369,050	27,875,088
	Changes in Unearned Premium (IFRS 4)	(1,935,450)	(1,329,834)	(1,935,450)	(1,329,834)
	Gross Premium Income (IFRS 4)	**31,433,600**	**26,545,254**	**31,433,600**	**26,545,254**
	Reinsurance Expense (IFRS 4)	(9,283,442)	(7,239,127)	(9,283,442)	(7,239,127)
	Net Premium Income (IFRS 4)	**22,150,158**	**19,306,127**	**22,150,158**	**19,306,127**
	Gross Premium Income reclassified to insurance revenue IFRS 17 (Note q)	(31,433,600)	(26,545,254)	(31,433,600)	(26,545,254)
	Reinsurance expense reclassified to Net expenses on reinsurance contracts IFRS 17 (Note s)	9,283,442	7,239,127	9,283,442	7,239,127
	Balance as per (IFRS 17)	-	-	-	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
s	**Net expenses from reinsurance contracts**	N'000	N'000	N'000	N'000
	Commission received reclassified from fee & Commission Income (Note t)	1,562,242	1,454,875	1,562,242	1,454,875
	Recoverable from reinsurance reclassified from Net Claims Expenses (Note v)	5,173,213	4,811,834	5,173,213	4,811,834
	Reinsurance expenses reclassified from Net premium Income (Note r)	(9,283,442)	(7,239,127)	(9,283,442)	(7,239,127)
	Remeasurement of reinsurance share of risk adjustment(Note e)	67,312	224,461	67,312	224,461
	Balance as per (IFRS 17)	**(2,480,675)**	**(747,957)**	**(2,480,675)**	**(747,957)**

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
t	**Fee and Commission Income**	N'000	N'000	N'000	N'000
	Fees and Commission Income received from reinsurance ceded (IFRS 4)	1,562,242	1,454,875	1,562,242	1,454,875
	Fees and commission Income received reclassified to Net expenses on reinsurance contracts (Note u)	(1,562,242)	(1,454,875)	(1,562,242)	(1,454,875)
	Balance as per (IFRS 17)	-	-	-	-

Notes To **The Transition Adjustment** Cont'd

u	Insurance Service Expenses	Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
		N'000	N'000	N'000	N'000
	Gross Claims incurred reclassified from net claims expenses (Note v)	12,732,105	10,372,719	12,732,105	10,372,719
	Acquisition and maintenance expenses reclassified from underwriting expenses (Note w)	9,856,218	8,204,631	9,856,218	8,204,631
	Remeasurement of risk adjustment(Note j)	105,512	370,552	105,512	370,552
	Balance as per (IFRS 17)	22,693,835	18,947,902	22,693,835	18,947,902

v	Claims Expense	Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
		N'000	N'000	N'000	N'000
	Claims Paid	12,294,580	11,603,949	12,294,580	11,603,949
	Changes in Outstanding claims	505,751	(348,038)	505,751	(348,038)
	Changes in IBNR	986,049	1,456,112	986,049	1,456,112
	Claims recovered from salvage & subrogation	(828,721)	(2,339,304)	(828,721)	(2,339,304)
	Gross claims incurred	12,957,659	10,372,719	12,957,659	10,372,719
	Recoverable from reinsurance	(5,310,189)	(4,811,834)	(5,310,189)	(4,811,834)
	Net Claims expense	7,647,470	5,560,885	7,647,470	5,560,885
	Gross claims incurred reclassified to insurance service expenses (Note u)	(12,732,105)	(10,372,719)	(12,732,105)	(10,372,719)
	Impact of claims discounting transferred to insurance finance expense (Note ab)	(225,554)	-	(225,554)	-
	Recoverable from reinsurance reclassified to net expenses on reinsurance contracts (Note s)	5,173,213	4,811,834	5,173,213	4,811,834
	Impact of reinsurance discounting transferred to insurance finance income (Note aa)	136,976	-	136,976	-
	Balance as per (IFRS 17)	-	-	-	-

Notes To The Transition Adjustment Cont'd

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
w	**Underwriting Expenses**	N'000	N'000	N'000	N'000
	Acquisition expenses IFRS 4	5,617,002	5,231,583	5,617,002	5,231,583
	Maintenance expenses IFRS 4	4,239,216	2,973,048	4,239,216	2,973,048
	Underwriting expenses IFRS 4	9,856,218	8,204,631	9,856,218	8,204,631
	Underwriting expense transferred to Insurance service expenses (Note u)	(9,856,218)	(8,204,631)	(9,856,218)	(8,204,631)
	Balance as per (IFRS 17)	-	-	-	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
x	**Net credit impairment gain/losses**	N'000	N'000	N'000	N'000
	Write back/(Allowance) for credit losses - Cash	1,299	(6,030)	1,299	(6,030)
	(Allowance)/ Write back for credit losses - Bonds	(10,490)	22,122	(10,490)	22,122
	Allowance for credit losses - Fixed deposits	(9,736)	(9,997)	(9,736)	(9,997)
		(18,927)	6,095	(18,927)	6,095

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
y	**Investment Income**	N'000	N'000	N'000	N'000
	Balance as per IFRS 4	1,555,154	1,134,507	1,555,154	1,134,507
	Interest from fixed deposit (Note z)	(590,427)	(477,788)	(590,427)	(477,788)
	Interest from Amortized cost financial assets (Note z)	(481,246)	(15,355)	(481,246)	(15,355)
	Interest from statutory deposit (Note z)	(13,419)	(19,243)	(13,419)	(19,243)
	Dividend Income (Note i)	(470,062)	(622,121)	(470,062)	(622,121)
		-	-	-	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
z	**Interest revenue calculated using the effective interest method**	N'000	N'000	N'000	N'000
	Interest from fixed deposit (Note y)	590,427	477,788	590,427	477,788
	Interest from Amortized cost financial assets (Note y)	481,246	15,355	481,246	15,355
	Interest from statutory deposit (Note y)	13,419	19,243	13,419	19,243
		1,085,092	512,386	1,085,092	512,386

Notes To **The Transition Adjustment** Cont'd

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
aa	**Insurance finance income**	N'000	N'000	N'000	N'000
	Transfer from claims expenses (Note v)	136,976	-	136,976	-
		136,976	-	136,976	-

		Group		Parent	
		31 Dec 2022	1 Jan 2022	31 Dec 2022	1 Jan 2022
ab	**Insurance finance expenses**	N'000	N'000	N'000	N'000
	Transfer from claims expenses (Note v)	225,554	-	225,554	-
		225,554	-	225,554	-

Financial impact of transition to IFRS 17

Under IFRS 17, the concepts of deferred acquisition costs (DAC) and Deferred Commission Income (DCI) are no longer applied to produce separately recognized assets and liabilities in relation to insurance contracts, instead they are implicitly included in the measurement of insurance contract assets and liabilities. N1,446,991,000 (1 January 2022; N1,030,753,000) DAC on non-life insurance contracts has been derecognized on transition and presented as a reclassification to insurance contract liabilities. Also N531,568,000 (1 January 2022; N361,710,000) DCI on non-life insurance contracts has also been derecognized and presented as a reclassification to Reinsurance contract assets.

Under IFRS 17, the concept of Risk adjustment for non-financial risks was introduced. As a result, N476,064,000 (1 January 2022: N370,552,000) was presented as a remeasurement of insurance contract liabilities and adjusted on retained earnings as a reduction. The reinsurance portion of the risk adjustment N291,773,000 (1 January 2022: 224,460,714) was also recognized as a remeasurement of Reinsurance contract assets and adjusted on retained earnings as an increase.

Given these adjustments, the total impact on the company's retained earnings as a result from the first time adoption of IFRS 17 on 1 January 2022 was (N146,091,290) which has been adjusted in the opening balance of the company's retained earnings. In managements opinion, this impact is immaterial to the assessment of the company's financial condition or assessment of its going concern.

Consolidated and Separate Statements Of Financial Position

For The Year Ended 31 December 2023

		Group			Parent		
		2023	31 Dec 2022 (Restated)	1 Jan 2022 (Restated)	2023	31 Dec 2022 (Restated)	1 Jan 2022 (Restated)
	Notes	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and cash equivalents	*3*	8,002,993	8,878,011	7,895,469	7,907,551	8,842,182	7,841,181
Financial investments							
- At fair value through profit or loss	*4*	10,463,494	5,800,623	5,354,017	10,463,494	5,800,623	5,354,017
- At fair value through other comprehensive income	*4*	75,219	53,731	84,884	75,219	53,731	84,884
- At amortised cost	*4*	36,355,234	12,159,020	8,143,491	36,355,234	12,159,020	8,143,491
Insurance contract assets	*15.1*	-	-	-	-	-	-
Trade Receivable	*5*	450,143	672,356	1,479,056	354,531	672,356	1,479,056
Reinsurance contract assets	*6*	9,433,042	9,472,703	7,428,571	9,433,042	9,472,703	7,428,571
Other receivables and prepayments	*8*	2,148,365	723,429	414,712	1,875,423	581,362	263,776
Investment in Subsidiary	*10*	-	-	-	435,000	150,000	150,000
Investment properties	*11*	2,353,946	1,813,768	1,706,167	2,353,946	1,813,768	1,706,167
Statutory deposit	*12*	320,000	320,000	320,000	320,000	320,000	320,000
Intangible asset	*13*	54,110	15,721	10	42,161	15,721	10
Property, Plant and Equipment	*14(a)(b)*	4,202,175	3,886,188	3,794,957	4,059,350	3,878,192	3,784,962
Right-of-use Assets	*14(c)*	609,015	149,520	209,920	609,015	149,520	209,920
Deferred tax assets	*20(i)*	-	256,411	257,505	-	253,568	253,568
Total Assets		**74,467,735**	**44,201,481**	**37,088,759**	**74,283,965**	**44,162,746**	**37,019,603**
Liabilities							
Insurance contract liabilities	*15*	25,285,724	14,674,166	11,557,642	25,097,847	14,674,166	11,557,642
Reinsurance contract liabilities	*6.1*	-	-	-	-	-	-
Other Insurance contract liabilities	*16*	857,381	487,527	410,728	783,901	487,527	410,728
Borrowings	*28*	1,557,737	-	-	1,557,737	-	-
Other payables	*17*	2,093,470	1,575,721	1,531,528	2,015,522	1,570,560	1,499,104
Lease liabilities	*17(d)*	473,241	35,999	139,623	473,241	35,999	139,623
Retirement benefit obligations	*18*	-	29,497	52,414	-	29,497	52,414
Income tax liability	*19*	1,155,152	379,224	623,508	1,154,348	378,179	618,736
Deferred tax liabilities	*20(ii)*	4,507,627	3,687	10,387	4,505,697	3,687	10,387
Total Liabilities		35,930,332	17,185,821	14,325,830	35,588,294	17,179,615	14,288,634
Share capital	*21*	5,016,477	5,016,477	5,016,477	5,016,477	5,016,477	5,016,477
Statutory contingency reserve	*22*	9,837,510	7,186,595	6,098,784	9,837,510	7,186,595	6,098,784
Retained earnings	*23*	21,578,802	12,713,807	9,503,821	21,779,997	12,681,279	9,471,861
FVOCI reserve	*24*	(46,277)	(67,765)	(36,612)	(46,277)	(67,765)	(36,612)
Asset revaluation reserve	*25*	2,107,964	2,107,964	2,107,964	2,107,964	2,107,964	2,107,964
Other Reserves - gratuity	*26*	-	58,581	72,495	-	58,581	72,495
Insurance finance reserve	*7*	-	-	-	-	-	-
Non-controlling interest	*9*	42,927	-	-	-	-	-
Total Equity		**38,537,403**	**27,015,659**	**22,762,929**	**38,695,671**	**26,983,131**	**22,730,969**
Total Equity and Liabilities		**74,467,735**	**44,201,481**	**37,088,759**	**74,283,965**	**44,162,746**	**37,019,603**

The financial statements were approved by the Board of Directors and authorised for issue on 29 April 2024 and signed on its behalf by:

Mr. Tope Smart (Group Chairman)
FRC/2013/CIIN/00000001331

Mr. Andrew Ikekhua (MD/CEO)
FRC/2018/CIIN/00000018245

Mr. Idowu Semowo (CFO)
FRC/2013/ICAN/00000001466

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated and **Separate Statements of Profit Or Loss And Other Comprehensive Income** For The Year Ended 31 December 2023

	Notes	Group 2023 N'000	Group 2022 (Restated) N'000	Parent 2023 N'000	Parent 2022 (Restated) N'000
Insurance Revenue	27	52,112,435	31,433,600	51,993,997	31,433,600
Insurance Service Expenses	32.1	(34,218,973)	(22,693,835)	(34,116,367)	(22,693,835)
Net expenses on Reinsurance contracts	29.1	(12,795,475)	(2,480,675)	(12,795,475)	(2,480,675)
Insurance Service Result		**5,097,987**	**6,259,090**	**5,082,155**	**6,259,090**
Interest revenue calculated using the effective interest method	33a	2,649,191	1,085,092	2,648,134	1,085,092
Dividend Income	33	687,422	470,062	687,422	470,062
Net foreign exchange gain	35d	11,388,625	297,149	11,388,625	297,149
Net Fair value gain	34	4,807,948	174,088	4,807,948	174,088
Net credit impairment losses	36(c)	(213,317)	(18,927)	(213,317)	(18,927)
Net Investment result		**19,319,869**	**2,007,464**	**19,318,812**	**2,007,464**
Insurance finance expenses from insurance contracts issued	15.1	(389,227)	(225,554)	(389,227)	(225,554)
Insurance finance Income from reinsurance contracts held	6.1	234,922	136,976	234,922	136,976
Net Insurance finance expenses		**(154,305)**	**(88,578)**	**(154,305)**	**(88,578)**
Net Insurance and Investment result		24,263,551	8,177,976	24,246,662	8,177,976
Other operating income	35	242,610	1,081,234	180,117	1,027,743
Gain/(loss) on disposal of property, plant and equipment	37	13,657	(36,425)	13,657	(36,425)
Management expenses	36	(5,279,154)	(3,724,696)	(4,912,943)	(3,673,499)
Finance cost	30	(362,809)	-	(348,772)	-
Profit before taxation		18,877,855	5,498,089	19,178,721	5,495,795
Income taxes	19(b)	(5,929,070)	(96,667)	(5,924,145)	(94,941)
Profit for the year after tax		**12,948,785**	**5,401,422**	**13,254,576**	**5,400,854**
Other comprehensive income:					
Items within OCI that may be reclassified to the Profit or loss:					
Actuarial loss-change in assumption	18	(11,463)	(72)	(11,463)	(72)
Actuarial loss - experience adjustment	18	-	(20,542)	-	(20,542)
Deferred tax	20(ii)	-	6,700	-	6,700
Items within OCI that will not be reclassified to the Profit or loss:					
Gain on FVTOCI	24	21,488	(31,153)	21,488	(31,153)
Gain on revaluation of land and buildings	25	-	-	-	-
Deferred tax	25	-	-	-	-
Total other comprehensive income/(loss) for the year		**10,025**	**(45,067)**	**10,025**	**(45,067)**
Total comprehensive income for the year		**12,958,810**	**5,356,355**	**13,264,601**	**5,355,787**
Profit/(Loss) Attributable to:					
Equity holders of the parent		13,020,855	5,401,422	13,254,576	5,400,854
Non controlling interest		(72,073)	-	-	-
Total comprehensive income/(loss) attributable to:					
Equity holders of the parent		13,030,880	5,356,355	13,264,601	5,355,787
Non controlling interest		(72,073)	-	-	-
Basic earnings per share (Kobo)		**260**	**108**	**264**	**108**
Diluted earnings per shares (Kobo)		**260**	**108**	**264**	**108**

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated Statement of Changes in Equity (Group)

For The Year Ended 31 December 2023

	Share capital N'000	Share premium N'000	Contingency reserve N'000	Other reserve -Gratuity N'000	FVOCI Reserve N'000	Asset revaluation reserve N'000	Retained earnings N'000	Total N'000	Non-controlling Interest N'000	Total Equity N'000
Balance 1 January 2023	5,016,477	-	7,186,595	58,581	(67,765)	2,107,964	12,713,807	27,015,659	-	27,015,659
Total comprehensive income										-
for the year:										-
Addition during the year									115,000	115,000
Profit/(loss) for the year	-	-	-	-	-	-	13,020,855	13,020,855	(72,073)	12,948,782
Transfer to contingency reserve	-	-	2,650,915		-	-	(2,650,915)	-		-
Dividend paid during the year	-	-	-	-	-	-	(1,504,943)	(1,504,943)		(1,504,943)
Transfer to share capital	-	-	-	-	-	-	-	-		-
Fair value loss on FVOCI	-	-	-	-	21,488	-	-	21,488		21,488
Reclassification of other actuarial gain				(47,118)			-	(47,118)		(47,118)
Changes in valuation of gratuity	-	-	-	(11,463)	-	-	-	(11,463)		(11,463)
Balance 31 December 2023	5,016,477	-	9,837,510	-	(46,277)	2,107,964	21,578,804	38,494,478	42,927	38,537,405
Balance 31 December 2021 IFRS 4	5,016,477	-	6,098,784	72,495	(36,612)	2,107,964	9,649,912	22,909,020	-	22,909,020
Impact of transition adjustment							(146,091)	(146,091)		(146,091)
Balance 1 January 2022 IFRS 17	5,016,477	-	6,098,784	72,495	(36,612)	2,107,964	9,503,821	22,762,929	-	22,762,929
Total comprehensive income										
for the year:										
Profit for the year	-	-	-	-	-	-	5,401,422	5,401,422		5,401,422
Transfer to contingency reserve	-	-	1,087,811	-	-	-	(1,087,811)	-		-
Dividend paid during the year	-	-	-	-	-	-	(1,103,625)	(1,103,625)		(1,103,625)
Fair value gain on FVOCI	-	-	-	-	(31,153)	-	-	(31,153)		(31,153)
Changes in valuation of gratuity	-	-	-	(13,914)	-	-	-	(13,914)		(13,914)
Changes in valuation of land and building	-	-	-	-	-	-	-	-		-
Balance 31 December 2022	5,016,477	-	7,186,595	58,581	(67,765)	2,107,964	12,713,807	27,015,659	-	27,015,659

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated Statement **of Changes in Equity** (Parent)

For The Year Ended 31 December 2023

	Share capital N'000	Share premium N'000	Contingency reserve N'000	Other reserve -Gratuity N'000	FVOCI Reserve N'000	Asset revaluation reserve N'000	Retained earnings N'000	Total equity N'000
Balance 1 January 2023	5,016,477	-	7,186,595	58,581	(67,765)	2,107,964	12,681,279	26,983,131
Total comprehensive income								
for the year:								
Profit for the year	-	-	-	-	-	-	13,254,576	13,254,576
Transfer to contingency reserve	-	-	2,650,915	-	-	-	(2,650,915)	-
Dividend paid during the year	-	-	-		-	-	(1,504,943)	(1,504,943)
Transfer to share capital								
Fair value gain on FVOCI	-	-	-		21,488	-	-	21,488
Reclassification of other actuarial gain				(47,118)			-	(47,118)
Changes in valuation of gratuity	-	-	-	(11,463)	-	-	-	(11,463)
Balance 31 December 2023	5,016,477	-	9,837,510	-	(46,277)	2,107,964	21,779,996	38,695,671
Balance 31 December 2021 IFRS 4	5,016,477	-	6,098,784	72,495	(36,612)	2,107,964	9,617,952	22,877,060
Impact of transition adjustment							(146,091)	(146,091)
Balance 1 January 2022 IFRS 17	5,016,477	-	6,098,784	72,495	(36,612)	2,107,964	9,471,861	22,730,969
Total comprehensive income								
for the year:								
Profit for the year	-	-	-	-	-	-	5,400,854	5,400,854
Transfer to contingency reserve	-	-	1,087,811	-	-	-	(1,087,811)	-
Dividend paid during the year	-	-	-	-	-	-	(1,103,625)	(1,103,625)
Fair value loss on FVOCI	-	-	-	-	(31,153)	-	-	(31,153)
Changes in valuation of gratuity	-	-	-	(13,914)	-	-	-	(13,914)
Changes in valuation of land and building	-	-	-	-	-	-	-	-
Balance 31 December 2022	5,016,477	-	7,186,595	58,581	(67,765)	2,107,964	12,681,279	26,983,131

The accompanying notes form an integral part of these consolidated and separate financial statements.

Statement Of **Cash Flows**
For The Year Ended 31 December 2023

		Group		Parent	
		2023	2022	2023	2022
	Notes	N'000	N'000	N'000	N'000
Cash flows from Operating Activities:					
Premium received	*41.2*	63,663,427	33,880,290	63,384,070	33,880,290
Premium Deposits	*16*	-	295,460	-	295,460
Reinsurance Premium Paid	*29.2(a)*	(18,967,955)	(8,298,290)	(18,967,955)	(8,298,290)
Direct Claims Paid	*31*	(15,662,252)	(12,294,580)	(15,569,519)	(12,294,580)
Claims Received from Reinsurers	*15.1*	6,385,512	3,954,994	6,385,512	3,954,994
Cash Received from Salvages	*31(c)*	1,288,567	828,721	1,288,567	828,721
Acquisition expense Paid	*32(b)*	(10,370,935)	(6,033,240)	(10,354,280)	(6,033,240)
Maintenance Expenses Paid	*32(c)*	(10,110,727)	(4,200,041)	(10,110,727)	(4,200,041)
Cash paid to and on behalf of Employees	*36(a)*	(2,351,227)	(1,883,059)	(2,140,888)	(1,871,085)
Other Operating Expenses paid		(2,091,341)	(737,615)	(1,962,323)	(735,489)
Company Income Tax Paid	*19(c)*	(345,842)	(162,146)	(345,449)	(157,787)
Net cash inflow from operating activities		**11,437,227**	**5,350,495**	**11,607,009**	**5,368,954**
Cash flows from Investing Activities:					
Acquisition of equities measured at FVTPL	*4.1*	(381,701)	(377,119)	(381,701)	(377,119)
Purchase of Bond	*3(a)*	(4,989,532)	(2,696,023)	(4,989,532)	(2,696,023)
Purchase of placements	*3(d)*	(16,669,082)	(668,998)	(16,669,082)	(668,998)
Purchase of Treasury bills	*3(e)*	(533,063)	(360,000)	(533,063)	(360,000)
Purchase of Commercial papers	*3(f)*	(7,162,790)	(310,734)	(7,162,790)	(310,734)
Proceed from Redemption of Bond Instruments	*3(a)*	608,231	-	608,231	-
Proceed from disposal of placements	*3(d)*	10,095,885	-	10,095,885	-
Proceed from disposal of treasury bills	*3(e)*	360,000	-	360,000	-
Proceed from disposal of commercial papers	*3(f)*	2,576,368	-	2,576,368	-
Deposit for shares in Alpha Morgan	*8(g)*	(1,500,000)	-	(1,500,000)	-
Investment Income received	*33*	2,827,540	1,555,154	2,826,483	1,555,154
Rental & other Income received		71,408	-	46,983	-
Acquisition of Intangible assets	*13*	(51,750)	(19,639)	(37,962)	(19,639)
Acquisition of Investment properties	*11*	(13,400)	(3,000)	(13,400)	(3,000)
Net cashflow on staff loan	*8(c(i)*	(38,305)	-	(38,305)	-
Investment in Nem Health	*8(c(vii)*	-	-	(260,119)	-
Acquisition of PPE	*14*	(465,894)	(362,687)	(308,476)	(362,687)
Proceeds from disposal on PPE	*37*	14,819	1,803	14,819	1,803
Net cash outflow from investing activities		**(15,251,265)**	**(3,241,243)**	**(15,365,661)**	**(3,241,243)**
Cash flows from financing activities					
Lease payment during the year	*17(d)*	(444,229)	(127,424)	(444,229)	(127,424)
Borrowings	*28*	1,500,000	-	1,500,000	-
Interest payment on Alpha Morgan loan	*28*	(170,833)	-	(170,833)	-
Cash received from non-controlling interest	*9*	115,000	-	-	-
Dividends paid to equity holders of the parent	*17(b(i))*	(1,378,919)	(999,286)	(1,378,919)	(999,286)
Net cash outflow from financing activities		**(378,981)**	**(1,126,710)**	**(493,981)**	**(1,126,710)**
Total cash inflow		**(4,193,020)**	**982,542**	**(4,252,633)**	**1,001,001**
Cash and cash equivalents at 1 January		8,878,011	7,895,469	8,842,182	7,841,181
Effect of foreign exchange gain on cash & cash equivalent	*35(d)*	3,343,719	-	3,343,719	-
Expected credit loss provision	*3(c)*	(25,718)	-	(25,718)	-
Cash and cash equivalents at 31 December		8,002,993	8,878,011	7,907,551	8,842,182
Represented by:					
Cash and cash equivalents at 31 December	**3**	**8,002,993**	**8,878,011**	**7,907,551**	**8,842,182**

The accompanying notes form an integral part of these consolidated and separate financial statements.

Notes To The Financial Statements
For The Year Ended 31 December 2023

3. Cash and Cash Equivalents

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Cash - petty cash	5,631	1,107	2,319	1,107
Balances with Local banks	1,780,518	1,681,926	1,709,393	1,646,097
Domiciliary accounts with local banks	2,478,959	928,325	2,478,959	928,325
Domiciliary accounts with Foreign banks	21,266	-	21,266	-
Placement with banks	2,878,664	5,004,299	2,857,658	5,004,299
Placement with other institutions	803,493	1,268,998	803,493	1,268,998
Interest receivable	60,181	-	60,181	-
	8,028,711	**8,884,655**	**7,933,269**	**8,848,826**
Allowance for credit losses (Note 3(c))	(25,718)	(6,644)	(25,718)	(6,644)
Total cash and cash equivalents	**8,002,993**	**8,878,011**	**7,907,551**	**8,842,182**
Current	8,002,993	8,878,011	7,907,551	8,842,182
Non-current	-	-	-	-

Short-term deposits are made for varying periods averaging between 1 - 90 days depending on the immediate cash requirements of the Group. All deposits are subject to an average interest rate of 10.2%. The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

	Group		Parent	
	2023	2022	2023	2022
(a) Attributable to policyholders	N'000	N'000	N'000	N'000
Balances with Local Banks	1,786,149	1,683,033	1,711,712	1,647,204
Domiciliary Accounts with local banks	2,478,959	928,325	2,478,959	928,325
Placement with Banks	2,878,664	5,004,299	2,857,658	5,004,299
Interest receivable	60,181	-	60,181	-
Allowance for credit losses	(25,718)	(6,644)	(25,718)	(6,644)
	7,178,235	**7,609,013**	**7,082,792**	**7,573,184**

	Group		Parent	
	2023	2022	2023	2022
(b) Attributable to shareholders	N'000	N'000	N'000	N'000
Balances with Foreign banks	21,266	-	21,266	-
Placement with other institutions	803,493	1,268,998	803,493	1,268,998
	824,759	1,268,998	824,759	1,268,998
Cash and cash equivalents	**8,002,993**	**8,878,011**	**7,907,551**	**8,842,182**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

	Group		Parent	
	2023	2022	2023	2022
(c) Impairment allowance for cash & cash equivalents		N'000	N'000	N'000
ECL allowance as at 1 January	6,644	7,943	6,644	7,943
Additions/(Write back) during the year (Note 36(c))	19,074	(1,299)	19,074	(1,299)
Balance as at the 31 December	**25,718**	**6,644**	**25,718**	**6,644**

4. Financial Investments

The Company's financial investments are summarised by categories as follows:

	Group		Parent	
	2023	2022	2023	2022
(a) Attributable to policyholders	N'000	N'000	N'000	N'000
Fair value through profit or loss (Note 4.1)	10,463,494	5,800,623	10,463,494	5,800,623
Fair value through other comprehensive income (Note 4.2)	75,219	53,731	75,219	53,731
Financial investments at amortised cost (Note 4.3)	36,355,234	12,159,020	36,355,234	12,159,020
	46,893,947	18,013,374	46,893,947	18,013,374
Current	75,219	165,217	75,219	165,217
Non- current	46,818,728	17,848,157	46,818,728	17,848,157
	46,893,947	**18,013,374**	**46,893,947**	**18,013,374**

4.1 Financial investments at fair value through profit or loss (Quoted equity)

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	5,800,623	5,354,017	5,800,623	5,354,017
Addition during the year	381,701	377,119	381,701	377,119
Fair value gains (Note 34)	4,281,170	69,487	4,281,170	69,487
Balance at the end of the year	**10,463,494**	**5,800,623**	**10,463,494**	**5,800,623**

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Attributable to policyholders	10,463,494	5,800,623	10,463,494	5,800,623
Attributable to shareholders	-	-	-	-

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

The group's equity securities comprises of shares and stock holdings of listed companies. Management valued the Company's quoted investments at market value which is a reasonable measurement of fair value since the prices of the shares are quoted in an active market. The instruments are measured and evaluated on a fair value basis and fair value is determined by reference to published price quotations in an active market - classified as level 1 in the fair value hierarchy.

4.2 Fair value through other comprehensive income
Financial assets at fair value through other comprehensive income (FVOCI) comprise:

(a) Equity securities which are not held for trading, and which the group has elected at initial recognition to recognise as FVOCI. These are strategic investments and the group considers this classification to be more relevant.

Equity investments at FVOCI comprise the following individual investments:

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Equity securities				
Fair value				
CSCS	47,219	30,148	47,219	30,148
WAMCO	28,000	23,583	28,000	23,583
	75,219	**53,731**	**75,219**	**53,731**

The fair value gains in the carrying amount of financial assets at fair value through other comprehensive income (FVOCI) are recognized in other comprehensive income and accumulated under the heading of FVOCI reserve.

	Group		Parent	
	2023	2022	2023	2022
(b) Equity instrument measured at fair value through other comprehensive income	N'000	N'000	N'000	N'000
Balance at the beginning of the year	53,731	84,884	53,731	84,884
Fair value gain/(loss) (Note 24)	21,488	(31,153)	21,488	(31,153)
Balance at the end of the year	**75,219**	**53,731**	**75,219**	**53,731**
Attributable to policy holders	-	-	-	-
Attributable to shareholders	**75,219**	**53,731**	**75,219**	**53,731**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

4.3 Financial investments at amortised cost

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Bonds (Note 4.3(a))	17,240,844	6,922,963	17,240,844	6,922,963
Placement above 90 days (Note 4.3(d))	11,450,493	2,319,989	11,450,493	2,319,989
Treasury bills (Note 4.3(e))	532,585	357,511	532,585	357,511
Commercial papers (Note 4.3(f))	7,131,311	2,558,557	7,131,311	2,558,557
	36,355,234	12,159,020	36,355,234	12,159,020
Attributable to policyholders	7,405,696	-	7,405,696	-
Attributable to shareholders	28,949,538	12,159,020	28,949,538	12,159,020

	Group		Parent	
	2023	2022	2023	2022
(a) Bonds	N'000	N'000	N'000	N'000
Balance at the beginning of the year	6,951,673	4,255,650	6,951,673	4,255,650
Purchases during the year	4,989,532	2,696,023	4,989,532	2,696,023
Interest receivable	390,804	-	390,804	-
Redemption	(608,231)	-	(608,231)	-
Foreign exchange gain (Note 35(d))	5,733,096	-	5,733,096	-
	17,456,873	6,951,673	17,456,873	6,951,673
Allowance for credit losses (Note 4.3(g))	(216,029)	(28,710)	(216,029)	(28,710)
Balance at the end of the year	17,240,844	6,922,963	17,240,844	6,922,963

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(b) Breakdown of the bonds

Institution	Maturity date	Coupon Rate	Frequency	2023 N'000	2022 N'000
Fidelity(Eurobond)	October 2026	7.63%	Half yearly	155,262	46,984
Sterling Bond(Corporate Bond)	October 2025	16.25%	Half yearly	30,949	29,933
Ondo State Bond	January 2027	13.00%	Half yearly	30,434	36,924
Capital Express(FGN BOND)	Various	Various	Half yearly	346,403	450,945
MBC(Flourmill Bond)(Corporate Bond)	February 2025	11.10%	Half yearly	103,982	100,000
Apel Asset(FGN Bond)	June 2027	11.20%	Half yearly	151,349	150,000
UBA Capital (Bond)(Corporate Bond)	May 2025	12.50%	Half yearly	37,367	57,521
Nova Merchant Bank(Bond)(Corporate Bond)	June 2027	12.00%	Half yearly	52,500	52,000
FSDH(Euro Bond)(first Bank Nigeria)	Various	Various	Half yearly	4,790,823	2,031,925
ValueFund Property(Corporate Bond)	January 2025	13.50%	Half yearly	159,065	150,000
Lagos State(Bond)	Various	Various	Half yearly	67,095	68,072
Edo State Bond	December 2025	9.00%	Half yearly	27,283	50,000
CardinalStone Bond(Corporate Bond)	December 2025	7.00%	Half yearly	103,419	150,000
Sokoto State Bond	May 2023	12.50%	Half yearly	30,963	30,963
Powercorp Green Bond	April 2031	12.00%	Half yearly	280,257	310,250
CEGAM Insurance Note(Bond)	May 2023	12.00%	Half yearly	-	57,145
Garden City Bond	February 2024	6.00%	Half yearly	511,217	500,000
Kwara State Bond	July 2028	15.00%	Half yearly	44,893	44,629
Ecobank Euro Bond	February 2026	7.13%	Half yearly	259,644	120,798
Chapel Hill Bond	September 2028	6.13%	Half yearly	83,367	82,000
Apel Eurobond Trust(Ghana Bond)	January 2026	8.13%	Half yearly	98,689	41,600
Presco Bond	March 2029	12.85%	Half yearly	29,111	28,000
Niger State Bond	February 2029	15.50%	Half yearly	50,918	47,898
FGN BOND(ZEDCREST)	January 2026	12.50%	Half yearly	158,291	150,000
Fidelity(Eurobond)	October 2026	7.63%	Half yearly	578,496	247,800
Minaret Sukuk Bond	September 2028	15.00%	Half yearly	67,700	71,396
Gombe Bond(Jewel Sukuk)	August 2029	14.50%	Half yearly	46,168	47,822
PAT Digital Infra Fund(Bond)	February 2032	13.25%	Half yearly	105,450	100,000
Dangote Cement	April 2027	11.85%	Half yearly	118,798	116,570
FGN BOND(Apel Capital)	March 2027	16.29%	Half yearly	262,244	250,687
Eurobond(ZEDCREST)	October 2026	7.63%	Half yearly	241,090	104,000
Eurobond(Access bank 2026)Zedcrest	September 2026	6.13%	Half yearly	290,344	124,800
Apel Capital(FGN Bond)	January 2026	12.50%	Half yearly	118,519	112,311
Geregu Power Plc	July 2029	14.50%	Half yearly	106,165	100,000
Dangote Bond	July 2029	12.75%	Half yearly	52,873	50,000
Cross River State Bond	August 2029	15.50%	Half yearly	74,167	75,000
MTN Bond	September 2026	13.50%	Half yearly	103,347	100,000

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Institution	Maturity date	Coupon Rate	Frequency	2023 N'000	2022 N'000
Zamfara State Bond	October 2029	17.00%	Half yearly	192,789	200,000
Alagbaka Power Bond	September 2023	19.00%	Half yearly	158,354	150,000
FGN Eurobond	November 2025	7.63%	Half yearly	287,889	128,700
Capital Express (CEGAM)	November 2023	12.00%	Half yearly	129,493	185,000
Edo State Bond (River Jamieson)	March 2030	18.15%	Half yearly	473,749	-
Lagos State Government	May 2033	15.25%	Half yearly	189,815	-
FGN SUKUK VI	October 20233	15.75%	Half yearly	310,007	-
Amplitude Telecoms	April 2024	18.50%	Half yearly	521,786	-
Flour Mills Of Nigeria	May 2026	14.50%	Half yearly	408,065	-
Amplitude Telecoms	October 2024	18.50%	Half yearly	260,016	-
Amplitude Telecoms	December 2024	18.50%	Half yearly	200,295	-
TAB Funding SPV	December 2027	16.75%	Half yearly	401,767	-
Zimvest Capital(Eurobond)	June 2026	8.75%	Half yearly	477,461	-
FSDH (FGN Eurobond 2025)	November 2025	7.63%	Half yearly	719,723	-
Zedcrest (Access Bank Eurobond)	October 2033	6.13%	Half yearly	1,935,630	-
FSDH (Fidelity 2026 Eurobond)	October 2026	7.63%	Half yearly	539,207	-
FSDH (Fidelity 2026 Eurobond)	October 2026	7.63%	Half yearly	482,185	-
				17,456,873	6,951,617

(c) The bonds comprises of fully amortising bonds, partially amortising bonds and bullet bonds. All bonds are redeemable at par on their respective due dates. Management have opted to measure its bonds at amortised cost in accordance with IFRS 9 with subsequent ECL provisions made in accordance with the standard.

	Group		Parent	
(d) Placements above 90 days	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Opening balance	2,336,138	1,667,140	2,336,138	1,667,140
Addition during the year	16,669,082	668,998	16,669,082	668,998
Interest receivable	240,765	-	240,765	-
Matured during the year	(10,095,885)	-	(10,095,885)	-
Foreign exchange gain (Note 35(d))	2,311,810	-	2,311,810	-
	11,461,910	2,336,138	11,461,910	2,336,138
Allowance for credit losses (Note 4.3(h))	(11,417)	(16,149)	(11,417)	(16,149)
Balance at the end of the year	11,450,493	2,319,989	11,450,493	2,319,989

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(e) Treasury bills	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Opening balance	360,000	-	360,000	-
Addition during the year	533,063	360,000	533,063	360,000
Matured during the year	(360,000)	-	(360,000)	-
	533,063	360,000	533,063	360,000
Allowance for credit losses (Note 4.3(i))	(478)	(2,489)	(478)	(2,489)
Balance at the end of the year	532,585	357,511	532,585	357,511

(f) Commercial papers	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Opening balance	2,576,368	2,265,633	2,576,368	2,265,633
Addition during the year	7,162,790	310,734	7,162,790	310,734
Matured during the year	(2,576,368)	-	(2,576,368)	-
Balance	7,162,790	2,576,367	7,162,790	2,576,367
Allowance for credit losses (Note 4.3(j))	(31,478)	(17,810)	(31,478)	(17,810)
Balance at the end of the year	7,131,311	2,558,557	7,131,311	2,558,557

(g) Impairment allowance on Bond:	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
ECL allowance as at 1 January	28,710	18,220	28,710	18,220
Allowance during the year (Note 36(c))	187,319	10,490	187,319	10,490
Balance at the end of the year (Note 4.3(a))	216,029	28,710	216,029	28,710

(h) Impairment allowance on Placements above 90 days:	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
ECL allowance as at 1 January	16,149	11,323	16,149	11,323
(Write back)/Allowance during the year (Note 36(c))	(4,733)	4,826	(4,733)	4,826
Balance at the end of the year (Note 4.3(d))	**11,417**	**16,149**	**11,417**	**16,149**

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

	Group		Parent	
	2023	2022	2023	2022
(i) Impairment allowance on Treasury bills:	N'000	N'000	N'000	N'000
ECL allowance as at 1 January	2,489	-	2,489	-
(Write back)/Allowance during the year (Note 36(c))	(2,011)	2,489	(2,011)	2,489
Balance at the end of the year (Note 4.3(e))	**478**	**2,489**	**478**	**2,489**

	Group		Parent	
	2023	2022	2023	2022
(j) Impairment allowance on Commercial papers:	N'000	N'000	N'000	N'000
ECL allowance as at 1 January	17,810	15,389	17,810	15,389
Allowance during the year (Note 36(c))	13,668	2,421	13,668	2,421
Balance at the end of the year (Note 4.3(f))	**31,478**	**17,810**	**31,478**	**17,810**

5 Trade Receivable

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
(a) Balance at the beginning of the year (Note 41 (a))	672,356	1,479,056	672,356	1,479,056
Balance at the end of the year (Note 41 (a))	450,143	672,356	354,531	672,356
Current	450,143	672,356	354,531	672,356
Non-current	-	-	-	-

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
(b) Analysis of Trade Receivables				
Amount due from Insurance Brokers	450,143	672,356	354,531	672,356

(c) The Group's policy in line with the provisions of "No Premium, No Cover" on impairment of trade receivables recognizes trade receivables from Brokers only. Such receivables should not exceed a period of 30 days.

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Age of Trade Receivables				
Within 30 days	450,143	672,356	354,531	672,356
Above 30 days	-	-	-	-
	450,143	**672,356**	**354,531**	**672,356**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(d) Trade receivables are receivables from insurance brokers as at the year end and these have been collected subsequent to the year ended 31 December 2023.

6 Reinsurance Contract Assets

	Group			Parent		
	2023	31 Dec 2022 Restated	1 Jan 2022 Restated	2023	31 Dec 2022 Restated	1 Jan 2022 Restated
	N'000	N'000	N'000	N'000	N'000	N'000
Assets for Remaining Coverage (6.1)	4,933,371	1,843,393	1,221,767	4,933,371	1,843,393	1,221,767
Amount Recoverable for Incurred Claims (Note 6.1)	4,499,671	7,629,310	6,206,804	4,499,671	7,629,310	6,206,804
	9,433,042	**9,472,703**	**7,428,571**	**9,433,042**	**9,472,703**	**7,428,571**
Current	4,933,371	2,405,381	1,886,319	4,933,371	2,405,381	1,886,319
Non-current	4,499,671	7,067,322	5,542,251	4,499,671	7,307,117	5,542,251

6.1 Reconciliation of Reinsurance contracts held, as at December 31 2023

	Assets for remaining coverage		Ammount Recoverable on Incurred claims		
Group	Non-loss component	Loss component	Incurred claims	Risk adjustment	Total
	N'000	N'000	N'000	N'000	N'000
Reinsurance contract assets as of January 1, 2023	1,843,393	-	7,337,537	291,773	9,472,703
Reinsurance contract liabilities as of January 1, 2023	-	-	-	-	-
Net Reinsurance contracts as of January 1, 2023	1,843,393	-	7,337,537	291,773	9,472,703
Reinsurance expenses	(15,849,441)	-	-	-	(15,849,441)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-
Ammounts recoverred from reinsurance:	-	-	-	-	-
Recoveries of incurred claims and other attributable income	-	-	2,981,602	39,349	3,020,951
Recoveries/(reversals of recoveries) on onerous contracts	-	33,014	-	-	33,014
	(15,849,441)	33,014	2,981,602	39,349	(12,795,475)
Insurance Finance Income	-	-	234,922	-	234,922
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
	-	-	234,922	-	234,922
Cash flows in the period					-
Reinsurance premiums paid	18,906,404	-	-	-	18,906,404
Ammounts received under reinsurance contracts held	-	-	(6,385,512)	-	(6,385,512)
Net cash inflow	18,906,404	-	(6,385,512)	-	12,520,892
Reinsurance contracts assets as of December 31, 2023	4,900,356	33,014	4,168,549	331,121	9,433,041
Reinsurance contract liabilities as of December 31, 2023	-	-	-	-	-
Net Reinsurance contracts as of December 31, 2023	4,900,356	33,014	4,168,549	331,121	9,433,041

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Reconciliation of Reinsurance contracts held, as at December 31 2022

Group	Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1, 2022	1,221,767	-	5,982,343	224,461	7,428,571
Reinsurance contract liabilities as of January 1, 2022	-	-	-	-	-
Net Reinsurance contracts as of January 1, 2022	1,221,767	-	5,982,343	224,461	7,428,571
Reinsurance expenses	(7,721,200)	-	-	-	(7,721,200)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-
Ammounts recoverred from reinsurance:					-
Recoveries of incurred claims and other attributable income	-	-	5,173,213	67,312	5,240,525
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-
	(7,721,200)	-	5,173,213	67,312	(2,480,675)
Insurance Finance Income	-	-	136,976	-	136,976
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
	-	-	136,976	-	136,976
Cash flows in the period					
Reinsurance premiums paid	8,342,826	-	-	-	8,342,826
Ammounts received under reinsurance contracts held	-	-	(3,954,995)	-	(3,954,995)
Net cash inflow	8,342,826	-	(3,954,995)	-	4,387,831
Reinsurance contracts assets as of December 31, 2022	1,843,393	-	7,337,537	291,773	9,472,703
Reinsurance contract liabilities as of December 31, 2022	-	-	-	-	-
Net Reinsurance contracts as of December 31, 2022	1,843,393	-	7,337,537	291,773	9,472,703

Reconciliation of Reinsurance contracts held, as at December 31 2023

Parent	Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1, 2023	1,843,393	-	7,337,537	291,773	9,472,703
Reinsurance contract liabilities as of January 1, 2023	-	-	-	-	-
Net Reinsurance contracts as of January 1, 2023	1,843,393	-	7,337,537	291,773	9,472,703
Reinsurance expenses	(15,849,441)	-	-	-	(15,849,441)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-
Ammounts recoverred from reinsurance:					
Recoveries of incurred claims and other attributable income	-	-	2,981,602	39,349	3,020,951
Recoveries/(reversals of recoveries) on onerous contracts	-	33,014	-	-	33,014
	(15,849,441)	33,014	2,981,602	39,349	(12,795,475)
Insurance Finance Income	-	-	234,922	-	234,922
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
	-	-	234,922	-	234,922
Cash flows in the period					-
Reinsurance premiums paid	18,906,404	-	-	-	18,906,404
Ammounts received under reinsurance contracts held	-	-	(6,385,512)	-	(6,385,512)
Net cash inflow	18,906,404	-	(6,385,512)	-	12,520,892
Reinsurance contracts assets as of December 31, 2023	4,900,356	33,014	4,168,549	331,121	9,433,041
Reinsurance contract liabilities as of December 31, 2023	-	-	-	-	-
Net Reinsurance contracts as of December 31, 2023	4,900,356	33,014	4,168,549	331,121	9,433,041

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Reconciliation of Reinsurance contracts held, as at December 31 2022

Parent	Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1, 2022	1,221,767	-	5,982,343	224,461	7,428,571
Reinsurance contract liabilities as of January 1, 2022	-	-	-	-	-
Net Reinsurance contracts as of January 1, 2022	1,221,767	-	5,982,343	224,461	7,428,571
Reinsurance expenses	(7,721,200)	-	-	-	(7,721,200)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-
Ammounts recoverred from reinsurance:					
Recoveries of incurred claims and other attributable income	-	-	5,173,213	67,312	5,240,525
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-
	(7,721,200)	-	5,173,213	67,312	(2,480,675)
Insurance Finance Income	-	-	136,976	-	136,976
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
	-	-	136,976	-	136,976
Cash flows in the period					
Reinsurance premiums paid	8,342,826	-	-	-	8,342,826
Ammounts received under reinsurance contracts held	-	-	(3,954,995)	-	(3,954,995)
Net cash inflow	8,342,826	-	(3,954,995)	-	4,387,831
Reinsurance contracts assets as of December 31, 2022	1,843,393	-	7,337,537	291,773	9,472,703
Reinsurance contract liabilities as of December 31, 2022	-	-	-	-	-
Net Reinsurance contracts as of December 31, 2022	1,843,393	-	7,337,537	291,773	9,472,703

6.2 Breakdown of Recoverable on incurred claims

	Group			Parent		
	2023 N'000	31 Dec 2022 Restated N'000	1 Jan 2022 Restated N'000	2023 N'000	31 Dec 2022 Restated N'000	1 Jan 2022 Restated N'000
Recoverable on incurred claims	4,168,549	7,307,118	5,605,566	4,168,549	7,307,118	5,605,566
Coassurance receivable	-	30,420	376,777	-	30,420	376,777
	4,168,549	7,337,537	5,982,343	4,168,549	7,337,537	5,982,343

(a) Co-assurance receivables relate to claims paid on behalf of co-assurance companies where NEM Insurance Plc is leading which are yet to be received at year end.

7 Insurance finance reserve

	Group			Parent		
	2023 N'000	31 Dec 2022 Restated N'000	1 Jan 2022 Restated N'000	2023 N'000	31 Dec 2022 Restated N'000	1 Jan 2022 Restated N'000
Opening balance	-	-	-	-	-	-
Changes during the year	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

8 Other receivables and prepayments

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Prepayments (Note 8(a))	36,347	51,532	24,738	51,531
Interest receivable	-	122,496	-	122,496
Accounts receivable (Note 8(b))	419,050	233,370	1,690	8,804
Staff loans and advances (Note 8(c))	108,114	220,446	108,114	220,446
Intercompany receivable (8(h))	-	-	20,000	-
Withholding Tax Receivable	82,956	67,146	82,905	67,146
Deposit for shares in NEM Asset Management Coy Ltd (Note 8(d))	-	-	82,500	82,500
Receivables from NEM Health Ltd (Note 8(e))	-	26,540	53,576	26,540
Stock brokers' current accounts (Note 8(f))	1,899	1,899	1,899	1,899
Deposit for shares in Alpha Morgan Bank Ltd (Note 8(g))	1,500,000	-	1,500,000	-
	2,148,365	723,429	1,875,423	581,362

	Group		Parent	
	2023	2022	2023	2022
(a) Prepayments	N'000	N'000	N'000	N'000
Balance at the beginning of the year	51,531	39,561	51,531	39,561
Payment during the year	37,447	111,193	24,738	111,193
Amortisation during the year (Note 8(a)(ii))	(52,631)	(99,223)	(51,531)	(99,223)
Balance at the end of the year	**36,347**	**51,531**	**24,738**	**51,531**

	Group		Parent	
	2023	2022	2023	2022
(i) Breakdown of prepayments	N'000	N'000	N'000	N'000
Prepaid Commission	11,609	38,525	-	38,524
Rent and rates	24,738	13,007	24,738	13,007
	36,347	**51,532**	**24,738**	**51,531**

	Group		Parent	
	2023	2022	2023	2022
(ii) Breakdown of amortisation during the year	N'000	N'000	N'000	N'000
Commission	34,112	63,565	33,012	63,565
Rent and rates (Note 36(b))	18,519	35,658	18,519	35,658
	52,631	**99,223**	**51,531**	**99,223**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(iii) Prepaid commission represents commission paid to brokers on deposit premium received during the year which will be recognised respectively when the business commence.

(i) Interest receivable represents accrued interest on various placements as at the reporting date.

(b) Accounts receivable	Group		Parent	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Balance at the beginning of the year	233,370	245,191	8,804	11,755
Additions	287,364	-	-	-
Received during the year	(13,060)	(11,821)	(7,114)	(2,951)
Provision for impairment (Note 8(c)i)	(88,624)	-	-	-
	419,050	**233,370**	**1,690**	**8,804**

(i) Provision for Impairment	Group		Parent	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Balance at the beginning of the year	22,199	15,804	-	-
Allowance during the year (Note 36(c))	66,425	6,395	-	-
	88,624	**22,199**	**-**	**-**

(ii) Included in the N419 million group balance is the amount of N389 milliom (478 million less impairment of 88million) due from NEM Asset Management Company Limited's customers. The impairment was necessary as a result of the non-performance of the facilities extended to customers. Management has intensified efforts to ensure the recoverability of these amounts. The N1.6 million parent balance relates to rent receivable from the company's tenants.

(c) Staff loans and advances	Group		Parent	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Balance at the beginning of the year	220,446	23,343	220,446	23,343
Additions during the year	102,496	234,374	102,496	234,374
Repayment during the year	(64,191)	(36,242)	(64,191)	(36,242)
Write-off during the year (Note 8(c)(i)	(150,637)	(1,029)	(150,637)	(1,029)
Balance at the end of the year	108,114	220,446	108,114	220,446

(i) Write-off during the year represents staff loans and advances no longer recoverable.

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

(d) Deposit for shares in NEM Asset Management Company Ltd	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Balance at the beginning of the year	-	-	82,500	82,500
Reclassification during the year (Note 10(a))	-	-	-	-
Balance at the end of the year	-	-	82,500	82,500

(i) Deposit for shares in NEM Asset Management Ltd represents amount given to NEM Asset Management Company Limited for future increase in shares.

(e) Receivables from NEM Health Ltd	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Balance at the beginning of the year	-	-	26,540	-
Addition	-	26,540	312,036	26,540
Reclassification during the year (Note 10(b))	-	-	(285,000)	-
Balance at the end of the year	**-**	**26,540**	**53,576**	**26,540**
Addition in Nem health is broken into:				
Cash	-	26,540	260,119	26,540
Assumed liability	-	-	51,917	-
	-	**26,540**	**312,036**	**26,540**

The assumed liability relates to the outstanding lease balance relating to the acquisition of a vehicle on lease by NEM Insurance Plc for NEM Health Ltd. NEM insurance Plc have fully transferred ownership to NEM Health but has fully retained the liability arising thereof.

(i) Deposit for shares in NEM Health Ltd represents amount given to NEM Health Limited for future increase in shares.

(f) Stock brokers' current accounts	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Centrepoint Investment Limited	1,899	1,899	1,899	1,899
	1,899	**1,899**	**1,899**	**1,899**

(i) Stock brokers' current accounts comprise of amount due to NEM Insurance Plc after year end reconciliation with brokers.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(g) Deposit for Shares in Alpha Morgan Bank Ltd	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Balance at the beginning and end of the year	-	-	-	-
Addition during the year	1,500,000	-	1,500,000	-
	1,500,000	**-**	**1,500,000**	**-**

Following from the board resolution dated 27th April 2023, NEM Insurance Plc deposited the sum of N1.5 billion to acquire a 15% stake in Alpha Morgan Bank Ltd and is awaiting approval from all relevant regulatory authorities.

(h) Intercompany balances relates to a zero interest, N20million short term loan facility granted by NEM Insurance Plc to Nem Asset Management Company Ltd on 28 December 2023.

9 Non-Controlling Interest

	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
115,000,000 ordinary shares in NEM Health Ltd	115,000	-	-	-
Share of Loss for the period	(72,073)	-	-	-
Balance	**42,927**	**-**	**-**	**-**

This is the component of shareholders' equity as reported on the consolidated statement of financial position which represents the ownership interest of shareholders other than the parent of the subsidiary. As at the reporting date, other shareholders held 28.75% percent of the ordinary share capital (including the voting rights) of NEM Health limited, which was incorporated in Nigeria on 22 November 2022 with registration number "2002868".

10 Investment in Subsidiaries

	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
115,000,000 ordinary shares in NEM Health Ltd	-	-	150,000	150,000
Share of Loss for the period	-	-	285,000	-
Balance	**-**	**-**	**435,000**	**150,000**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

10(a) Investment in subsidiary - NEM Asset

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	-	-	150,000	150,000
Reclassification during the year (Note 8(d))	-	-	-	-
Balance at the end of the year	**-**	**-**	**150,000**	**150,000**

NEM Insurance Plc acquired 100% interest in NEM Asset Management Company limited in 2016. NEM Asset Management Company Limited commenced operation in March 2016 and its principal activity is asset leasing and LPO financing. The Assets and Liabilities of the Subsidiary are consolidated in these Financial Statements. Its principal place of business is at NEM House 199 Ikorodu road, Obanikoro, Lagos. During the year, the subsidiary made a Loss of N55,105,146 (2022:Profit N566,979).

10(b) Investment in subsidiary - NEM Health

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	-	-	-	-
Reclassification during the year (Note 8(e))	-	-	285,000	-
Balance at the end of the year	**-**	**-**	**285,000**	**-**

NEM Insurance Plc incorporated and acquired a 71.25% interest in NEM Health Ltd on 22 November 2022 . NEM Health Limited commenced operation in May 2023 and its principal activity is the provision of health management services. The Assets and Liabilities of the new Subsidiary are consolidated in these fianancial statements. Its principal place of business is at NEM House 199 Ikorodu road, Obanikoro, Lagos. During the year, the subsidiary made a loss of N250,688,955 (2022 Nill).

10(c) The table below summarises the information of all the Parent's subsidiaries before any intra-group elimination.

(i) **NEM Asset Management Company Limited**	2023 N'000	2022 N'000
Cash and cash Equivalents	8,029	35,829
Trade and other Receivables	390,923	309,238
Property plant and equipment	6,397	7,996
Deferred tax asset	-	2,843
Other liabilities	(276,145)	(173,379)
Net assets	129,204	182,526

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

	2023 N'000	2022 N'000
Income	60,874	53,491
Expenses	(109,271)	(51,198)
(Loss)/Profit before tax	(48,398)	2,294
(Loss)/Profit after tax	(53,323)	567

(ii) NEM Health Limited	2023 N'000	2022 N'000
NCI Percentage	28.75%	-
Cash and cash equivalent	87,414	-
Trade receivables	95,612	-
Other receivables and prepayments	146,457	-
Intangible assets	11,950	-
Property plant and equipment	136,428	-
Insurance contract liabilities	(187,878)	-
Other liabilities	(140,671)	-
Net assets	149,311	-
Carrying amount of NCI	42,927	-

	2023 N'000	2022 N'000
Income	122,803	-
Expenses	(373,492)	-
(Loss) before tax	(250,689)	-
(Loss) after tax	(250,689)	-
(Loss) allocated to NCI (28.75%)	(72,073)	-

10(d) Significant restrictions and impairment

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities asides those resulting from the regulatory frameworks within which the insurance business operates.

The Company's investment in subsidiaries was assessed for impairment as at 31 December 2022 with no trigger of impairment identified. Consequently, no impairment charge was recognised.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

11 Investment Properties

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	1,813,768	1,706,167	1,813,768	1,706,167
Addition during the year (Note 11(f))	13,400	3,000	13,400	3,000
Revaluation gain (Note 34)	526,778	104,601	526,778	104,601
Balance at the end of the year	2,353,946	1,813,768	2,353,946	1,813,768

(a) Carrying amount of investment properties

	Status of Title	Balance at the begining of the year	Additions	Fair value changes	Carrying amount
		N'000	N'000	N'000	N'000
Oniru-Block Xv1, Plot 11, Aremo Adesegun Oniru Crecent, Off Onigefon Road, Oniru, Lagos	Perfection in progress	261,947	13,400	138,009	413,356
Ebute-Metta- 22a, Borno Way, Ebute-Metta Lagos	Perfected	411,794	-	20,513	432,307
Zaria- Plot No 34, Liverpool Street, Off River Road, GRA Extension Zaria, Kaduna State	Perfected	60,027	-	8,256	68,283
Plot 10, Elegba Festival Drive, Off Oba Idowu Abiodun Oniru Street, Victoria Island, Lagos	Perfection in progress	1,080,000	-	360,000	1,440,000
		1,813,768	13,400	526,778	2,353,946

	Group		Parent	
	2023	2022	2023	2022
The Company's investment properties are allocated as follows:	N'000	N'000	N'000	N'000
Attributable to policyholders	-	-	-	-
Attributable to shareholders	2,353,946	1,813,768	2,353,946	1,813,768

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(b) Investment properties are held at fair value which has been determined based on valuations performed by independent valuation experts, Diya Fatimilehin & Co. Estate Surveyors & Valuers (FRC/2013/NIESV/00000000754) ; Plot 237B, Muri Okunola Street, Victoria Island , Lagos; The Valuers Fatimilehin Adegboyega and Diya Maurise Kolawole are registered with Financial Reporting Council of Nigeria with registration Numbers FRC/2013/NIESV/00000000754 and FRC/2013/NIESV/00000002773 respectively.

(c) The valuers are the industry specialists in valuing these types of investment properties. The fair value is supported by market evidence and represents the amount at which the assets could be exchanged between knowledgeable, willing buyers and knowledgeable, willing sellers in an arm's length transaction at the date of valuation, in accordance with standards issued by International Valuation Standards Committee. Valuations are performed on an annual basis and the fair value gains and losses are recorded within the statement of profit or loss.

(d) This is an investment in land and building held primarily for generating income or capital appreciation and occupied substantially for use in the operations of the Company. This is carried in the statement of financial position at their market value.

(e) In the year, there was revaluation fair value gain on investment properties of N526,778,000.

(f) The Company incurred N13,400,000 (2022: N3,000,000) to perfect its title document for the Oniru-Block Xv1, Plot 11, Aremo Adesegun Oniru Crecent, Off Onigefon Road, Oniru, Lagos property.

(g) The fair value measurement for the Group's investment properties has been categorised as a level 3 fair value based on the inputs to the valuation technique used (see below). The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Investment Security Hierarchy	Valuation technique	Fair vaue at 31 December 2023 N'000	Unobservable inputs	Range of unobservable inputs (probability weighted average)	Relationship of unobservable inputs to fair value
		N'000	N'000	N'000	
Oniru-Block Xv1, Plot 11, Aremo Adesegun Oniru Crecent, Off Onigefon Road, Oniru, Lagos	Market Valuation approach	413,356	Forecast price per metre square	N303 per metre square	The higher the price per square metre, the higher the fair value
Ebute-Metta- 22a, Borno Way, Ebute-Metta Lagos	Depreciation Replacement Cost Method	432,307	Forecast price per metre square	N470 per metre square	The higher the price per square metre, the higher the fair value
Zaria- Plot No 34, Liverpool Street, Off River Road, GRA Extension Zaria, Kaduna State	Depreciation Replacement Cost Method	68,283	Forecast price per metre square	N22 per metre square	The higher the price per square metre, the higher the fair value
Plot 10, Elegba Festival Drive, Off Oba Idowu Abiodun Oniru Street, Victoria Island, Lagos	Depreciation Replacement Cost Method	1,440,000	Forecast price per metre square	N1,210 per meter square	The higher the price per square metre, the higher the fair value

12 Statutory deposit

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Statutory deposit	320,000	320,000	320,000	320,000

This represents the amount deposited with the Central Bank of Nigeria as at 31 December 2023: (2022: N 320m) which was in accordance with section 9(1) and section 10 (3) of Insurance Act CAP I17 LFN 2004. Statutory deposits are measured at cost.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

13 Intangible assets (Computer software)

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Cost				
At 1 January	98,690	79,051	81,235	61,596
Addition (Note 13(a))	51,750	19,639	37,962	19,639
At 31 December	150,439	98,690	119,197	81,235
Amortisation				
At 1 January	82,969	79,041	65,514	61,586
Amortisation during the year	13,361	3,928	11,522	3,928
At 31 December	96,329	82,969	77,036	65,514
Carrying Amount	54,110	15,721	42,161	15,721

(a) The software named "IES' previously acquired by the Company used in posting the business transactions has been fully amortized but still in use with the carrying amount of N10,000. However, additions were made to the software that was acquired during the year for the implementation of IFRS 17 from "Tripple A". In addition, a new software "Seamless HR" was also acquired to help streamline the company's human resource processes.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

14(a) Property, plant and equipment (Group)

	Land	Building	Machinery & equipt	Motor Vehicles	Furniture & fittings	Computer Equipment	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At 1 January 2022	672,200	2,834,700	20,652	692,698	23,141	155,148	4,398,539
Additions	91,230	4,411	25,560	163,817	5,546	72,123	362,687
Reclassification	-	-	-	13,200	-	-	13,200
Disposals	-	-	(3,946)	(47,785)	(1,563)	(16,496)	(69,790)
At 31 December 2022	763,430	2,839,111	42,266	821,930	27,124	210,775	4,704,636
At 1 January 2023	763,430	2,839,111	42,266	821,930	27,124	210,775	4,704,636
Additions (Note 14(a)(i))	-	35,397	15,033	254,564	36,428	124,472	465,894
Reclassification (Note 14)(a)(iii)	-	-	-	249,200	-	-	249,200
Disposals	-	-	-	(267,648)	(2,588)	(7,584)	(277,820)
At 31 December 2023	763,430	2,874,508	57,299	1,058,046	60,964	327,663	5,141,909
Accumulated depreciation							
At 1 January 2022	-	-	7,059	501,007	12,322	83,194	603,582
Charge for the year	-	56,782	8,453	131,180	5,408	41,965	243,788
On disposals	-	-	(3,946)	(9,557)	(1,563)	(16,496)	(31,562)
Reclassification	-	-	-	2,640	-	-	2,640
At 31 December 2022	-	56,782	11,566	625,270	16,167	108,663	818,448
At 1 January 2023	-	56,782	11,566	625,269	16,096	108,735	818,448
Charge for the year	-	57,490	17,272	153,080	10,772	59,650	298,264
Reclassification (Note 14)(a)(iii)	-	-	-	99,680	-	-	99,680
On disposals	-	-	-	(266,964)	(2,588)	(7,106)	(276,658)
At 31 December 2023	-	114,272	28,838	611,065	24,280	161,280	939,734
Carrying amounts at:							
31 December 2023	763,430	2,760,236	28,461	446,981	36,684	166,383	4,202,175
31 December 2022	763,430	2,782,329	30,700	196,660	10,957	102,112	3,886,188

(ii) The Group had no capital commitments as at the statement of financial position date (2022: Nil). As at the reporting date land is being carried at revalued amount.

(iii) Reclassification represents cost and accumulated depreciation of prior year's Right-of-use (ROU) asset (Motor vehicle) reclassified to property, plant and equipment during the year. This was as a result of the transfer of ownership of the leased vehicles following the completion of their respective lease rental payments.

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

(b) Property, plant and equipment (Parent)

	Land N'000	Building N'000	Machinery & equipt N'000	Motor Vehicles N'000	Furniture & fittings N'000	Computer Equipment N'000	Total N'000
Cost							
At 1 January 2022	672,200	2,834,700	20,650	680,944	23,055	153,603	4,385,152
Additions	91,230	4,411	25,560	163,817	5,546	72,123	362,687
Reclassification	-	-	-	13,200	-	-	13,200
Disposals	-	-	(3,946)	(47,785)	(1,563)	(16,496)	(69,790)
At 31 December 2022	763,430	2,839,111	42,264	810,176	27,038	209,230	4,691,249
At 1 January 2023	763,430	2,839,111	42,264	810,176	27,038	209,230	4,691,249
Additions (Note 14(a)(i))	-	35,397	15,035	152,571	18,511	86,962	308,476
Reclassification (Note 14(a)(iii)	-	-	-	249,200	-	-	249,200
Disposals	-	-	-	(267,648)	(2,588)	(7,584)	(277,820)
At 31 December 2023	763,430	2,874,508	57,299	944,299	42,961	288,608	4,971,105
Accumulated depreciation							
At 1 January 2022	-	-	7,059	498,655	12,251	82,225	600,190
Charge for the year	-	56,782	8,453	129,300	5,408	41,846	241,789
On disposals	-	-	(3,946)	(9,557)	(1,563)	(16,496)	(31,562)
Reclassification	-	-	-	2,640	-	-	2,640
At 31 December 2022	-	56,782	11,566	621,038	16,096	107,575	813,057
At 1 January 2023	-	56,782	11,566	621,038	16,096	107,575	813,057
Charge for the year	-	57,490	17,272	137,976	8,372	54,566	275,676
Reclassification (Note 14(a)(iii)	-	-	-	99,680	-	-	99,680
On disposals	-	-	-	(266,964)	(2,588)	(7,106)	(276,658)
At 31 December 2023	-	114,272	28,838	591,730	21,880	155,035	911,755
Carrying amounts at:							
31 December 2023	763,430	2,760,236	28,461	352,569	21,081	133,573	4,059,350
31 December 2022	763,430	2,782,329	30,698	189,138	10,942	101,655	3,878,192

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

14(c) Right-of-Use Assets

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Cost				
At 1 January	249,200	262,400	249,200	262,400
Additions during the year	761,269	-	761,269	-
Reclassification (Note 14(a)(iii)	(249,200)	(13,200)	(249,200)	(13,200)
At 31 December	761,269	249,200	761,269	249,200
Accumulated depreciation	N'000	N'000	N'000	N'000
At 1 January	99,680	52,480	99,680	52,480
Charge for the year	152,254	49,840	152,254	49,840
Reclassification (Note 14(a)(iii)	(99,680)	(2,640)	(99,680)	(2,640)
At 31 December	152,254	99,680	152,254	99,680
Carrying amounts at:				
At 31 December	609,015	149,520	609,015	149,520

15 Insurance Contract Liabilities

	Group			Parent		
	2023	31 Dec 2022 Restated	1 Jan 2022 Restated	2023	31 Dec 2022 Restated	1 Jan 2022 Restated
	N'000	N'000	N'000	N'000	N'000	N'000
Liability for Remaining Coverage (Note 15.1)	16,385,228	6,818,366	5,299,154	16,202,176	6,818,366	5,299,154
Liability for Incurred claims (Note 15.1)	8,900,496	7,855,800	6,258,488	8,895,671	7,855,800	6,258,488
	25,285,724	14,674,166	11,557,642	25,097,847	14,674,166	11,557,642

The firm Ernst & Young (FRC/2012/NAS/00000000738), an actuarial service organisation did the valuation for the reporting date. The actuarial valuation reports were authorised by Miller Kingsley, a professional actuary registered with the Financial Reporting Council of Nigeria with registration number FRC/2012/NAS/00000002392.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

15.1 Reconciliation of Insurance contracts issued, 31 December 2023

Group	Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1, 2023	6,818,366	-	7,379,736	476,064	14,674,166
Insurance contract assets as of Janaury 1 2023	-	-	-	-	-
Net Insurance Contracts as of Janaury 1 2023	6,818,366	-	7,379,736	476,064	14,674,166
Insurance Revenue (Note 27)	(52,112,434)	-	-	-	(52,112,434)
Insurance Service Expenses:					
Incurred claims (Note 32.1)	-	-	14,850,605	178,550	15,029,155
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Ammortization of insurance acquisition cashflows (Note 32.1)	18,989,828	-	-	-	18,989,828
Losses and reversals of losses on onerous contracts (Note 32.1)	-	199,989	-	-	199,989
Total Gross Insurance Service result	(33,122,606)	199,989	14,850,605	178,550	(17,893,462)
Insurance finance expenses	-	-	389,227	-	389,227
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-
	-	-	389,227	-	389,227
Cash flows in the period:					
Premiums received (Note 41.2)	63,009,810	-	-	-	63,009,810
Insurance acquisition cash flows paid (Note 32.2)	(20,520,331)	-	-	-	(20,520,331)
Claims paid (Note 31)	-	-	(14,373,686)	-	(14,373,686)
Net cash flow	42,489,479	-	(14,373,686)	-	28,115,793
Insurance contract liabilities, as at December 31 2023	16,185,239	199,989	8,245,882	654,614	25,285,725
Insurance contract assets as at December 31 2023	-	-	-	-	-
Net Insurance Contracts as at December 31 2023	16,185,239	199,989	8,245,882	654,614	25,285,725

Reconciliation of Insurance contracts issued, 31 December 2022

Group	Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1, 2022	5,299,154	-	5,887,936	370,552	11,557,642
Insurance contract assets as of Janaury 1 2022	-	-	-	-	-
Net Insurance Contracts as of Janaury 1 2022	5,299,154	-	5,887,936	370,552	11,557,642
Insurance Revenue (Note 27)	(31,433,600)				(31,433,600)
Insurance Service Expenses:					-
Incurred claims (Note 32.1)	-	-	12,732,105	105,512	12,837,617
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Ammortization of insurance acquisition cashflows (Note 32.1)	9,856,218	-	-	-	9,856,218
Losses and reversals of losses on onerous contracts (Note 32.1)	-	-	-	-	-
Total Gross Insurance Service result	(21,577,382)	-	12,732,105	105,512	(8,739,765)
Insurance finance expenses	-	-	225,554	-	225,554
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-
	-	-	225,554	-	225,554
Cash flows in the period:					
Premiums received (Note 41.2)	33,369,050	-	-	-	33,369,050
Insurance acquisition cash flows paid (Note 32.2)	(10,272,456)	-	-	-	(10,272,456)
Claims paid (Note 31)	-	-	(11,465,859)	-	(11,465,859)
Net cash flow	23,096,594	-	(11,465,859)	-	11,630,735
Insurance contract liabilities, as at December 31 2022	6,818,366	-	7,379,736	476,064	14,674,166
Insurance contract assets as at December 31 2022	-	-	-	-	-
Net Insurance Contracts as at December 31 2022	6,818,366	-	7,379,736	476,064	14,674,166

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Reconciliation of Insurance contracts issued, 31 December 2023

Parent	Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1, 2023	6,818,366	-	7,379,736	476,064	14,674,166
Insurance contract assets as of Janaury 1 2023	-	-	-	-	-
Net Insurance Contracts as of Janaury 1 2023	6,818,366	-	7,379,736	476,064	14,674,166
Insurance Revenue (Note 27)	(51,993,997)	-	-	-	(51,993,997)
Insurance Service Expenses:					-
Incurred claims (Note 32.1)	-	-	14,753,047	178,550	14,931,597
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Ammortization of insurance acquisition cashflows (Note 32.1)	18,984,781	-	-	-	18,984,781
Losses and reversals of losses on onerous contracts (Note 32.1)	-	199,989	-	-	199,989
Total Gross Insurance Service result	(33,009,216)	199,989	14,753,047	178,550	(17,877,631)
Insurance finance expenses	-	-	389,227	-	389,227
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-
	-	-	389,227	-	389,227
Cash flows in the period:					
Premiums received (Note 41.2)	62,708,320	-	-	-	62,708,320
Insurance acquisition cash flows paid (Note 32.2)	(20,515,283)	-	-	-	(20,515,283)
Claims paid (Note 31)	-	-	(14,280,952)	-	(14,280,952)
Net cash flow	42,193,037	-	(14,280,952)	-	27,912,085
Insurance contract liabilities, as at December 31 2023	16,002,187	199,989	8,241,057	654,614	25,097,847
Insurance contract assets as at December 31 2023	-	-	-	-	-
Net Insurance Contracts as at December 31 2023	16,002,187	199,989	8,241,057	654,614	25,097,847

Reconciliation of Insurance contracts issued, 31 December 2022

Parent	Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1, 2022	5,299,154		5,887,936	370,552	11,557,642
Insurance contract assets as of Janaury 1 2022	-	-	-	-	-
Net Insurance Contracts as of Janaury 1 2022	5,299,154	-	5,887,936	370,552	11,557,642
Insurance Revenue (Note 27)	(31,433,600)	-	-	-	(31,433,600)
Insurance Service Expenses:					
Incurred claims (Note 32.1)	-	-	12,732,105	105,512	12,837,617
Changes that relate to past service-adjustment to LIC	-	-	-	-	-
Ammortization of insurance acquisition cashflows (Note 32.1)	9,856,218	-	-	-	9,856,218
Losses and reversals of losses on onerous contracts (Note 32.1)	-	-	-	-	-
Total Gross Insurance Service result	(21,577,382)	-	12,732,105	105,512	(8,739,765)
Insurance finance expenses	-	-	225,554	-	225,554
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-
	-	-	225,554	-	225,554
Cash flows in the period:					
Premiums received (Note 41.2)	33,369,050	-	-	-	33,369,050
Insurance acquisition cash flows paid (Note 32.2)	(10,272,456)	-	-	-	(10,272,456)
Claims paid (Note 31)	-	-	(11,465,859)	-	(11,465,859)
Net cash flow	23,096,594	-	(11,465,859)	-	11,630,735
Insurance contract liabilities, as at December 31 2022	6,818,366	-	7,379,736	476,064	14,674,166
Insurance contract assets as at December 31 2022	-	-	-	-	-
Net Insurance Contracts as at December 31 2022	6,818,366	-	7,379,736	476,064	14,674,166

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

	Group			Parent		
	2023	31 Dec 2022 Restated	1 Jan 2022 Restated	2023	31 Dec 2022 Restated	1 Jan 2022 Restated
	N'000	N'000	N'000	N'000	N'000	N'000
Fire	3,157,786	3,055,325	2,400,152	3,157,786	3,055,325	2,400,152
Accident	1,026,496	1,117,894	980,428	1,026,496	1,117,894	980,428
Marine and Aviation	825,317	834,039	604,141	825,317	834,039	604,141
Motor	1,901,659	1,569,692	1,220,307	1,901,659	1,569,692	1,220,307
Oil and Gas	555,386	513,888	432,036	555,386	513,888	432,036
Agriculture	7,284	1,093	3,226	7,284	1,093	3,226
Engineering	716,003	286,124	226,586	716,003	286,124	226,586
Bond	51,127	1,680	21,060	51,127	1,680	21,060
Health Insurance	4,825	-	-	-	-	-
	8,245,883	7,379,736	5,887,936	8,241,058	7,379,736	5,887,936

Liability for incurred claims is composed of Outstanding claims reserve N2,531,091,405 (31 Dec 2022:N3,018,611,755; 1 Jan 2022: N2,512,860,096) and IBNR reserve of N5,995,612,139 (31 Dec 2022: N4,361,125,075; 1 Jan 2022: N3,375,076,412)

(b) The Age Analysis of Liability for Incurred Claims (excluding IBNR) in thousands of Nigerian Naira as at 31 December 2023 is as follows:

	Pending substan tiating documents	Related to awaiting adjusters' report	Discharge vouchers not returned by the customers	Total N'000	31 Dec 2022 Restated N'000	1 Jan 2022 Restated N'000
0 - 90 days	12,394	42,866	89,140	144,400	337,952	729,511
91 - 180 days	20,893	54,609	73,829	149,332	387,390	680,704
181 - 270 days	29,883	46,637	86,944	163,464	595,602	616,975
270 - 365 days	252,271	261,444	352,149	865,864	622,225	407,227
365 days and above	411,655	395,067	401,308	1,208,030	1,075,442	78,443
	727,097	800,623	1,003,371	2,531,091	3,018,611	2,512,860

(c) Risk Adjustment

	Group			Parent		
	2023	31 Dec 2022 Restated	1 Jan 2022 Restated	2023	31 Dec 2022 Restated	1 Jan 2022 Restated
	N'000	N'000	N'000	N'000	N'000	N'000
Fire	250,833	159,346	127,175	250,833	159,346	127,175
Accident	81,538	82,531	69,675	81,538	82,531	69,675
Marine and Aviation	65,558	50,932	38,517	65,558	50,932	38,517
Motor	151,055	117,525	79,926	151,055	117,525	79,926
Oil and Gas	44,116	44,397	37,436	44,116	44,397	37,436
Agriculture	579	85	224	579	85	224
Engineering	56,874	21,124	16,103	56,874	21,124	16,103
Bond	4,061	124	1,497	4,061	124	1,497
	654,614	476,064	370,552	654,614	476,064	370,552

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(D) Age Analysis By Reason

		0 - 90 days		91 - 180 days		181-270 days		271-365 days		Above 365 days		Total	
		Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
1	Discharge Voucher Signed and returned to policyholders	21	28,125	5	27,362	15	26,658	22	97,049	35	140,243	98	319,438
2	Discharge Vouchers not yet Signed	12	13,493	9	12,619	9	40,114	13	52,490	21	24,255	64	142,970
3	Claims reported but incomplete documentation	25	17,151	15	13,440	53	16,435	23	218,922	901	524,341	1,017	790,290
4	Claims reported but been adjusted	1	5,676	7	6,112	7	7,741	6	96,957	10	11,250	31	127,736
5	claims repudiated	-	-	1	1,000	2	3,000	-	-	1	4,000	4	8,000
6	Awaiting adjusteds final report	10	50,781	10	82,434	8	29,739	11	224,305	12	193,457	51	580,716
7	Litigation award	-	-	-	-	6	4,175	12	61,550	29	176,500	47	242,225
8	Awaiting Lead insurer's instruction	34	29,175	35	6,365	45	23,853	35	61,209	1,023	89,758	1,172	210,360
9	Third party liability outstanding	-	-	-	-	15	11,749	15	53,381	35	44,227	65	109,357
	Total	103	144,400	82	149,332	160	163,464	137	865,864	2,067	1,208,030	2,549	2,531,091

15.3(a) Liability for Remaining coverage-Non loss

	Group			Parent		
	2023	31 Dec 2022 Restated	1 Jan 2022 Restated	2023	31 Dec 2022 Restated	1 Jan 2022 Restated
	N'000	N'000	N'000	N'000	N'000	N'000
Fire	3,095,764	1,599,781	1,047,446	3,095,764	1,599,781	1,047,446
Accident	811,800	584,805	367,757	811,800	584,805	367,757
Marine and Aviation	931,329	702,516	873,103	931,329	702,516	873,103
Motor	5,844,628	2,513,176	1,820,088	5,844,628	2,513,176	1,820,088
Oil and Gas	4,033,582	377,573	701,051	4,033,582	377,573	701,051
Agriculture	47,288	64,233	11,048	47,288	64,233	11,048
Engineering	948,171	695,564	330,115	948,171	695,564	330,115
Bond	289,625	280,718	148,546	289,625	280,718	148,546
Health Insurance	183,054	-	-	-	-	-
	16,185,241	**6,818,366**	**5,299,155**	**16,002,187**	**6,818,366**	**5,299,155**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(b) The above balances represent the unearned premium amount. It represents the company's obligation to investigate and pay valid claims under existing insurance contracts for insuredevents that have not yet occurred. The carrying amounts disclosed above approximate fair value at the reporting date. All amounts are payable within one year.

(c) Liability for Remaining Coverage-Onerous contracts

	Group			Parent		
	2023	31 Dec 2022 Restated	1 Jan 2022 Restated	2023	31 Dec 2022 Restated	1 Jan 2022 Restated
	N'000	N'000	N'000	N'000	N'000	N'000
Fire	-	-	-	-	-	-
Accident	-	-	-	-	-	-
Marine and Aviation	-	-	-	-	-	-
Motor	199,989	-	-	199,989	-	-
Oil and Gas	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Bond	-	-	-	-	-	-
	199,989	**-**	**-**	**199,989**	**-**	**-**

16 Other Insurance Contract liabilities

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Premium Deposits (16(a))	726,865	295,460	653,385	295,460
Trade Payables (16(b))	130,516	192,067	130,516	192,067
	857,381	**487,527**	**783,901**	**487,527**

	Group		Parent	
	2023	2022	2023	2022
(a) Premium Deposits	N'000	N'000	N'000	N'000
Premium Deposit (Note 16(a))	726,865	295,460	653,385	295,460
Commission payable (Note 32(a))	-	-	-	-
	726,865	**295,460**	**653,385**	**295,460**

Premium deposit represents advance received in 2023 for 2024 production.

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

(b) Trade Payables	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Due to Reinsurance Broker - A.O.N.(Note 16(b)(i)	8,464	119,268	8,464	119,268
Due to Reinsurance Broker - SCIB (Note 16(b)(ii)	122,052	72,799	122,052	72,799
	130,516	**192,067**	**130,516**	**192,067**

Trade payable represents premium payable to both reinsurance companies and brokers, and commission payable to insurance brokers. The carrying amount disclosed above reasonably approximates fair value at the reporting date. All amounts are payable within one year and payment process has commenced subsequent to the year end.

(i) Due to Reinsurance Broker - A.O.N.	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Premium	6,136	107,032	6,136	107,032
Commission	2,328	12,236	2,328	12,236
	8,464	**119,268**	**8,464**	**119,268**

(ii) Due to Reinsurance Broker - SCIB	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Premium	88,487	49,213	88,487	49,213
Commission	33,564	23,586	33,564	23,586
	122,052	**72,799**	**122,052**	**72,799**

17 Other Payables

	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Accruals (Note 17(b))	814,499	606,497	801,736	525,388
Dividend payable (Note 17(b(i))	1,064,284	938,259	1,064,284	938,259
Other creditors (Note 17(c))	214,687	30,965	149,502	106,913
	2,093,470	**1,575,721**	**2,015,522**	**1,570,560**

(a) The carrying amount disclosed above reasonably approximates fair value at the reporting date. All amounts are payable within one year.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(b) Accruals

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Audit fees	23,225	4,000	20,025	4,000
Profit Sharing	350,000	258,664	350,000	258,664
Performance bonus	50,927	39,175	50,927	39,175
Filing fee	1,000	-	1,000	-
ICFR Fee	9,675	-	9,675	-
Naicom Levy	355,109	203,334	355,109	203,334
PAYE payable	65	-	-	-
WHT payable	127	-	-	-
Pension payable	-	10,715	-	10,715
Cooperative	18	-	-	-
Others	24,352	90,609	15,000	9,500
	814,499	**606,497**	**801,736**	**525,388**

(b(i)) Dividend payable represents Unclaimed Dividend returned to the Group by Apel Capital & Trust Limited for investment as required by Securities and Exchange Commission.

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Movement in dividend payable:				
Balance at the beginning of the year	938,259	833,920	938,259	833,920
Dividend declared (Note 23)	1,504,943	1,103,625	1,504,943	1,103,625
Dividend paid	(1,378,919)	(999,286)	(1,378,919)	(999,286)
Balance at the end of the year	1,064,284	938,259	1,064,284	938,259

(c) Other Creditors

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Due to NEM Assets Management Ltd (Note 17 (e))	-	-	104,888	75,948
Other Creditor (Note 17(f))	214,687	30,965	44,614	30,965
	214,687	**30,965**	**149,502**	**106,913**

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

	Group		Parent	
	2023	2022	2023	2022
(d) Lease liabilities	N'000	N'000	N'000	N'000
Balance at the beginning of the year	35,999	139,623	35,999	139,623
Additions during the year	543,725	-	543,725	-
Interest charged during the year (Note 36)	120,202	23,800	120,202	23,800
Lease initial deposit requirement	217,544	-	217,544	-
Lease payment during the year	(444,229)	(127,424)	(444,229)	(127,424)
Balance as at the end of the year	473,241	35,999	473,241	35,999

(e) NEM Asset Management Company Ltd financed the purchase of some motor cars for NEM Insurance Plc. The total amount outstanding as at 31 December 2023 was N104,888,000.00 (2022: N75,948,000.). NEM Asset Management Company Limited is a fully owned subsidiary of NEM Insurance Plc.

(f) Included in other creditors is the sum of N159,420,294 which are short term deposits due to external customers of NEM Asset Management Company ltd.

(g) Deferred commission Income represents unexpired commission received on reinsurance expenses.

18 Retirement Benefit Obligations

The Group has a defined benefit gratuity scheme covering its entire employees who have spent a minimum number of five years continuous service. The scheme is unfunded, therefore, no contribution is made to any fund.The Company has stopped gratuity since 2014 and the balance outstanding on it is subjected to valuation at year end. The company has settled the liabilities of all employees under this scheme, and has thus, discontinued the valuation of the liability, derecognised all outstanding liabilities, reserves and assets in that regards.

The amounts recognised in the income statement (Management expenses) are as follows:

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Current service cost	-	-	-	-
Interest cost on benefit obligation (Note 36(a))	-	5,590	-	5,590
	-	5,590	-	5,590
The amounts recognised in the statement of financial position at the reporting date are as follows:				
Present value of the defined benefit obligation				
Total defined benefit obligation	-	29,497	-	29,497

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

The movement in the defined benefit obligation is as follows:

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	29,497	52,414	29,497	52,414
Current service cost	-	-	-	-
Interest cost	-	6,298	-	6,298
Benefits paid (Note 41)	(40,960)	(49,829)	(40,960)	(49,829)
Actuarial loss-Due to change in assumption	11,463	72	11,463	72
Actuarial losses - Due to experience adjustment	-	20,542	-	20,542
Balance at the end of the year	-	29,497	-	29,497

19 Taxation

	Group		Parent	
	2023	2022	2023	2022
(a) Per Financial Position	N'000	N'000	N'000	N'000
Balance at the beginning of the year	379,224	623,508	378,179	618,736
Income tax for the year	869,457	474,789	869,305	474,157
Education tax for the year	107,475	53,246	107,475	53,246
Prior year over-provision (Note 19(b))	-	(487,254)	-	(487,254)
Information technology levy (Note 19(b))	191,787	54,792	191,787	54,792
Paid during the year	(392,791)	(339,857)	(392,398)	(335,498)
Balance at the end of the year	1,155,152	379,224	1,154,348	378,179

	Group		Parent	
	2023	2022	2023	2022
(b) Per Income Statement	N'000	N'000	N'000	N'000
Income tax	869,457	474,789	869,305	474,157
Education tax	107,475	53,246	107,475	53,246
Prior year over-provision	-	(487,254)	-	(487,254)
Information technology levy	191,787	54,792	191,787	54,792
	1,168,720	95,573	1,168,567	94,941
Deferred tax asset (Note 20 (i))	256,411	1,094	253,568	-
Deferred tax liabilities (Note 20 (ii))	4,503,940	-	4,502,010	-
Charge for the year	5,929,070	96,667	5,924,145	94,941

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

	Group		Parent	
	2023	2022	2023	2022
(c) Per Statement of Cash flows	N'000	N'000	N'000	N'000
Tax Paid during the year	(392,791)	(339,857)	(392,398)	(335,498)
Witholding tax utilized during the year	46,949	177,711	46,949	177,711
Total Cash paid for Tax liability	**(345,842)**	**(162,146)**	**(345,449)**	**(157,787)**

(d) Effective tax reconciliation

The effective tax reconciliation for the Group is as follows:

	Rate	2023	Rate	2022
		N'000		N'000
Profit before income tax		18,877,855		5,536,289
Tax calculated at the corporate tax rate	30%	5,753,768	30%	1,662,635
Effect of Education tax levy	1%	107,475	1%	53,246
Effect of:				
Non-deductible expenses	0%	82,703	2%	83,464
Tax exempt income	-18%	(3,350,829)	-23%	(1,269,506)
PTF Levy	0%	-	0%	-
Information technology levy (NITDA)	1%	191,787	1%	54,792
Recognition of temporary differences	17%	3,144,165	0%	(710)
Prior year overprovision	0%	-	-9%	(487,254)
Total income tax expense in income statement	**31%**	**5,929,070**	**2%**	**96,667**

The effective tax reconciliation for the Parent is as follows:

	Rate	2023	Rate	2022
		N'000		N'000
Profit before income tax		19,178,721		5,533,995
Tax calculated at the corporate tax rate	30%	5,753,616	30%	1,660,199
Tertiary Education tax levy	1%	107,475	1%	53,246
Effect of:				
Non-deductible expenses	0%	82,703	2%	83,464
Tax exempt income	-17%	(3,350,829)	-23%	(1,269,506)
PTF levy	0%	-	0%	-
Information technology levy (NITDA)	1%	191,787	1%	54,792
Recognition of temporary differences	16%	3,139,392	0%	-
Overprovision in prior years	0%	-	-9%	(487,254)
Total income tax expense in income statement	**31%**	**5,924,145**	**2%**	**94,941**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(e) Information Technology Levy

The Nigeria Information Technology Development Agency (NITDA) Act was signed into Law on 24 April, 2007. Section 12 (2a) of the Act stipulates that, specified companies contribute 1% of their profit before tax to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

20 Deferred Taxation

		Group		Parent	
		2023	2022	2023	2022
i	**Deferred tax Assets**	N'000	N'000	N'000	N'000
	Balance at the beginning of the year	(256,411)	(257,505)	(253,568)	(253,568)
	Write back for the year	256,411	1,094	253,568	-
	Balance at the end of the year	-	(256,411)	-	(253,568)

		Group		Parent	
		2023	2022	2023	2022
ii	**Deferred tax Liabilities**	N'000	N'000	N'000	N'000
	Balance at the beginning of the year	3,687	10,387	3,687	10,387
	Charge for the year	4,503,940	-	4,502,010	-
	Revaluation surplus (Note 25)	-	-	-	-
	Other reserves-gratuity (Note 26)	-	(6,700)	-	(6,700)
	Balance at the end of the year	4,507,627	3,687	4,505,697	3,687

		Group		Parent	
		2023	2022	2023	2022
iii	**Analysis of deferred tax liabilities as at year end**	N'000	N'000	N'000	N'000
	Property plant and equipment	810,813	-	808,883	-
	Unrealised foreign exchange gain	3,681,405	-	3,681,405	-
	Fair value gain on investment property	52,678	-	52,678	-
	Impairment allowance on financial assets	(37,269)	-	(37,269)	-
		4,507,627	**-**	**4,505,697**	**-**

21 Share Capital

	Group		Parent	
	2023	2022	2023	2022
Ordinary shares issued and fully paid	N'000	N'000	N'000	N'000
5,016,477,767 ordinary shares of N1 each	5,016,477	5,016,477	5,016,477	5,016,477
	5,016,477	5,016,477	5,016,477	5,016,477

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

22 Statutory contingency reserve

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	7,186,595	6,098,784	7,186,595	6,098,784
Transfer from revenue reserve (Note 23)	2,650,915	1,087,811	2,650,915	1,087,811
Balance at the end of the year	9,837,510	7,186,595	9,837,510	7,186,595

Statutory contingency reserve is calculated in accordance with the provisions of Section 21(2) of the Insurance Act, 2003 at the higher of 3% of the total premium or 20% of total profit after tax. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50% of net premium.

During the current year, this was calculated based on 20% of the profit after tax.

23 Retained earnings

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year (IFRS 4)	12,713,805	9,649,912	12,681,279	9,617,952
Impact of first time adoption of IFRS 17	-	(146,091)	-	(146,091)
Balance at the beginning of the year (IFRS 417)	12,713,805	9,503,821	12,681,279	9,471,861
Profit for the year	13,020,855	5,401,422	13,254,576	5,400,854
Transfer to contingency reserve (Note 22)	(2,650,915)	(1,087,811)	(2,650,915)	(1,087,811)
Dividend declared (Note 17(b)(i))	(1,504,943)	(1,103,625)	(1,504,943)	(1,103,625)
Balance at the end of the year	21,578,802	12,713,807	21,779,997	12,681,279

(a) The group's and company's profit after tax for the year was after adding foreign exchange gains of N11,388,625,083 (2022: N297,149,038). As at the reporting date the unearned portion of the companies current year profit after tax amounted to N7,474,367,619 (Earned N5,780,208,296), representing net foreign exchange gains on the revaluation of closing balances of foreign quoted investments.

24 FVOCI reserve

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	(67,765)	(36,612)	(67,765)	(36,612)
(Addition)/Write back during the year (Note 4.2(b)	21,488	(31,153)	21,488	(31,153)
Balance at the end of the year	(46,277)	(67,765)	(46,277)	(67,765)

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

(a) The fair value reserve shows the effect from the fair value measurement of financial instruments of the category FVOCI. Any gains or losses are not recognised in the comprehensive income statement until the asset has been sold or impaired. The negative movement was due to change in the long term Unquoted Investments.

25 Asset revaluation reserve

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	2,107,964	2,107,964	2,107,964	2,107,964
Additions during the year:Cost- revaluation surplus (Note 14)	-	-	-	-
Accumulated depreciation (Note 14)	-	-	-	-
	-	-	-	-
Deferred tax (Note 20(ii))	-	-	-	-
	-	-	-	-
Balance at the end of the year	2,107,964	2,107,964	2,107,964	2,107,964

(a) The Land and building assets were not revalued during the current year in line with the Group's policy of carrying out a valuation exercise once in every three (3) years. The next Valuation will be done with respect to December, 2024 financial statements.

26 Other Reserves - gratuity

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	58,581	72,495	58,581	72,495
(Loss)/gain during the year	(11,463)	(20,614)	(11,463)	(20,614)
	(47,118)	-	(47,118)	-
Deferred tax (Note 20(ii))	-	6,700	-	6,700
Balance at the end of the year	-	58,581	-	58,581

(a) This comprise of the cumulative actuarial loss on change in assumptions and experience adjustment.

27 Insurance Revenue

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Insurance revenue (Note 27(a))	52,112,435	31,433,600	51,993,997	31,433,600
	52,112,435	31,433,600	51,993,997	31,433,600

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(a) Insurance revenue increased when compared with previous year because of the new businesses (NNPC & NLNG) won during the year and especially due to aggressive marketing embarked upon by the Company.

	Group		Parent	
	2023	2022	2023	2022
(b) Insurance Revenue	N'000	N'000	N'000	N'000
Fire	11,583,954	7,841,750	11,583,954	7,841,750
Oil and Gas	10,932,219	5,049,166	10,932,219	5,049,166
General accident	4,769,538	2,986,452	4,769,538	2,986,452
Marine	4,459,975	3,680,389	4,459,975	3,680,389
Motor	16,309,055	9,424,104	16,309,055	9,424,104
Agricuture	82,539	90,293	82,539	90,293
Engineering	3,123,932	1,812,752	3,123,932	1,812,752
Bond	732,785	548,695	732,785	548,695
Health Insurance Premium (Note 27 (c))	118,437	-	-	-
	52,112,435	31,433,601	51,993,998	31,433,601
Total insurance revenue	52,112,435	31,433,601	51,993,998	31,433,601

(c) The health insurance revenue relates to earned premium income generated from NEM Health limited.

28 Borrowings

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance at the Beginning	-	-	-	-
Addition	1,500,000	-	1,500,000	-
Interest Exp (Note 30)	228,570	-	228,570	-
Repayment	(170,833)	-	(170,833)	-
Closing balance	1,557,737	-	1,557,737	-

During the year, NEM Insurance Plc obtained a short term loan facility from Alpha Morgan Ltd at 20% interest (Maturity: 1 January 2024) to finance the 15% deposit for shares in Alpha Morgan Bank ltd.

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

29.1 Net expenses from reinsurance contracts

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Reinsurance Premium (Note 6.1)	15,849,440	7,721,200	15,849,440	7,721,200
Reinsurance Recoverable (Note 6.1)	(3,020,951)	(5,240,525)	(3,020,951)	(5,240,525)
Recoveries and reversals of recoveries on onerous contracts (Note 6.1)	(33,014)	-	(33,014)	-
	12,795,475	2,480,675	12,795,475	2,480,675

29.2(a) Paid reinsurance expense

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Reinsurance premiums paid (Note 6.1)	18,906,404	8,342,826	18,906,404	8,342,826
	18,906,404	8,342,826	18,906,404	8,342,826
Opening-Due to Reinsurance Broker-A.O.N (Note 16)	119,268	128,213	119,268	128,213
Opening-Due to Reinsurance Broker - SCIB (Note 16)	72,799	19,318	72,799	19,318
Closing-Due to Reinsurance Broker - A.O.N. (Note 16)	(8,464)	(119,268)	(8,464)	(119,268)
Closing-Due to Reinsurance Broker - SCIB (Note 16)	(122,052)	(72,799)	(122,052)	(72,799)
Reinsurance expense paid during the year	18,967,955	8,298,290	18,967,955	8,298,290

(b) Reinsurance expenses of N18,906,404,041 was paid during the year, N10,656,246,236 was paid to the foreign insurers while N8,250,157,805 was paid to local insurers. In 2022 reinsurance expense stood at N8,298,290,000 (Foreign N5,754,274,429 - Local N2,544,015,571).

30 Finance Cost

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Interest exp on Lease Financing (17(d))	120,202	-	120,202	-
Interest exp on Alpha morgan Loan facility (Note 28)	228,570	-	228,570	-
Interest expense-Others (Note 30(a))	14,038	-	-	-
	362,809	-	348,772	-

(a) Interest expense-others relates to the interest expense paid by NEM Asset Management Company Ltd on its financial commitments.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

31 Claims Expenses paid

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Gross Claims paid (Note 31(a))	15,662,252	12,294,580	15,569,519	12,294,580
Direct Claims recovered (Note 31(c))	(1,288,567)	(828,721)	(1,288,567)	(828,721)
	14,373,686	11,465,859	14,280,952	11,465,859

31(a) Claims paid per class

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Motor	6,862,673	5,076,395	6,862,673	5,076,395
Marine	1,346,001	1,131,694	1,346,001	1,131,694
Fire	3,910,233	4,506,321	3,910,233	4,506,321
General Accident	2,060,446	857,696	2,060,446	857,696
Oil and Gas	492,398	149,455	492,398	149,455
Agric	11,944	21,889	11,944	21,889
Engineering	813,530	517,567	813,530	517,567
Bond	72,293	33,563	72,293	33,563
Health Insurance	92,734	-	-	-
	15,662,252	**12,294,580**	**15,569,519**	**12,294,580**

(b) Claims expenses consist of claims paid during the financial year.

	Group		Parent	
	2023	2022	2023	2022
(c) Direct Claims recovered	N'000	N'000	N'000	N'000
Classes				
Motor	258,085	217,392	258,085	217,392
Marine	36,053	40,638	36,053	40,638
Fire	788,838	470,999	788,838	470,999
General Accident	183,938	50,132	183,938	50,132
Oil and Gas	-	17,347	-	17,347
Agric	-	-	-	-
Engineering	15,052	30,252	15,052	30,252
Bond	6,600	1,962	6,600	1,962
	1,288,567	828,721	1,288,567	828,721

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

32.1 Insurance Service Expenses

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Incurred Claims Expenses (Note 15.1)	15,029,155	12,837,617	14,931,597	12,837,617
Ammortization of insurance acquisition cashflows (Note 15.1)	18,989,828	9,856,218	18,984,781	9,856,218
Losses/(reversals of losses) on onerous contracts (Note 15.1)	199,989	-	199,989	-
	34,218,973	**22,693,835**	**34,116,367**	**22,693,835**

32.2 Insurance acquisition cash flows paid

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Acquisition cost incurred during the year (Note 32(a))	10,397,851	6,033,240	10,392,804	6,033,240
Maintenance incurred during the year (Note 32(b))	10,122,479	4,239,216	10,122,479	4,239,216
	20,520,331	**10,272,456**	**20,515,283**	**10,272,456**

	Group		Parent	
	2023	2022	2023	2022
(a) Acquisition expense	N'000	N'000	N'000	N'000
The analysis of commission expenses by business class is as follows:				
Motor	2,520,902	1,279,953	2,520,902	1,279,953
Marine	808,859	704,634	808,859	704,634
Fire	2,737,100	1,761,635	2,737,100	1,761,635
General Accident	1,020,240	644,201	1,020,240	644,201
Oil & Gas	2,420,877	984,761	2,420,877	984,761
Agriculture	9,616	29,900	9,616	29,900
Engineering	726,425	474,661	726,425	474,661
Bond	148,784	153,495	148,784	153,495
Health Insurance	5,047	-	-	-
Acquisition expenses incurred during the year	10,397,851	6,033,240	10,392,804	6,033,240
Commission payable (Note 16)	-	-	-	-
Prepaid commission-closing (Note 8(i))	11,609	-	-	-
Prepaid commission-opening (Note 8(i))	(38,525)	-	(38,524)	-
Acquisition cost per cash flow	10,370,935	6,033,240	10,354,280	6,033,240

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(b) The analysis of Maintenance expenses by business class is as follows:

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Motor	3,247,423	1,144,588	3,247,423	1,144,588
Marine	764,971	296,745	764,971	296,745
Fire	2,173,404	1,314,157	2,173,404	1,314,157
General Accident	815,665	386,341	815,665	386,341
Oil & Gas	2,430,192	678,275	2,430,192	678,275
Agriculture	10,156	42,392	10,156	42,392
Engineering	560,584	284,664	560,584	284,664
Bond	120,085	92,054	120,085	92,054
	10,122,479	**4,239,216**	**10,122,479**	**4,239,216**

(c) The analysis of Maintenance expenses for the purpose Statement of Cash flows:

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Maintenance Expenses	10,122,479	4,239,216	10,122,479	4,239,216
Opening provision for Transport & traveling	39,175	-	39,175	-
Closing Provision for Transport and Traveling expense	(50,927)	(39,175)	(50,927)	(39,175)
Total Cash used for Maintenance expenses	10,110,727	4,200,041	10,110,727	4,200,041

(d) Insurance service expenses consist of claims and claims handling expenses, acquisition and maintenance expenses which include commission and policy expenses, and a proportion of directly attributable costs. Insurance service expenses for insurance contracts are ammortised over the coverage period.

33 Investment Income

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Dividend income	687,422	470,062	687,422	470,062
Interest Revenue Calculated using the effective Interest method (Note 33(a))	2,649,191	1,085,092	2,648,134	1,085,092
	3,336,613	1,555,154	3,335,556	1,555,154
Opening Interest receivable-Cash (Note 8(a))	122,496	-	122,496	-
Closing Accrued interest-Bond (Note 4.3(a))	(390,804)	-	(390,804)	-
Closing Accrued interest-Placements (Note 4.3(d))	(240,765)	-	(240,765)	-
Cash received from investment income	2,827,540	1,555,154	2,826,483	1,555,154

The increase in Investment was as a result of increased investment in various financial assets.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(a) Interest Revenue Calculated using the effective Interest method

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Interest from fixed deposit	1,451,604	590,427	1,450,547	590,427
Interest from Amortised cost financial assets	1,178,339	481,246	1,178,339	481,246
Interest from statutory deposit	19,248	13,419	19,248	13,419
	2,649,191	1,085,092	2,648,134	1,085,092

	Group		Parent	
	2023	2022	2023	2022
(b) **Investment Income**	N'000	N'000	N'000	N'000
Attributable to Policy holders	1,868,969	870,886	1,867,912	870,886
Attributable to Share holders	1,467,644	684,268	1,467,644	684,268
	3,336,613	**1,555,154**	**3,335,556**	**1,555,154**

34 Net Fair Value Gain

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Investment properties:				
Fair Value Gain (Note 11)	526,778	104,601	526,778	104,601
Fair Value through Profit or Loss:				
Quoted Equity Securities (Note 4.1)	4,281,170	69,487	4,281,170	69,487
	4,807,948	**174,088**	**4,807,948**	**174,088**

35 Other operating income

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Sundry income (Note 35(a))	112,402	255,104	112,402	251,685
Interest and Similar Income (35(f))	64,183	50,072	-	-
Recoveries (Note 35(c))	-	641,854	-	641,854
Interest Income-Staff loan	16,740	-	16,740	-
Rental Income (Note 35(b))	49,284	134,204	50,975	134,204
	242,610	**1,081,234**	**180,117**	**1,027,743**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

	Group		Parent	
	2023	2022	2023	2022
(a) Sundry Income	N'000	N'000	N'000	N'000
Provision no longer required	1,361	13,511	1,361	13,511
Interest earned on current account	307	44	307	44
Rent refund on Garki Abuja Branch	900	900	900	900
Damages awarded from rent litigation	-	2,588	-	2,588
Withholding tax credit notes (Note 35(a)(i))	62,707	230,352	62,707	230,352
Statute Barred Unclaimed Dividend	8	3,456	8	3,456
Reclassification of other actuarial gain	47,118	-	47,118	-
Others	-	4,253	-	834
	112,402	255,104	112,402	251,685

(i) Amounts recognised with respect to witholding tax credit notes are in respect of Withholding tax deducted at source on interests and dividends income from which credits have been issued by FIRS for the purpose of defraying company income tax expenses.

	Group		Parent	
	2023	2022	2023	2022
(b) Rental income	N'000	N'000	N'000	N'000
Ebute Meta property	8,434	7,075	8,434	7,075
Head Office	16,669	122,767	16,669	122,767
Zaria Kaduna	-	112	-	112
Abuja Office (Sub lease)	-	-	-	-
Oniru property	25,872	4,250	25,872	4,250
	50,975	**134,204**	**50,975**	**134,204**

(c) Recoveries represent prior years' recoveries of loss incurred on bonds and guarantees

	Group		Parent	
	2023	2022	2023	2022
(d) Foreign exchange gains	N'000	N'000	N'000	N'000
Exchange gain on foreign denominated cash & cash instruments (Note 3)	3,343,719	297,149	3,343,719	297,149
Exchange gain on Placements above 90 days(Note 4.3(d))	2,311,810	-	2,311,810	-
Exchange gain on Bond instruments (Note 4.3(a))	5,733,096	-	5,733,096	-
	11,388,625	**297,149**	**11,388,625**	**297,149**

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

(e) Foreign exchange gains arose majorly from retranslation of foreign denominated cash and cash equivalents, placements and bonds with financial institutions as at the reporting date. The company adopted the I&E NAFEX rate for all its foreign currency translation exercise.

(f) Interest and similar income relates to interest income charged and earned by NEM Asset Management Company limited on its customers for providing asset management services.

36 Management Expenses

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Employee benefit expenses (Note 36(a))	2,310,268	1,889,357	2,099,928	1,877,383
Other Management Expenses (Note 36(b))	1,586,415	976,635	1,458,170	940,611
Directors emoluments	187,299	173,315	187,299	173,315
AGM expenses	49,564	15,896	49,564	15,896
NAICOM Levy	658,104	336,637	658,104	336,637
Auditors Remuneration (Note 38(a)and (b)	23,625	11,500	20,425	10,300
Depreciation of property, plant and equipment (Note 14)	298,264	243,788	275,676	241,789
Depreciation of Right-of-use Assets (Note 14(c)	152,254	49,840	152,254	49,840
Interest expense (Note 17(d))	-	23,800	-	23,800
Amortisation (Note 13)	13,361	3,928	11,522	3,928
	5,279,154	**3,724,696**	**4,912,943**	**3,673,499**

(a) Employee benefit expenses	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Salaries and Wages	1,430,245	1,215,713	1,248,527	1,204,840
Medical Expenses	95,062	95,782	94,792	95,600
Staff Training	124,102	110,517	122,656	110,127
Staff Welfare	560,801	389,179	550,485	389,179
Employers' Pension Contribution	100,058	71,868	83,467	71,339
	2,310,268	1,883,059	2,099,928	1,871,085
Gratuity (Note 18)	-	6,298	-	6,298
	2,310,268	1,889,357	2,099,928	1,877,383
Gratuity paid	40,960	-	40,960	-
Cash paid to and on behalf of employees	2,351,227	1,889,357	2,140,888	1,877,383

Notes To The Financial Statements Cont'd

For The Year Ended 31 December 2023

(b) Other Management Expenses	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Advertising	444,955	234,102	443,353	234,102
Bank charges	172,734	46,145	171,018	45,808
Business permit	1,073	1,420	1,073	1,420
Computer Expenses	35,457	21,414	35,416	21,373
Dailies and Subscription	151,663	129,028	150,084	117,320
Donations	23,529	32,445	23,529	32,445
ECOWAS Brown Card	6,137	7,374	6,137	7,374
Electricity expenses	42,681	40,008	42,681	40,008
Filing Fees	1,000	1,350	1,000	1,350
Fine & penalty (Note 36(d))	9,300	-	9,300	-
Generator Expenses	70,803	101,173	70,803	101,173
Insurance Expenses	80,570	94,171	74,274	94,171
Motor running expenses	23,047	14,877	21,088	14,877
Motor Repairs & Maintenance	37,055	45,187	34,671	44,864
Nigerian Insurers Association Levy	9,162	8,346	9,162	8,346
Office General Expenses	130,456	84,778	98,107	83,693
Postages & telephone	13,104	11,552	11,342	11,552
Rent, rates and other expenses (Note 8(a(ii))	44,429	35,658	44,429	35,658
Repairs & Maintenance	36,832	44,820	36,367	43,130
Staff loan written off (Note 8 (c)(i))	150,637	1,029	150,637	1,029
Impairment (Note 8 (b)(i))	66,425	6,395	-	-
Other personnel expenses	12,085	-	12,085	-
Other Expenses	23,281	15,363	11,615	918
	1,586,415	**976,635**	**1,458,170**	**940,611**

(c) Expected credit loss expense	Group 2023 N'000	Group 2022 N'000	Parent 2023 N'000	Parent 2022 N'000
Allowance for credit losses - Cash (Note 3(c))	19,074	(1,299)	19,074	(1,299)
Allowance for credit losses - Bonds (Note 4.3(g))	187,319	10,490	187,319	10,490
Allowance for credit losses - Placement above 90 days (Note 4.3(h))	(4,733)	4,826	(4,733)	4,826
Allowance for credit losses - Treasury bills(Note 4.3(i))	(2,011)	2,489	(2,011)	2,489
Allowance for credit losses - Commercial papers (Note 4.3(j))	13,668	2,421	13,668	2,421
	213,317	**18,927**	**213,317**	**18,927**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

	Group		Parent	
	2023	2022	2023	2022
(d) **Fine and penalty**	N'000	N'000	N'000	N'000
Description				
Fine to NAICOM on Non-rendition of 2023 annual AML/CFT/CPF employee training programme	1,000	-	1,000	-
Fine to NAICOM for violation of Paragragh 2.5.8 of market conduct guidelines	7,250	-	7,250	-
Fine to NAICOM for late Submission of Board resolution on approval	250	-	250	-
Penalty to NAICOM for the need to align the contents in the company's form L38	50	-	50	-
Fine to NAICOM for use of unregistered brokers & violation of INSP	500	-	500	-
Fine to NAICOM for Non-compliance QSPR 2012/Q1 (INSP)	250	-	250	-
	9,300	**-**	**9,300**	**-**

37 Gain on disposal of Property, plant and equipment

	Group		Parent	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Cost (Note 14(b))	(277,820)	(69,790)	(277,820)	(69,790)
Accumulated depreciation (Note 14(b))	276,658	31,562	276,658	31,562
Carrying amount	(1,162)	(38,228)	(1,162)	(38,228)
Sale proceeds	14,819	1,803	14,819	1,803
	13,657	**(36,425)**	**13,657**	**(36,425)**

38 Supplementary profit or loss information

	Group		Parent	
	2023	2022	2023	2022
(a) **Profit before taxation is arrived at after charging:**	N'000	N'000	N'000	N'000
Depreciation (Note 14)	298,264	243,788	275,676	241,789
Amortisation (Note 13)	13,361	3,928	11,522	3,928
Auditors' fees (Note 36)	23,625	11,500	20,425	10,300
Profit/(Loss) on disposal of property, plant and equipment (Note 37)	13,657	(36,425)	13,657	(36,425)
Directors' emoluments (Note 36)	187,299	173,315	187,299	173,315
and after crediting:				
Foreign exchange gain (Note 35(d))	11,388,625	297,149	11,388,625	297,149
Gain on investment properties (Note 34)	526,778	104,601	526,778	104,601

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(b) KPMG Professional Services was appointed to carry out the statutory audit of the financial statements, IFRS 17 certification and Internal Control over Financial Reporting (ICOFR) of the Company. Asides from these, the Auditors did not provide any other non-audit services to the Company during the year (2023:Nil).

(c) **Staff Costs**

	Group		Parent	
	Number	Number	Number	Number
The average number of employees (excluding Directors) in the financial year and staff costs were as follows:				
Managerial	13	16	11	15
Senior	134	185	126	184
Junior	95	18	75	16
	242	**219**	**212**	**215**

(d) Employees Remunerated at Higher Rates
The number of employees in receipt of emoluments excluding allowance and pension within the following ranges were:

			Group		Parent	
N		N	Number	Number	Number	Number
60,001	-	500,000	-	-	-	-
500,001	-	1,000,000	-	3	-	-
1,000,001	-	1,500,000	-	-	-	-
1,500,001	-	2,000,000	-	6	-	6
2,000,001	-	2,500,000	12	4	7	4
2,500,001	-	3,000,000	4	6	3	6
3,000,001	-	3,500,000	1	44	-	44
3,500,001	-	4,000,000	-	37	7	36
4,000,001	-	4,500,000	46	20	32	20
4,500,001	-	Above	179	99	163	99
			242	**219**	**212**	**215**

		Group		Parent	
		2023	2022	2023	2022
(e)	**Chairman's and Directors' Emoluments**	N'000	N'000	N'000	N'000
i	**Aggregate emoluments of the directors were:**				
	Fees				
	Chairman	7,500	7,500	7,500	7,500
	Other Directors	54,000	36,000	54,000	36,000
		61,500	43,500	61,500	43,500
	Emoluments as Executives	125,172	120,000	125,172	120,000
		186,672	163,500	186,672	163,500

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

ii The number of Directors excluding the Chairman whose emoluments were within the following ranges were:

	Group		Parent	
N N	Number	Number	Number	Number
2,000,000 - 4,000,000	-	-	-	-
4,000,001 - 6,000,000	9	6	9	6
6,000,001 - 8,000,000	-	-	-	-
8,000,001 and Above	-	-	-	-
	9	**6**	**9**	**6**

The Highest paid Director earned N45,000,000 in 2023 (2022:N45,000,000)

39 Basic/Diluted earnings per ordinary share

Basic/Diluted earnings per share is calculated by dividing the results attributable to shareholders by the weighted average number of ordinary shares in issue and ranking for dividend.

	Group		Parent	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Net profit attributable to ordinary shareholders for basic and diluted EPS	13,020,855	5,401,422	13,254,576	5,400,854
Weighted average number of ordinary shares for EPS	5,016,477	5,016,477	5,016,477	5,016,477
Basic Earnings Per Share (kobo)	260	108	264	108
Diluted Basic Earnings Per Share (kobo)	260	108	264	108

(a) There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and date of completion of these financial statements.

40 Related party disclosures

(a) Parent
The Group is controlled by Nem Insurance Plc (incorporated in Nigeria) which is the parent company, and whose shares are widely held by the investing public.

(b) Subsidiaries
During the year, the Parent conducted transactions with its related Company and also with its subsidiary Company, Details of amount due from and to these related parties are as disclosed in Notes 9, 10 and 17(c)) to the financial statements. Lease financing transactions with related parties were carried out in the ordinary course of business and were on an arm's length basis. Where these are eliminated on consolidation, they are not disclosed in the consolidated financial statements.

	Group		Parent	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Due to NEM Asset Management Company Limited	-	-	104,888	75,948
Due from Nem Asset Management Company Limited	-	-	21,690	150,000
Due From Nem Health Limited	-	-	53,576	-

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

(c) Transactions with key management personnel

The Group's key management personnel and persons connected with them are also considered to be related parties for disclossure purposes. The definition of key management includes close members of family and entity over which control can be exercised. The key management personnel have been identified as the executive directors of the Group. Close members of family are those members who may be expected to influence or be influenced by that individual in their dealings with Nem Insurance Plc.

	Group		Parent	
	2023	2022	2023	2022
(d) Short term Benefits (Board of Directors)	N'000	N'000	N'000	N'000
Fees:				
Chairman	7,500	7,500	7,500	7,500
Other Directors	54,000	36,000	54,000	36,000
	61,500	43,500	61,500	43,500
Other Emoluments:				
Other Directors	125,172	120,000	125,172	120,000
	186,672	163,500	186,672	163,495
Short term Benefits (Management Team)				
Salaries and Allowances:	317,183	145,267	270,820	145,267
Post Employment Benefits (Management Team)				
Pension	-	11,629	-	11,629
Total Benefits to Key Personnel	503,855	320,396	457,492	320,391

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

41.1 Cash flow from Operating activities

		Group		Parent	
		2023	2022	2023	2022
		N'000	N'000	N'000	N'000
Operating profit before tax		18,877,855	5,498,089	19,178,721	5,495,795
Adjustment for non-operating items:					
Depreciation - Property, plant & equipment	14	298,264	243,788	275,676	241,789
Interest charged during the year	36	362,809	23,800	348,772	23,800
Depreciation - Right-of-use Assets	14	152,254	49,840	152,254	49,840
Amortisation - Intangible assets	13	13,361	3,928	11,522	3,928
Gain on disposal of property and equipment	37	(13,657)	36,425	(13,657)	36,425
Fair value gain on investment properties	11	(4,807,948)	(104,601)	(4,807,948)	(174,088)
Fair value gain on quoted investment	4.1(a)	(4,281,170)	(69,487)	(4,281,170)	(69,487)
Exchange gain on Bond Instruments	35a	(5,733,096)	-	(5,733,096)	-
Allowance for credit losses	36(c)	213,317	20,226	213,317	20,226
Staff loan written off		150,637	-	150,637	-
Impairment		66,425	-	-	-
Service & Interest income on retirement benefit	18	-	6,298	-	6,298
Investment Income	33	(3,336,613)	(1,555,154)	(3,335,556)	(1,555,154)
Cash flow changes before changes in working capital		1,962,439	4,153,152	2,159,473	4,079,372
Changes in operating assets and liabilities					
Decrease/(increase) in Trade receivables		222,213	806,700	317,825	806,700
Increase in Reinsurance contract assets		39,661	(2,044,132)	39,661	(2,044,132)
(Increase)/decrease in Other receivables and prepayments		(1,852,495)	(413,055)	(1,641,610)	(352,438)
Increase in Insurance contract liabilities		10,611,558	3,116,524	10,423,681	3,116,524
Increase/(decrease) in Other Insurance Contract liabilities		369,853	76,799	296,374	76,799
Increase in Other payables		517,749	44,193	444,962	71,456
Net cash inflow from operating activities		11,870,978	5,740,182	12,040,365	5,754,282
Benefits paid (Note 18)		(40,960)	(49,829)	(40,960)	(49,829)
Tax paid	19(c)	(392,791)	(339,857)	(392,398)	(335,498)
		11,437,227	**5,350,495**	**11,607,009**	**5,368,954**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

41.2 Premium received from policy holders

		Group		Parent	
		2023	2022	2023	2022
		N'000	N'000	N'000	N'000
Trade receivable at the beginning	5(a)	672,356	1,479,056	672,356	1,479,056
Cash received from policy holders	15.1	63,009,810	33,369,050	62,708,320	33,369,050
Trade receivable at the end	5(a)	(450,143)	(672,356)	(354,531)	(672,356)
Deposit premium at the beginning	16	(295,460)	-	(295,460)	-
Deposit premium at the end	16	726,865	(295,460)	653,385	(295,460)
Cash received during the year		**63,663,427**	**33,880,290**	**63,384,070**	**33,880,290**

42 Capital Commitments
There were no material capital commitments at 31 December 2023 (2022: Nil).

43 Contingent liabilities
There were contingent liabilities in respect of legal actions against the Group, the monetary amount of which cannot be quantified. No provision has been made in these financial statements in respect of the legal actions as the directors, having taken legal advice, do not believe any material liability will eventually be borne by the Group.

44 Comparative Figures
Where necessary, comparative figures have been adjusted to conform with changes in the presentation of the current year financial statements.

45 Legal proceedings and regulations
(a) Legal Proceedings
The Parent operates in the insurance industry and is subject to legal proceeding in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigation) will have a material effect on its results and financial position.

(b) Regulations
The Parent is also subject to insurance solvency regulations in all the territories where it operates and has complied with all these solvency regulations. There are no contingencies associated with the Parent's compliance or lack of compliance with such regulations.

(c) The directors are of the opinion that the Parent will not incur any significant loss with respect to these claims and accordingly, no provision has been made in these Consolidated Financial Statements.

46 Events after the reporting date
The directors are not aware of any events which occurred since 31 December 2023 which may have material effect on the financial statements at that date or which may need to be mentioned in the financial statements in order not to make them misleading as to the operations or financial position at 31 December 2023.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

47 Segment reporting

For management purposes, the Company is organised into business units based on their products and services and reportable operating segments as follows:

(a) Segments Report – Insurance Service Result per product

Segment reporting (2023)	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Insurance revenue	16,309,055	4,459,975	11,583,953	4,769,538	10,932,219	82,539	3,123,932	732,785	51,993,997	118,438	52,112,435
Insurance service expenses:											
Incurred claims expenses	(6,887,804)	(1,287,194)	(3,123,973)	(1,746,150)	(494,511)	(18,554)	(1,254,391)	(119,021)	(14,931,599)	(97,559)	(15,029,157)
Ammortization of acquisition expenses	(5,291,188)	(1,523,654)	(4,526,295)	(1,779,428)	(4,384,366)	(22,454)	(1,190,754)	(266,642)	(18,984,780)	(5,047)	(18,989,827)
Losses/(reversal of losses onerous contracts	(199,989)	-	-	-	-	-	-	-	(199,989)	-	(199,989)
	(12,378,981)	**(2,810,848)**	**(7,650,268)**	**(3,525,579)**	**(4,878,877)**	**(41,009)**	**(2,445,145)**	**(385,662)**	**(34,116,368)**	**(102,606)**	**(34,218,974)**
Net Expenses on reinsurance contracts held											
Reinsurance Premium	(1,027)	(1,616,739)	(3,416,249)	(1,587,320)	(8,304,176)	(27,674)	(826,002)	(70,252)	(15,849,440)	-	(15,849,440)
Recoveries of incurred claims and other attributable income	(636,104)	1,085,832	1,245,993	586,597	62,411	12,441	621,179	42,602	3,020,951	-	3,020,951
Recoveries/(reversal of recoveries) on onerous contracts	33,014	-	-	-	-	-	-	-	33,014	-	33,014
	(604,116)	**(530,907)**	**(2,170,257)**	**(1,000,723)**	**(8,241,766)**	**(15,233)**	**(204,823)**	**(27,650)**	**(12,795,475)**	**-**	**(12,795,474)**
Insurance service result	3,325,958	1,118,220	1,763,429	243,235	(2,188,424)	26,298	473,964	319,473	5,082,155	15,832	5,097,987
Insurance finance expenses from insurance contracts issued	(82,279)	(28,657)	(191,373)	(37,966)	(39,104)	(74)	(9,717)	(57)	(389,227)	-	(389,227)
Insurance finance Income from reinsurance contracts held	40,769	17,986	131,490	29,177	7,953	35	7,468	44	234,922	-	234,922
Total Financial result	**3,284,448**	**1,107,549**	**1,703,546**	**234,447**	**(2,219,575)**	**26,259**	**471,715**	**319,460**	**4,927,850**	**15,832**	**4,943,682**

Segment reporting (2022 Restated)	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Insurance revenue	9,424,104	3,680,389	7,841,750	2,986,452	5,049,166	90,293	1,812,752	548,695	31,433,601	-	31,433,601
Insurance service expenses:											
Incurred claims expenses	(5,245,984)	(1,286,370)	(4,620,493)	(924,443)	(203,780)	(2,270)	(544,146)	(10,131)	(12,837,617)	-	(12,837,617)
Ammortization of acquisition expenses	(2,326,676)	(1,047,515)	(2,938,084)	(975,266)	(1,623,451)	(63,013)	(669,707)	(212,507)	(9,856,218)	-	(9,856,218)
Losses/(reversal of losses onerous contracts	-	-	-	-	-	-	-	-	-	-	-
	(7,572,660)	**(2,333,885)**	**(7,558,577)**	**(1,899,709)**	**(1,827,231)**	**(65,283)**	**(1,213,853)**	**(222,638)**	**(22,693,835)**	**-**	**(22,693,835)**
Net Expenses on reinsurance contracts held											
Reinsurance Premium	(99,485)	(979,879)	(2,531,532)	(1,435,781)	(2,296,870)	(33,347)	(334,824)	(9,482)	(7,721,201)	-	(7,721,201)
Recoveries of incurred claims and other attributable income	40,338	817,958	2,983,545	835,943	51,891	11,812	489,383	9,657	5,240,526	-	5,240,526
Recoveries/(reversal of recoveries) on onerous contracts	-	-	-	-	-	-	-	-	-	-	-
	(59,147)	**(161,922)**	**452,013**	**(599,838)**	**(2,244,980)**	**(21,535)**	**154,558**	**175**	**(2,480,675)**	**-**	**(2,480,675)**
Insurance Service result	1,792,297	1,184,583	735,186	486,905	976,956	3,475	753,458	326,233	6,259,091	-	6,259,091
Insurance finance expenses from insurance contracts issued	(4)	(47,000)	(102,172)	(33,443)	(34,488)	-	(7,729)	(718)	(225,554)	-	(225,554)
Insurance finance Income from reinsurance contracts held	2	28,000	64,879	22,813	15,520	-	5,272	490	136,976	-	136,976
Total Financial result	**1,792,295**	**1,165,583**	**697,893**	**476,275**	**957,988**	**3,475**	**751,001**	**326,004**	**6,170,513**	**-**	**6,170,513**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(b) Insurance Revenue

2023	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Insurance contracts measured using PAA	16,309,055	4,459,975	11,583,954	4,769,538	10,932,219	82,539	3,123,932	732,785	51,993,998	118,436	52,112,434
Insurance contracts measured using GMM	-	-	-	-	-	-	-	-	-	-	-
Insurance contracts measured using VFA	-	-	-	-	-	-	-	-	-	-	-
	16,309,055	4,459,975	11,583,954	4,769,538	10,932,219	82,539	3,123,932	732,785	51,993,998	118,436	52,112,434

2022 Restated	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Insurance contracts measured using PAA	9,424,104	3,680,389	7,841,750	2,986,452	5,049,166	90,293	1,812,752	548,695	31,433,601	-	31,433,601
Insurance contracts measured using GMM	-	-	-	-	-	-	-	-	-	-	-
Insurance contracts measured using VFA	-	-	-	-	-	-	-	-	-	-	-
	9,424,104	3,680,389	7,841,750	2,986,452	5,049,166	90,293	1,812,752	548,695	31,433,601	-	31,433,601

(c) Insurance contract liabilities

2023	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Liability for remaining coverage	6,044,617	931,329	3,095,764	811,800	4,033,582	47,288	948,171	289,625	16,202,176	183,054	16,385,229
Liability for Incurred claim	2,052,713	890,875	3,408,619	1,108,033	599,502	7,862	772,878	55,189	8,895,671	4,825	8,900,496
	8,097,330	1,822,204	6,504,383	1,919,833	4,633,085	55,150	1,721,048	344,814	25,097,847	187,878	25,285,725

31 December 2022 Restated	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Liability for remaining coverage	2,513,176	702,516	1,599,781	584,805	377,573	64,232	695,564	280,718	6,818,365	-	6,818,365
Liability for Incurred claim	1,687,217	884,972	3,214,670	1,200,425	558,285	1,178	307,248	1,804	7,855,800	-	7,855,800
	4,200,393	1,587,488	4,814,451	1,785,230	935,858	65,410	1,002,812	282,522	14,674,165	-	14,674,165

1 January 2022 Restated	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Liability for remaining coverage	1,820,088	873,103	1,047,446	367,757	701,051	11,048	330,115	148,546	5,299,155	-	5,299,155
Liability for Incurred claim	1,300,233	642,658	2,527,327	1,050,102	469,472	3,450	242,689	22,556	6,258,487	-	6,258,487
	3,120,321	1,515,761	3,574,773	1,417,860	1,170,523	14,498	572,804	171,102	11,557,642	-	11,557,642

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(d) Reinsurance contract Assets

2023	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Asset for remaining coverage	34,439	258,252	652,153	293,760	3,496,461	16,096	118,098	64,112	4,933,370	-	4,933,370
Ammount recoverrable from Incurred claim	416,091	538,696	2,201,107	801,401	199,304	4,156	307,513	31,401	4,499,670	-	4,499,670
	450,530	796,948	2,853,260	1,095,161	3,695,766	20,252	425,611	95,514	9,433,041	-	9,433,041

31 December 2022 Restated	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Asset for remaining coverage	279	188,257	647,225	445,643	431,358	23,764	103,924	2,943	1,843,393	-	1,843,393
Ammount recoverrable from Incurred claim	1,011,426	1,049,870	3,548,952	1,502,700	128,941	547	384,615	2,259	7,629,310	-	7,629,310
	1,011,705	1,238,127	4,196,177	1,948,344	560,299	24,310	488,539	5,202	9,472,703	-	9,472,703

1 January 2022 Restated	Motor N'000	Marine N'000	Fire N'000	General Accident N'000	Oil & Gas N'000	Agriculture N'000	Engineering N'000	Bond N'000	Parent N'000	Health N'000	Group N'000
Asset for remaining coverage	548	229,498	398,280	138,361	231,485	7,447	204,144	12,004	1,221,767	-	1,221,767
Ammount recoverrable from Incurred claim	1,012,274	826,815	2,434,547	1,376,168	206,652	2,743	318,045	29,560	6,206,804	-	6,206,804
	1,012,822	1,056,313	2,832,827	1,514,529	438,137	10,190	522,189	41,564	7,428,571	-	7,428,571

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(e) Reconciliation of Insurance contracts issued per product (Contracts measured under PAA)*

MOTOR

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
Parent	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	2,513,176	-	1,569,692	117,525	4,200,393	1,820,088	-	1,220,307	79,926	3,120,321
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	2,513,176	-	1,569,692	117,525	4,200,393	1,820,088	-	1,220,307	79,926	3,120,321
Insurance Revenue	(16,309,055)	-	-	-	-	(9,424,104)	-	-	-	(9,424,104)
Insurance Service Expenses:						-	-	-		-
Incurred claims	-	-	6,854,275	33,529	6,887,804	-	-	5,208,385	37,599	5,245,984
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	5,291,188	-	-	-	5,291,188	2,326,676	-	-	-	2,326,676
Losses and reversals of losses on onerous contracts	-	199,989	-	-	199,989	-	-	-	-	-
Total Gross Insurance Service result	(11,017,868)	199,989	6,854,275	33,529	12,378,981	(7,097,427)	-	5,208,385	37,599	(1,851,444)
Insurance finance expenses	-	-	82,279	-	82,279	-	-	4	-	4
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	82,279	-	82,279	-	-	4	-	4
Cash flows in the period:										-
Premiums received	20,117,645	-	-	-	20,117,645	10,215,056	-	-	-	10,215,056
Insurance acquisition cash flows paid	(5,768,325)	-	-	-	(5,768,325)	(2,424,541)	-	-	-	(2,424,541)
Claims paid	-	-	(6,604,588)	-	(6,604,588)	-	-	(4,859,003)	-	(4,859,003)
Net cash flow	14,349,320	-	(6,604,588)	-	7,744,732	7,790,515	-	(4,859,003)	-	2,931,512
Insurance contract liabilities, as at December 31	5,844,628	199,989	1,901,659	151,054	24,406,385	2,513,176	-	1,569,692	117,525	4,200,393
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	5,844,628	199,989	1,901,659	151,054	24,406,385	2,513,176	-	1,569,692	117,525	4,200,393

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

MARINE

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
Parent	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	702,516	-	834,040	50,932	1,587,488	873,103	-	604,141	38,517	1,515,761
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	702,516	-	834,040	50,932	1,587,488	873,103	-	604,141	38,517	1,515,761
Insurance Revenue	(4,459,975)	-	-	-	(4,459,975)	(3,680,389)	-	-	-	(3,680,389)
Insurance Service Expenses:										
Incurred claims	-	-	1,272,568	14,626	1,287,194	-	-	1,273,955	12,415	1,286,370
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	1,523,655	-	-	-	1,523,655	1,047,514	-	-	-	1,047,514
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(2,936,320)	-	1,272,568	14,626	(1,649,126)	(2,632,875)	-	1,273,955	12,415	(1,346,505)
Insurance finance expenses	-	-	28,657	-	28,657	-	-	47,000	-	47,000
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	28,657	-	28,657	-	-	47,000	-	47,000
Cash flows in the period:										
Premiums received	4,738,962	-	-	-	4,738,962	3,463,667	-	-	-	3,463,667
Insurance acquisition cash flows paid	(1,573,830)	-	-	-	(1,573,830)	(1,001,379)	-	-	-	(1,001,379)
Claims paid	-	-	(1,309,948)	-	(1,309,948)	-	-	(1,091,056)	-	(1,091,056)
Net cash flow	3,165,133	-	(1,309,948)	-	1,855,185	2,462,288	-	(1,091,056)	-	1,371,232
Insurance contract liabilities, as at December 31	931,329	-	825,317	65,558	1,822,204	702,516	-	834,040	50,932	1,587,488
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	931,329	-	825,317	65,558	1,822,204	702,516	-	834,040	50,932	1,587,488

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

FIRE

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	1,599,781	-	3,055,325	159,345	4,814,451	1,047,446	-	2,400,152	127,175	3,574,773
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	1,599,781	-	3,055,325	159,345	4,814,451	1,047,446	-	2,400,152	127,175	3,574,773
Insurance Revenue	(11,583,953)	-	-	-	(11,583,953)	(7,841,750)				(7,841,750)
Insurance Service Expenses:										
Incurred claims	-	-	3,032,483	91,488	3,123,971	-	-	4,588,323	32,170	4,620,493
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	4,526,295	-	-	-	4,526,295	2,938,084	-	-	-	2,938,084
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(7,057,659)	-	3,032,483	91,488	(3,933,688)	(4,903,666)	-	4,588,323	32,170	(283,174)
Insurance finance expenses	-	-	191,373	-	191,373	-	-	102,172	-	102,172
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	191,373	-	191,373	-	-	102,172	-	102,172
Cash flows in the period:										-
Premiums received	13,464,145	-	-	-	13,464,145	8,531,794	-	-	-	8,531,794
Insurance acquisition cash flows paid	(4,910,504)	-	-	-	(4,910,504)	(3,075,792)	-	-	-	(3,075,792)
Claims paid	-	-	(3,121,395)	-	(3,121,395)	-	-	(4,035,322)	-	(4,035,322)
Net cash flow	8,553,641	-	(3,121,395)	-	5,432,246	5,456,002	-	(4,035,322)	-	1,420,680
Insurance contract liabilities, as at December 31	3,095,764	-	3,157,786	250,833	6,504,383	1,599,781	-	3,055,325	159,345	4,814,451
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	3,095,764	-	3,157,786	250,833	6,504,383	1,599,781	-	3,055,325	159,345	4,814,451

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Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

GENERAL ACCIDENT

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	584,805	-	1,117,894	82,531	1,785,230	367,757	-	980,428	69,675	1,417,860
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	584,805	-	1,117,894	82,531	1,785,230	367,757	-	980,428	69,675	1,417,860
Insurance Revenue	(4,769,538)	-	-	-	(4,769,538)	(2,986,452)	-	-	-	(2,986,452)
Insurance Service Expenses:										-
Incurred claims	-	-	1,747,144	(993)	1,746,150	-	-	911,587	12,856	924,443
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	1,779,428	-	-	-	1,779,428	975,266	-	-	-	975,266
Losses and reversals of loss-es on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(2,990,109)	-	1,747,144	(993)	(1,243,959)	(2,011,186)	-	911,587	12,856	(1,086,743)
Insurance finance expenses	-	-	37,966	-	37,966	-	-	33,443	-	33,443
Insurance finance (income) expenses (Changes in dis-count rates)	-	-	-	-	-	-	-	-	-	-
	-	-	37,966	-	37,966	-	-	33,443	-	33,443
Cash flows in the period:					-					-
Premiums received	5,053,009	-	-	-	5,053,009	3,258,776	-	-	-	3,258,776
Insurance acquisition cash flows paid	(1,835,905)	-	-	-	(1,835,905)	(1,030,542)	-	-	-	(1,030,542)
Claims paid	-	-	(1,876,508)	-	(1,876,508)	-	-	(807,564)	-	(807,564)
Net cash flow	3,217,104	-	(1,876,508)	-	1,340,596	2,228,234	-	(807,564)	-	1,420,670
Insurance contract liabilities, as at December 31	811,800	-	1,026,495	81,538	1,919,833	584,805	-	1,117,894	82,531	1,785,230
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	811,800	-	1,026,495	81,538	1,919,833	584,805	-	1,117,894	82,531	1,785,230

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

OIL & GAS

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	377,573	-	513,888	44,397	935,858	701,051	-	432,036	37,436	1,170,523
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	377,573	-	513,888	44,397	935,858	701,051	-	432,036	37,436	1,170,523
Insurance Revenue	(10,932,219)	-	-	-	(10,932,219)	(5,049,166)	-	-	-	(5,049,166)
Insurance Service Expenses:										
Incurred claims	-	-	494,792	(281)	494,511	-	-	196,819	6,961	203,780
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	4,384,366	-	-	-	4,384,366	1,623,451	-	-	-	1,623,451
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(6,547,853)	-	494,792	(281)	(6,053,341)	(3,425,716)	-	196,819	6,961	(3,221,935)
Insurance finance expenses	-	-	39,104	-	39,104	-	-	34,488	-	34,488
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	39,104	-	39,104	-	-	34,488	-	34,488
Cash flows in the period:										-
Premiums received	15,054,932	-	-	-	15,054,932	4,765,273	-	-	-	4,765,273
Insurance acquisition cash flows paid	(4,851,069)	-	-	-	(4,851,069)	(1,663,036)	-	-	-	(1,663,036)
Claims paid	-	-	(492,398)	-	(492,398)	-	-	(149,455)	-	(149,455)
Net cash flow	10,203,863	-	(492,398)	-	9,711,464	3,102,237	-	(149,455)	-	2,952,782
Insurance contract liabilities, as at December 31	4,033,582	-	555,386	44,116	4,633,085	377,573	-	513,888	44,397	935,858
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	4,033,582	-	555,386	44,116	4,633,085	377,573	-	513,888	44,397	935,858

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Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

AGRICULTURE

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	64,232	-	1,093	85	65,410	11,048	-	3,226	224	14,498
Insurance contract assets as of January 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	64,232	-	1,093	85	65,410	11,048	-	3,226	224	14,498
Insurance Revenue	(82,539)	-	-	-	(82,539)	(90,293)	-	-	-	(90,293)
Insurance Service Expenses:										
Incurred claims	-	-	18,061	494	18,554	-	-	2,409	(139)	2,270
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	22,454	-	-	-	22,454	63,013	-	-	-	63,013
Losses and reversals of loss-es on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(60,085)	-	18,061	494	(41,531)	(27,280)	-	2,409	(139)	(25,010)
Insurance finance expenses	-	-	74	-	74	-	-	-	-	-
Insurance finance (income) expenses (Changes in dis-count rates)	-	-	-	-	-	-	-	-	-	-
	-	-	74	-	74	-	-	-	-	-
Cash flows in the period:										-
Premiums received	62,913	-	-	-	62,913	152,756	-	-	-	152,756
Insurance acquisition cash flows paid	(19,772)	-	-	-	(19,772)	(72,292)	-	(4,542)	-	(76,834)
Claims paid	-	-	(11,944)	-	(11,944)	-	-	-	-	-
Net cash flow	43,141	-	(11,944)	-	31,198	80,464	-	(4,542)	-	75,922
Insurance contract liabilities, as at December 31	47,288	-	7,284	579	55,150	64,232	-	1,093	85	65,410
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	47,288	-	7,284	579	55,150	64,232	-	1,093	85	65,410

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

ENGINEERING

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	695,564	-	286,124	21,124	1,002,812	330,115		226,586	16,103	572,804
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	695,564	-	286,124	21,124	1,002,812	330,115	-	226,586	16,103	572,804
Insurance Revenue	(3,123,932)	-	-	-	(3,123,932)	(1,812,752)	-	-	-	(1,812,752)
Insurance Service Expenses:					-					-
Incurred claims	-	-	1,218,640	35,751	1,254,391	-	-	539,125	5,021	544,146
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	1,190,754	-	-	-	1,190,754	669,707	-	-	-	669,707
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(1,933,178)	-	1,218,640	35,751	(678,787)	(1,143,045)	-	539,125	5,021	(598,899)
Insurance finance expenses	-	-	9,717	-	9,717	-	-	7,729	-	7,729
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	9,717	-	9,717	-	-	7,729	-	7,729
Cash flows in the period:										-
Premiums received	3,472,794	-	-	-	3,472,794	2,267,819	-	-	-	2,267,819
Insurance acquisition cash flows paid	(1,287,009)	-	(798,478)	-	(2,085,488)	(759,324)	-	-	-	(759,324)
Claims paid	-	-	-	-	-	-	-	(487,316)	-	(487,316)
Net cash flow	2,185,785	-	(798,478)	-	1,387,306	1,508,494	-	(487,316)	-	1,021,178
Insurance contract liabilities, as at December 31	948,171	-	716,003	56,874	1,721,048	695,564	-	286,124	21,124	1,002,812
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	948,171	-	716,003	56,874	1,721,048	695,564	-	286,124	21,124	1,002,812

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

BOND

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	280,718	-	1,680	124	282,522	148,546		21,060	1,497	171,102
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	280,718	-	1,680	124	282,522	148,546	-	21,060	1,497	171,102
Insurance Revenue	(732,785)	-	-	-	(732,785)	(548,695)	-	-	-	(548,695)
Insurance Service Expenses:										
Incurred claims	-	-	115,083	3,937	119,021	-	-	11,503	(1,373)	10,131
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	266,642	-	-	-	266,642	212,507	-	-	-	212,507
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(466,144)	-	115,083	3,937	(347,123)	(336,188)	-	11,503	(1,373)	(326,057)
Insurance finance expenses	-	-	57	-	57	-	-	718	-	718
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	57	-	57	-	-	718	-	718
Cash flows in the period:										-
Premiums received	743,919	-	-	-	743,919	713,909	-	-	-	713,909
Insurance acquisition cash flows paid	(268,868)	-	-	-	(268,868)	(245,550)	-	-	-	(245,550)
Claims paid	-	-	(65,693)	-	(65,693)	-	-	(31,601)	-	(31,601)
Net cash flow	475,051	-	(65,693)	-	409,357	468,360	-	(31,601)	-	436,759
Insurance contract liabilities, as at December 31	289,625	-	51,128	4,061	344,814	280,718	-	1,680	124	282,522
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	289,625	-	51,128	4,061	344,814	280,718	-	1,680	124	282,522

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Health

	2023					2022 RESTATED				
	Liability for remaining coverage		Liability for Incurred claims			Liability for remaining coverage		Liability for Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Insurance contract liabilities as at January 1	-	-	-	-	-	-		-	-	-
Insurance contract assets as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as of Janaury 1	-	-	-	-	-	-	-	-	-	-
Insurance Revenue	(118,436)	-	-	-	(118,436)	-	-	-	-	-
Insurance Service Expenses:										
Incurred claims	-	-	97,559	-	97,559	-	-	-	-	-
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Ammortization of insurance acquisition cashflows	5,047	-	-	-	5,047	-	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Total Gross Insurance Service result	(113,389)	-	97,559	-	(15,830)	-	-	-	-	-
Insurance finance expenses	-	-	-	-	-	-	-	-	-	-
Insurance finance (income) expenses (Changes in discount rates)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cash flows in the period:										-
Premiums received	301,490	-	-	-	301,490	-	-	-	-	-
Insurance acquisition cash flows paid	(5,047)	-	-	-	(5,047)	-	-	-	-	-
Claims paid	-	-	(92,734)	-	(92,734)	-	-	-	-	-
Net cash flow	296,442	-	(92,734)	-	203,708	-	-	-	-	-
Insurance contract liabilities, as at December 31	183,054	-	4,825	-	187,878	-	-	-	-	-
Insurance contract assets as at December 31	-	-	-	-	-	-	-	-	-	-
Net Insurance Contracts as at December 31	183,054	-	4,825	-	187,878	-	-	-	-	-

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All the Group's insurance contracts issued are measured using the Premium Allocation approach

NEM

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(f) Reconciliation of Reinsurance contracts held per product (Contracts measured under PAA)*

MOTOR

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	279	-	963,692	47,734	1,011,705	548	-	971,663	40,612	1,012,822
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	279	-	963,692	47,734	1,011,705	548	-	971,663	40,612	1,012,822
Reinsurance expenses	(1,027)	-	-	-	(1,027)	(99,485)	-	-	-	(99,485)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recoverred from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	(618,989)	(17,114)	(636,104)	-	-	33,216	7,122	40,338
Recoveries and reversals of recoveries on onerous contracts	-	33,014	-	-	33,014	-	-	-	-	-
	(1,027)	33,014	(618,989)	(17,114)	(604,116)	(99,485)	-	33,216	7,122	(59,147)
Insurance Finance Income	-	-	40,769	-	40,769	-	-	2	-	2
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	40,769	-	40,769	-	-	2	-	2
Cash flows in the period:										
Reinsurance premiums paid net of commission received	2,172	-	-	-	2,172	99,216	-	-	-	99,216
Ammounts received under reinsurance contracts held	-	-	-	-	-	-	-	(41,188)	-	(41,188)
Net cash flow	2,172	-	-	-	2,172	99,216	-	(41,188)	-	58,028
Reinsurance contracts assets as of December 31,	1,424	33,014	385,472	30,619	450,530	279	-	963,692	47,734	1,011,705
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	
	1,424	33,014	385,472	30,619	450,530	279	-	963,692	47,734	1,011,705

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

MARINE

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	188,257	-	1,017,790	32,080	1,238,127	229,498	-	804,002	22,813	1,056,313
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	188,257	-	1,017,790	32,080	1,238,127	229,498	-	804,002	22,813	1,056,313
Reinsurance expenses	(1,616,739)				(1,616,739)	(979,879)	-	-	-	(979,879)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recovered from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	1,078,271	7,561	1,085,832	-	-	808,690	9,268	817,958
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(1,616,739)	-	1,078,271	7,561	(530,907)	(979,879)	-	808,690	9,268	(161,921)
Insurance Finance Income	-	-	17,986	-	17,986	-	-	28,000	-	28,000
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	17,986	-	17,986	-	-	28,000	-	28,000
Cash flows in the period:										
Reinsurance premiums paid net of commission received	1,686,734	-	-	-	1,686,734	938,638	-	-	-	938,638
Ammounts received under reinsurance contracts held	-	-	(1,614,992)	-	(1,614,992)	-	-	(622,902)	-	(622,902)
Net cash flow	1,686,734	-	(1,614,992)	-	71,742	938,638	-	(622,902)	-	315,736
Reinsurance contracts assets as of December 31,	258,252	-	499,054	39,642	796,948	188,257	-	1,017,790	32,080	1,238,127
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	258,252	-	499,054	39,642	796,948	188,257	-	1,017,790	32,080	1,238,127

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

FIRE

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	647,225	-	3,409,974	138,978	4,196,177	398,280	-	2,338,630	95,918	2,832,827
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	647,225	-	3,409,974	138,978	4,196,177	398,280	-	2,338,630	95,918	2,832,827
Reinsurance expenses	(3,416,249)	-	-	-	(3,416,249)	(2,531,532)	-	-	-	(2,531,532)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recoverred from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	1,222,996	22,997	1,245,993	-	-	2,940,485	43,060	2,983,545
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(3,416,249)	-	1,222,996	22,997	(2,170,257)	(2,531,532)	-	2,940,485	43,060	452,013
Insurance Finance Income	-	-	131,490	-	131,490	-	-	64,879	-	64,879
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	131,490	-	131,490	-	-	64,879	-	64,879
Cash flows in the period:										
Reinsurance premiums paid net of commission received	3,421,177	-	-	-	3,421,177	2,780,477	-	-	-	2,780,477
Ammounts received under reinsurance contracts held	-	-	(2,725,328)	-	(2,725,328)	-	-	(1,934,020)	-	(1,934,020)
Net cash flow	3,421,177	-	(2,725,328)	-	695,850	2,780,477	-	(1,934,020)	-	846,457
Reinsurance contracts assets as of December 31,	652,153	-	2,039,132	161,975	2,853,260	647,225	-	3,409,974	138,978	4,196,177
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	652,153	-	2,039,132	161,975	2,853,260	647,225	-	3,409,974	138,978	4,196,177

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

GENERAL ACCIDENT

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	445,643	-	1,450,321	52,379	1,948,344	138,361	-	1,334,078	42,089	1,514,529
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	445,643	-	1,450,321	52,379	1,948,344	138,361	-	1,334,078	42,089	1,514,529
Reinsurance expenses	(1,587,320)	-	-	-	(1,587,320)	(1,435,781)	-	-	-	(1,435,781)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recovered from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	580,003	6,594	586,597	-	-	825,653	10,290	835,943
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(1,587,320)	-	580,003	6,594	(1,000,723)	(1,435,781)	-	825,653	10,290	(599,838)
Insurance Finance Income	-	-	29,177	-	29,177	-	-	22,813	-	22,813
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	29,177	-	29,177	-	-	22,813	-	22,813
Cash flows in the period:										
Reinsurance premiums paid net of commission received	1,435,437	-	-	-	1,435,437	1,743,063	-	-	-	1,743,063
Ammounts received under reinsurance contracts held	-	-	(1,317,074)	-	(1,317,074)	-	-	(732,223)	-	(732,223)
Net cash flow	1,435,437	-	(1,317,074)	-	118,363	1,743,063	-	(732,223)	-	1,010,840
Reinsurance contracts assets as of December 31,	293,760	-	742,427	58,973	1,095,161	445,643	-	1,450,321	52,379	1,948,344
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	293,760	-	742,427	58,973	1,095,161	445,643	-	1,450,321	52,379	1,948,344

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

OIL & GAS

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	431,358	-	121,856	7,085	560,299	231,485	-	194,416	12,235	438,137
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	431,358	-	121,856	7,085	560,299	231,485	-	194,416	12,235	438,137
Reinsurance expenses	(8,304,177)	-	-	-	(8,304,177)	(2,296,870)	-	-	-	(2,296,870)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recoverred from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	54,829	7,581	62,411	-	-	57,041	(5,150)	51,891
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(8,304,177)	-	54,829	7,581	(8,241,766)	(2,296,870)	-	57,041	(5,150)	(2,244,979)
Insurance Finance Income	-	-	7,953	-	7,953	-	-	15,520	-	15,520
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	
	-	-	7,953	-	7,953	-	-	15,520	-	15,520
Cash flows in the period:										
Reinsurance premiums paid net of commission received	11,369,280	-	-	-	11,369,280	2,496,743	-	-	-	2,496,743
Ammounts received under reinsurance contracts held	-	-	-	-	-	-	-	(145,122)	-	(145,122)
Net cash flow	11,369,280	-	-	-	11,369,280	2,496,743	-	(145,122)	-	2,351,621
Reinsurance contracts assets as of December 31,	3,496,461	-	184,638	14,666	3,695,766	431,358	-	121,856	7,085	560,299
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	3,496,461	-	184,638	14,666	3,695,766	431,358	-	121,856	7,085	560,299

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

AGRICULTURE

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	23,764	-	516	31	24,310	7,447	-	2,581	162	10,190
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	23,764	-	516	31	24,310	7,447	-	2,581	162	10,190
Reinsurance expenses	(27,674)	-	-	-	(27,674)	(33,347)	-	-	-	(33,347)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recovered from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	12,166	275	12,441	-	-	11,943	(131)	11,812
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(27,674)	-	12,166	275	(15,232)	(33,347)	-	11,943	(131)	(21,535)
Insurance Finance Income	-	-	35	-	35	-	-	-	-	-
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	35	-	35	-	-	-	-	-
Cash flows in the period:										
Reinsurance premiums paid net of commission received	20,006				20,006	49,664	-	-	-	49,664
Ammounts received under reinsurance contracts held			(8,866)		(8,866)	-	-	(14,008)	-	(14,008)
Net cash flow	20,006	-	(8,866)	-	11,139	49,664	-	(14,008)	-	35,656
Reinsurance contracts assets as of December 31,	16,096	-	3,850	306	20,252	23,764	-	516	31	24,310
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	16,096	-	3,850	306	20,252	23,764	-	516	31	24,310

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

ENGINEERING

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	103,924	-	371,208	13,406	488,539	204,144	-	308,318	9,727	522,189
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	103,924	-	371,208	13,406	488,539	204,144	-	308,318	9,727	522,189
Reinsurance expenses	(826,002)	-	-	-	(826,002)	(334,824)	-	-	-	(334,824)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recoverred from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	611,956	9,223	621,179	-	-	485,704	3,679	489,383
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(826,002)	-	611,956	9,223	(204,823)	(334,824)	-	485,704	3,679	154,558
Insurance Finance Income	-	-	7,468	-	7,468	-	-	5,272	-	5,272
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	7,468	-	7,468	-	-	5,272	-	5,272
Cash flows in the period:										
Reinsurance premiums paid net of commission received	840,176	-	-	-	840,176	234,605	-	-	-	234,605
Ammounts received under reinsurance contracts held	-	-	(705,749)	-	(705,749)	-	-	(428,086)	-	(428,086)
Net cash flow	840,176	-	(705,749)	-	134,427	234,605	-	(428,086)	-	(193,480)
Reinsurance contracts assets as of December 31,	118,098	-	284,884	22,629	425,611	103,924	-	371,208	13,406	488,539
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	118,098	-	284,884	22,629	425,611	103,924	-	371,208	13,406	488,539

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

BOND

	2023					2022 RESTATED				
	Assets for remaining coverage		Ammount Recoverable on Incurred claims			Assets for remaining coverage		Ammount Recoverable on Incurred claims		
	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000	Non-loss component N'000	Loss component N'000	Incurred claims N'000	Risk adjustment N'000	Total N'000
Reinsurance contract assets as of January 1	2,943	-	2,180	79	5,202	12,004	-	28,656	904	41,564
Reinsurance contract liabilities as of January 1,	-	-	-	-	-	-	-	-	-	-
Net Reinsurance contracts as of January 1,	2,943	-	2,180	79	5,202	12,004	-	28,656	904	41,564
Reinsurance expenses	(70,252)	-	-	-	(70,252)	(9,482)	-	-	-	(9,482)
Changes that relate to past service-adjustment to LIC	-	-	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurance non-performance	-	-	-	-	-	-	-	-	-	-
Ammounts recovered from reinsurance:										
Recoveries of incurred claims and other attributable income	-	-	40,370	2,232	42,602	-	-	10,483	(825)	9,657
Recoveries and reversals of recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
	(70,252)	-	40,370	2,232	(27,650)	(9,482)	-	10,483	(825)	175
Insurance Finance Income	-	-	44	-	44	-	-	490	-	490
Insurance finance reserve (changes in discount rate)	-	-	-	-	-	-	-	-	-	-
	-	-	44	-	44	-	-	490	-	490
Cash flows in the period:										
Reinsurance premiums paid net of commission received	131,421	-	-	-	131,421	421	-	-	-	421
Ammounts received under reinsurance contracts held	-	-	(13,504)	-	(13,504)	-	-	(37,449)	-	(37,449)
Net cash flow	131,421	-	(13,504)	-	117,918	421	-	(37,449)	-	(37,028)
Reinsurance contracts assets as of December 31,	64,112	-	29,091	2,311	95,514	2,943	-	2,180	79	5,202
Reinsurance contract liabilities as of December 31,	-	-	-	-	-	-	-	-	-	-
	64,112	**-**	**29,091**	**2,311**	**95,514**	**2,943**	**-**	**2,180**	**79**	**5,202**

All the Group's insurance contracts issued are measured using the Premium Allocation approach

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

48 Claim Development Table

Extracts from EY Nigeria Limited Valuation Report

48.1 Data Reconciliation

As part of our verification process, we have reconciled the gross written premium and the claims paid in the technical data, with the figures indicated in the financial accounts. We illustrate both set of figures below.

(a) **Claims Data**

	Gross Claims Paid Data N'000	Gross Claims Paid Data N'000	Gross Claims Paid Data N'000
Class of Business			
Fire	3,910,233	3,910,233	0%
General Accident	2,060,446	2,060,446	0%
Engineering	813,530	813,530	0%
Bond	72,293	72,293	0%
Marine	1,346,001	1,346,001	0%
Motor	6,862,673	6,862,673	0%
Oil & gas	492,399	492,398	0%
Agriculture	11,944	11,944	0%
Total	**15,569,519**	**15,569,519**	**0%**

(b) **Premium Data**

	Gross Premium Written Data N'000	Gross Premium Written Account N'000	Precentage Difference N'000
Class of Business			
Fire	13,464,145	13,464,145	0%
General Accident	5,053,009	5,053,009	0%
Engineering	3,472,794	3,472,794	0%
Bond	743,919	743,919	0%
Marine	4,738,962	4,738,962	0%
Motor	20,117,645	20,117,645	0%
Oil & gas	15,054,932	15,054,932	0%
Agriculture	62,913	62,913	0%
Total	**62,708,320**	**62,708,320**	

(c) Comments on Claims Data
The claims data was divided into six risk groups - (Marine, Motor, Fire, General Accident, Engineering, Bond, Agriculture and Oil & Gas) in accordance with the Nigerian Insurance Act 2003.

(d) Business Trend
We illustrate in the table below, the Gross Written Premium as at 31 December 2023 and 2022 respectively. All lines of business experienced increases and there was an overall increase in GWP by 20%.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

	Gross Premium Written Data N'000	Gross Premium Written Account N'000	Precentage Difference N'000
Class of Business			
Fire	13,464,145	8,531,794	58%
General Accident	5,053,009	6,240,504	-19%
Engineering	3,472,794		
Bond	743,919		
Marine	4,738,962	3,463,667	37%
Motor	20,117,645	10,215,056	97%
Oil & gas	15,054,932	4,765,273	216%
Agriculture	62,913	152,756	-59%
Total	**62,708,320**	**33,369,050**	**88%**

48.2 Valuation Methodology

We describe in this section the methods used for calculating Premium and Claim Reserve.

(a) Liability for Remaining Coverage (LRC)

i Our reserves consist of Advance Premium (AP), Unexpired Risk Reserve (URR), Deferred Acquisition Cost (DAC) and Additional Unexpired Risk Reserve(AURR), which are all described in section 2.

ii We adopted the 365th (time apportionment) method. Each policy's unexpired insurance period (UP) was calculated as the exact number of days of insurance cover available after the valuation date. The UPR is calculated as the premium *(UP)/ full policy duration.

iii Each policy's URR= AP* Assumed Loss Ratio. Typically, the Advanced Premium is expected to cover the unexpired risk. Where the unexpired risk exceeds the advanced premium then the portfolio is considered onerous, and a loss component is held as described in section 2.

(b) Claims Reserves

The claim reserves comprise of:

i Outstanding Claims Reported (OCR)

ii Incurred But Not Reported (IBNR)

Reserving method

We present the methodologies that were used in calculating for the IBNR reserves:

i Inflation AdjustedBasic Chain Ladder Method (IABCL)

ii Bornhuetter-Ferguson Approach

iii Loss Ratio

iv Frequency and Severity Method

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

48.3 Valuation Results

(a) Inflation Adjusted Chain Ladder Method - Result table

Discounted Inflation Adjusted Basic Chain Ladder Method

	LIC N'000	ARIC N'000	Net N'000
Class of Business			
General Accident	1,026,496	(801,401)	225,094
Fire	3,157,786	(2,201,107)	956,679
Marine	825,317	(538,696)	286,621
Motor	1,901,659	(416,091)	1,485,567
Agriculture	7,284	(4,156)	3,128
Oil and Gas*	555,386	(199,304)	356,082
Engineering	716,003	(307,513)	408,490
Bond	51,127	(31,401)	19,726
Total	8,241,058	(4,499,671)	3,741,388
Accounts (Outstanding Claims)	2,531,091	(1,562,998)	968,094
Difference	5,709,967	(2,936,673)	2,773,294

* Estimated using Expected loss ratio method and discounted

(b) LIC Table

	LIC(PVFCF) N'000	LIC(RA) N'000	LIC N'000
Class of Business			
General Accident	1,026,496	81,538	1,108,033
Fire	3,157,786	250,833	3,408,619
Marine	825,317	65,558	890,875
Motor	1,901,659	151,055	2,052,714
Agriculture	7,284	579	7,862
Oil and Gas	555,386	44,116	599,502
Engineering	716,003	56,874	772,878
Bond	51,127	4,061	55,189
Total	**8,241,058**	**654,614**	**8,895,672**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(c) Amount Recoverable for incurred Claims Table

	ARIC(PVFCF) N'000	ARIC(RA) N'000	ARIC N'000
Class of Business			
General Accident	742,428	58,973	801,401
Fire	2,039,132	161,975	2,201,107
Marine	499,054	39,642	538,696
Motor	385,472	30,619	416,091
Agriculture	3,850	306	4,156
Oil and Gas	184,638	14,666	199,304
Engineering	284,884	22,629	307,513
Bond	29,091	2,311	31,401
Total	**4,168,549**	**331,121**	**4,499,671**

(d) Liability for Remaining Coverage(Gross and Reinsurance LRC)-Result Table

	LRC N'000	ARC N'000	NET N'000
Class of Business			
General Accident	811,800	293,760	518,040
Fire	3,095,764	652,153	2,443,611
Marine	931,329	258,252	673,077
Motor	5,844,628	1,424	5,843,204
Agriculture	47,288	16,096	31,192
Oil and Gas	4,033,582	3,496,461	537,121
Engineering	948,171	118,098	830,073
Bond	289,625	64,112	225,513
Total	**16,002,186**	**4,900,356**	**11,101,830**

(e) Liability for Remaining Coverage-Loss component

We derived our expense ratio as the average of the management expense ratio for the current year using the information provided by NEM Insurance Plc. The Claims Ratio was estimated as the average of the projected ultimate loss ratio over a period of 4 years for each line of business. The computed Risk adjustment margin of 7.94% then added to the individual averages below.

Gross Table

	Claims Ratio	Combined Ratio	LRC(LC) N'000
Class of Business			
General Accident	42%	75%	-
Fire	66%	97%	-
Marine	36%	64%	-
Motor	74%	103%	199,989
Agriculture	31%	51%	-
Oil and Gas	17%	54%	-
Engineering	45%	71%	-
Bond	42%	84%	-
			199,989

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Reinsurance Table	Recovery ratio	ARC(LC) N'000
Class of Business		
General Accident	91%	-
Fire	54%	-
Marine	101%	-
Motor	17%	33,014
Agriculture	79%	-
Oil and Gas	39%	-
Engineering	28%	-
Bond	16%	-
		33,014

48.4 Conclusion

We are adopting the reserves from the Inflation Adjusted Discounted Chain Ladder method in this report. This method as indicated earlier

i - anticipates that total claim payments may be exposed to future inflationary pressures
ii - recognises that reserves should represent the present value and timing of future claim payments

Technical Reserves
We are reporting Gross Reserves of N25.1 billion and Reinsurance Contract Assets of N9.4 billion as shown in the table below. Our estimates meet the Liability Adequacy Test.

Reserves	Gross N'000	Reinsurance Contract Assets N'000	Net N'000
Incurred Claims	8,895,672	(4,499,671)	4,396,002
Remaining Coverage(Excluding Loss component)	16,002,186	(4,900,356)	11,101,830
Remaining Coverage(Loss component)	199,989	(33,014)	166,975
Total	**25,097,848**	**(9,433,041)**	**15,664,807**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

48.5 Estimates of undiscounted gross cumulative claims

The table below illustrates how estimates of cumulative claims for the Group's non life segment have developed over time on a gross and net of reinsurance basis.

Each table shows how the Group's estimates of total claims for each accident year have developed over time.

Gross of reinsurance

In thousands of Naira	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL
At end of Accident year	1,373,550	1,769,518	2,009,460	2,080,635	3,975,782	3,557,512	3,155,703	4,424,843	6,598,137	6,487,979	35,433,118
One year later	2,124,796	2,479,055	3,481,118	2,909,246	5,062,112	5,339,867	6,008,979	6,036,794	9,844,893	-	43,286,861
Two years Later	2,197,777	2,670,985	3,550,923	3,071,510	5,597,941	6,058,301	6,219,689	6,504,849	-	-	35,871,974
Three years Later	2,281,952	2,702,216	3,600,656	3,509,909	5,936,533	6,172,561	6,346,003	-	-	-	30,549,830
Four years Later	2,294,853	2,710,514	3,656,276	3,706,584	5,956,338	6,209,330	-	-	-	-	24,533,894
Five years Later	2,298,198	2,720,847	3,844,713	3,712,463	6,035,773	-	-	-	-	-	18,611,994
Six years Later	2,301,252	2,748,507	3,847,379	3,725,538	-	-	-	-	-	-	12,622,676
Seven years Later	2,329,747	2,748,507	3,981,399	-	-	-	-	-	-	-	9,059,653
Eight years Later	2,329,785	2,751,585	-	-	-	-	-	-	-	-	5,081,371
Nine years Later	2,329,785	-	-	-	-	-	-	-	-	-	2,329,785

Net of reinsurance

In thousands of Naira	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL
At end of Accident year	1,149,976	542,747	1,370,846	1,335,378	2,613,094	1,382,750	2,572,887	1,624,200	1,818,724	4,485,520	18,896,121
One year later	1,688,402	251,639	755,227	476,108	1,426,495	2,797,301	2,705,374	1,170,955	2,789,943	-	14,061,442
Two years Later	1,751,683	308,039	678,955	232,115	1,807,252	2,869,297	2,775,172	1,614,495	-	-	12,037,008
Three years Later	1,834,058	296,508	688,877	637,150	1,537,744	2,975,076	2,339,285	-	-	-	10,308,697
Four years Later	1,846,959	283,200	744,497	380,830	1,538,631	3,008,663	-	-	-	-	7,802,781
Five years Later	1,850,305	293,533	782,387	383,355	1,427,024	-	-	-	-	-	4,736,603
Six years Later	1,853,358	277,334	784,874	393,938	-	-	-	-	-	-	3,309,504
Seven years Later	1,855,101	277,334	918,610	-	-	-	-	-	-	-	3,051,045
Eight years Later	1,853,184	280,413	-	-	-	-	-	-	-	-	2,133,597
Nine years Later	627,239	-	-	-	-	-	-	-	-	-	627,239

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For The Year Ended 31 December 2023

49 Financial Risk Management Policy

Management of insurance and financial risk

NEM Insurance Plc issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Company manages them.

49.1 Insurance risk

The risk, under any insurance contract, is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable. The Company manages its insurance risk by means of established internal procedures that include underwriting authority levels, pricing policy, approved reinsurers list and monitoring.

NEM is exposed to underwriting risk through the insurance contracts that are underwritten. The risks within the underwriting risk category are associated with both the perils covered by the specific lines of insurance including General Accident, Motor, Fire, Marine and Aviation, Oil and Gas and Miscellaneous insurance, as well as the specific processes associated with the conduct of the insurance business. The various subsets of underwriting risks are listed below;

i Underwriting Process Risk: risk from exposure to financial losses related to the selection and acceptance of risks to be insured.

ii Mispricing Risk: risk that insurance premiums will be too low to cover the Company's expenses related to underwriting, claims, claims handling and administration.

iii Individual risk: This includes the identification of the risk inherent in an insured property (movable or unmovable), we shall ensure surveys are performed and reviewed as at when due and that risks are adequately priced.

iv Claims Risk (for each peril): Risk that many more claims occur than expected or that some claims that occur are much larger than expected claims resulting in unexpected losses to the Company. The underwriting risk assessment shall also determine the likelihood of a claim arising from an insured risk by considering various factors and probabilities, determined by information obtained from the insured party, historical information on similar risks and available external data.

v Concentration risk (including geographical risk): This includes identification of the concentration of risks insured by NEM. NEM utilizes data analysis, software and market knowledge to determine the concentration of its risks by insurance class, geographic location, exposure to a client or business. The assessment of the concentration risk is consistent with the overall risk appetite as established by the Company.

Underwriting Risk Appetite

- The following statements amongst others shall underpin NEM's underwriting risk appetite:
- We do not underwrite risks which we do not understand;
- We are cautious in underwriting unquantifiable risks;
- We are extremely cautious in underwriting risk observed to poorly managed at proposal state e.g. those with low safety standards, shoddy construction or businesses with excessively high risk profile;
- We carefully evaluate businesses or opportunities that could create systemic risk exposures i.e. incidents of multiple claims occurring from one event e.g. natural catastrophe risks, and risks dependent on the macro-economic environment);
- We consider all applicable regulatory guidelines while carrying out our underwriting activities;

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For The Year Ended 31 December 2023

- We established and adhere to internal standards for co-insurance, reinsurance transactions;
- We exercise extreme caution when underwriting discrete (one-off) risks, particularly where we do not have the requisite experience or know-how;
- Where the broker has inadequate knowledge of the trade of the client or the class of business, we exercise caution in taking on such risks into our books;
- We exercise extreme prudence and caution when dealing with clients with financial difficulties or poor payment records; and with transient clients who change insurers regularly; and
- We ensure compliance with NAICOM's guideline on KYC for consistency.

49.2 Underwriting Strategy

The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Any risks exceeding the underwriting limits require Head Office approval. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Company has the right not to renew individual policies, it can impose deductibles and it 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 costs (for example, subrogation).

49.3 Products and Services

NEM Insurance Plc is presently operating as a non-life insurance company and we have a wide range of insurance products and services that are tailored to meet the specific needs of the company's clients. Insurance contracts are issued on an annual contract either directly to the customer or through accredited insurance brokers and agents. Premiums from brokers and agents are payable within 30 days, whereas from direct customers immediately. The following is a broad spectrum of the products and services the company is offering:

Fire/Extraneous Perils Policy

This type of policy will provide indemnity to the insured in the event of loss or damage to property covered under it as a direct result of fire outbreak, lightning or explosion. Other extraneous perils such as social disturbances like strike and riot, and natural disasters like storm damage, flood and earthquake can also be covered by an extension of the standard scope of the cover. The items to be insured are usually made up of the following:

a) Buildings
b) Office Furniture, Electrical & Electronic Equipment
c) Plant and Machinery
d) Stock of Raw Materials and finished goods
e) Loss of Annual Rent for alternative accommodation.

The policy also contains various other extensions that are granted at no extra cost to the policyholder. The replacement cost of the items to be insured will have to be supplied to us for assessment to facilitate quotation of the premium payable.

Consequential Loss Policy

This type of policy, often referred to as "business interruption insurance" is designed to indemnify the insured against loss of productive capacity or future earning power which may occur as a result of loss or damage to the premises and property insured under the Fire/Extraneous Perils in 1 above. This policy is normally taken out in conjunction with the Fire Policy so that when the latter pays for the material damage to property insured

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under it, this will pick up the intangible loss that will flow from the primary loss of the Fire perils. The items usually covered under this policy are as follows:

a)Gross Profit
b)Salary and Wages
c)Auditor's fees

The sum insured to be indicated against the items of Gross Profit should represent the difference in turnover and the total of standing and variable charges. The sum insured on Salary and Wages will be that which is required to maintain some key staff pending resumption of business while the sum insured on Auditor's Fees will represent charges that any firm of accountants will make in preparing papers for insurance claim.

Burglary/Housebreaking Policy

This type of policy is designed to indemnify the insured against loss or damage resulting from theft or attempted theft which is accompanied by actual forcible or violent entry into or out of the premises or any attempt theft. The items usually covered under this policy are similar to those under the Fire/Extraneous Perils policy above with the exception of Buildings and Loss of Rent. The replacement cost of the relative items would have to be supplied to enable us submit our quotation.

Fidelity Guarantee Policy

This is a form of policy that protects an organization against loss of money or valuable stock as a result of dishonesty or fraudulent activity of employees. It is possible to grant cover on named basis, positions basis or on a blanket basis. In any of these cases, the number of persons and the limit of guarantee any one loss would be advised as well as aggregate amount of guarantee in a given year. Once we have this information, we would be in a position to quote for premium payable.

Public Liability Policy

This policy also covers the insured against legal liability to third party for cost and expenses incurred in respect of accidental death, bodily injury and accidental damage to property occurring within the insured's premises or at work-away premises. The vicarious liability of the insured's employee can also be covered provided it arose in the course of carrying out his official duties. The Company usually require the insured to indicate the limit of cover required to enable her advise the premium payable.

Money Policy

This is another type of All Risks policy which is designed to cover any fortuitous event that could result in the loss of cash while in the course of transit either to or from the bank. The cover will also operate while the money is on the premises of the insured and while in a securely locked safe. The policy can also be extended to cover cash in the personal custody of selected management staff.

Goods in Transit Policy

This is also an "All Risks" policy covering goods being carried from one location to another. Any loss not specifically excluded under the policy is covered and the insurance is suitable for any organization that is engaged in movement of goods either by road or rail and the cover will operate when the goods are being conveyed by the insured's owned or hired vehicles. Losses arising from Fire and Theft are covered under this policy.

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For The Year Ended 31 December 2023

Group Personal Accident Policy
This type of policy is designed to foster the welfare of employees as well as reduce the financial constrain that an organization could undergo in the event of death or bodily injury to a member of staff arising as a result of any injury sustained through accidental, violent, external and visible means. The policy provides a world-wide cover on 24 hours basis and benefits payable in respect of Death and Permanent Disability are usually expressed as multiple of salaries. Cover also extends to pay weekly benefit in the event of temporary total disability resulting from bodily injury to the insured person as well as certain allowance for expenses incurred on medical treatment as a result of accidental injury. Death or injuries from natural causes are however not covered.

Motor Insurance Policy
This class of insurance is made compulsory by Government through the legislation known as the Motor Vehicle (Third Party) Insurance Act of 1945. Third Party Only cover which is the minimum type of insurance legislated upon provides indemnity to policyholder against legal liability to Third Parties for death, bodily injury and property damage.

The most popular type of cover under this policy is comprehensive insurance which, in addition to the cover provided under the Third Party Only, will also indemnify the policyholder for loss or damage to the vehicle resulting from road accident, fire and theft. The premium payable for the various forms of cover under this policy is regulated by a statistical table of rate known as "tariff" which is approved by Government.

Marine Policies
CARGO: The policy issued here is to provide indemnity for loss or damage to imported goods being conveyed by sea or air. The All Risks type of cover known as Clauses ""A"" provides indemnity to the insured in the event of total or partial loss of the goods while the restricted cover known as Clauses ""C"" would provide indemnity in the event of total loss only. To enable us determine the premium payable in this regard, we would require information on the nature and value of goods being imported as well as the type of cover required.

HULL: This type of policy is issued on vessels and yachts to provide indemnity for any loss, damage or liability that may arise from their use. The scope of cover provided is either an "all risks" or "total loss only" while the policy usually carries a deductible of about 10% of the value of the vessel or yacht.

Aviation Policy
This policy provides comprehensive cover against loss or damage to insured aircraft while operating anywhere in the world. Cover also extends to include the operator's legal liability to Third Parties for death, bodily injury and property damage. Liability to passengers is also covered up to a certain limit selected. In order to ensure full protection for our clients, we reinsure as much as 90% of this type of risk in the London Aviation Market through one of our overseas associates. The essence of this arrangement is to obviate the problem of absorption in the Nigerian Market which has limited capacity for Aviation Insurance and also to afford our clients the opportunity of having a dollar/sterling based insurance policy.

Machinery Breakdown Policy
This policy is designed to cover any damage to a plant or equipment while working or at rest, or being dismantled for the purpose of cleaning, repairing or overhauling. In the same vein, boiler and pressure vessels can be covered under a separate but similar policy.

Electronic Equipment Policy
This policy is designed to cover any loss or damage that could result while any computer and or equipment insured is working or at rest. The cover under this policy also extends to include loss or damage to external data

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media such as diskettes and tapes containing processed information while such are kept within the premises. The increase in cost of working, as a result of damage to the main computer equipment, is also covered and indemnity is provided for alternative means of carrying on operation. With payment of an additional premium, this policy can be extended to cover the risk of theft.

Energy Risks

The policies on offer in this area have been specifically developed to take advantage of the insurance opportunities created by the Nigerian Content Policy. The Nigerian content policy is aimed at utilizing Nigerian human and material resources in creating values in the country through all contracts awarded in the Oil and Gas industry and the Power sector of the economy. NEM Insurance Plc has carved a niche as the Leader in provision of Oil & Gas and Energy Insurance in Nigeria.

- Our focus is on the following areas:
- Upstream Risks which includes Construction/Erection All Risks, Operators Extra Expense Insurance, Property Insurance and General Third Party Liability Insurance.
- Downstream Risks which include the downstream properties (Refineries and Petrochemical plants, Onshore pipelines, Oil tank farm, Gas processing plants, Pumping and Metering stations, Gas turbines and Boilers, Damage to Asset and other related downstream sector risks.
- Power, Solid Mineral and Other special products.

The above products have been packaged for marketing to the public sector as well as various manufacturing, industrial and commercial concerns. Financial institutions such as banks, mortgage and stock broking firms are also being offered these products. Our Company is innovative in approach and we specialize in packaging policies in line with the needs of the various segments of the economy. NEM Insurance Plc also provides comprehensive risk management services. The Company carries out various risk surveys and make appropriate recommendations towards risk improvement and minimization of loss impacts.

Approach to Management of Underwriting Risks

The Company's underwriting risk shall be managed by adhering to policies, principles and guidelines spelt out in the Annual Underwriting Plan.

Where the broker has inadequate knowledge of the trade of the client or the class of business and the client not willing to disclose such information, the Company shall exercise caution in taking on such risks.

The Company shall exercise extreme prudence and caution when dealing with clients with financial difficulties or poor payment records; and with transient clients who change insurers regularly; and The Company shall ensure compliance with the National Insurance Commission's guidelines on "Know Your Customer" (KYC) requirement to get enough information about the transaction.

The Company carries out timely pre-loss inspection/survey exercise of risks, preferably before commencement of cover but not later than 48 hours after commencement of risks.

We limit acceptance of risks to a more convenient value/share while spreading excess through co-insurance or facultative basis. We ensure application/introduction/review of policy terms and conditions including clauses/ warranties that will deal with areas of concern which will at the end of the day make the risk worthy of being in the Company's portfolio.

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Risk Acceptance Rules

The Company shall follow the provisions (terms and conditions) of the reinsurance treaties that were arranged for the classes of insurance that any risk offered for insurance falls under in deciding whether to accept the risk or not. This shall be the case on all cases where the sum insured of the risk is more than the Company's retention as contained and evidenced by the treaty cover notes.

For any risk that Reinsurance Treaty could not be arranged for, acceptance of such risks shall be limited to any limit set by the Company for such risks at the beginning of each year and shown in the underwriting plan.

Marine Insurance Risks

No Marine insurance risk (Hull or Cargo), Marine Cargo or any other special risks of different nature but relating to Marine Insurance e.g. Marine Cargo Insurance export, shall be accepted without clarification from the Heads of Technical, Energy and Branch Operations Departments. The Company shall not accept Marine Cargo business in respect of fish head risks whether as import or export. Where it must be covered for any reason, cover shall be limited to ICC "C" and on rate of premium of a minimum of 0.20%.

Aviation Risks

No Aviation risk, Marine Hull risk, Marine Cargo export and any other special risks of different nature shall be accepted without clarification from the Heads of Technical, Energy and Branch Operations Departments.

49.4 Approaches to Risk Mitigation

Generally, we shall apply any of the following four (4) approaches to risk mitigations:

a) **Risk Termination (Avoidance)**

Under the risk termination approach, we will take measures to avoid risks that are outside our risk appetite, not aligned to our strategy or offer rewards that are unattractive when compared to the risk undertaken. Specifically, we will discontinue activities that generate these risks, such as divesting from certain geographical markets, product lines or businesses. Generally, we will utilise this approach for high-risk events that remain unacceptably high even after we have applied controls.

b) **Risk Treatment (Reduction)**

Under the risk treatment approach, we would accept the risks inherent in our transactions, but shall take measures, through our system of internal controls, to reduce the likelihood and/or impact of these risks. Generally, we would utilise this approach for risks that occur frequently and have low impact. Some of the measures we shall take under this approach may include formulating or enhancing policies, defining boundaries and authority limits, assigning accountabilities and measuring performance, improving processes, strengthening existing controls or implementing new controls and continuing education and training.

c) **Risk Transfer (Sharing)**

Under the risk transfer approach, we would accept the risks inherent in our transactions, but shall take measures to transfer whole or portions of the risk to an independent counterparty. Specifically, we shall transfer our risks to an independent counterparty such as co-insurance and reinsurance companies by utilising contracts and arrangements. We will retain accountability for the outsourced risk and that outsourcing does not eliminate risk but only changes our risk profile. The relevant business units shall be responsible for identifying and incorporating the risks arising from such risk transfer arrangements in their risk registers. The business units shall also be responsible for managing the resultant risks and reviewing the risk transfer arrangement to ensure that it is still capable of mitigating the initial risk.

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d) Risk Tolerance (Acceptance)

Under the risk tolerance approach, we would accept the risks inherent in our transactions and would not take any action to change the likelihood and/or impact of the risks. We shall adopt this approach where the risk is low and the cost of further managing the risk exceeds the potential benefit should the risk crystallize.

e) Reinsurance Treaty Cover

We have arranged very adequate reinsurance treaties to enable us accommodate risks with high necessary support in the event of large claims. Our treaties are arranged by UAIB RE and placed with a consortium of reputable reinsurance companies.

The types of re-insurance on NEM Treaty are:
1) Quota share
2) Surplus
3) Excess of loss

1. Quota share

This is the simplest type of Re-insurance whereby a Reinsurer agrees to reinsure a fixed proportion of every risk accepted by the ceding Company, sharing proportionately in all losses and receiving in the same proportion of all direct net premium, less the agreed reinsurance commission.

2. Surplus

Under this arrangement the ceding Company can retain a risk up to the level of its agreed Retention amount. The proportion of the risk which is beyond the Retention amount is then ceded into the Surplus treaty and reinsurer receives a proportionate share of the premium, less reinsurance commission.

3. Excess of Loss

This arrangement protects the ceding Company against a loss where the ceding Company's claims liability exceeds its retention.

Concentration of insurance risk

The Company monitors concentrations of insurance risk by product and sector. An analysis of concentrations of insurance risk at 31 December 2023 and 2022 for premium received is set out below:

(a) By product

	2023 N'000	2022 N'000
Motor business	20,117,645	10,215,056
Fire & Property	13,464,145	8,531,794
Marine & Aviation	4,738,962	3,463,667
General Accident	5,053,009	3,258,776
Energy business	15,054,932	4,765,273
Agriculture	62,913	152,756
Engineering	3,472,794	2,267,819
Bond	743,919	713,909
	62,708,320	33,369,050

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(b) By sector

	2023 N'000	2022 N'000
Energy	22,091,618	4,949,598
Financial Services	14,155,142	9,806,417
IT/Telecoms & Other Corp.	10,663,613	7,500,775
Manufacturing	11,453,511	8,056,388
Retail	4,344,436	3,055,872
	62,708,320	33,369,050

50 Financial risk management

NEM Insurance Plc operates in a highly complex and competitive environment driven by the need to meet all claim obligations, maximize returns to shareholders and comply with all statutory and regulatory requirements. The Company is in the business of managing risks for public and private entities as well as individuals. In the ordinary course of its business activities, the Company is exposed to a variety of financial risks, including currency risk, liquidity risk, credit risk, country risk and market risk as well as operational and compliance risks.

Risk is the level of exposure to opportunity, threat and uncertainty – that should be identified, understood, measured and effectively managed, in the course of executing the Company's business strategies. In terms of opportunity, we see risk in relation to returns in that the greater the risk, the greater the potential return. We therefore manage risk by using several methods to maximize the positive aspects within the constraints of our risk appetite and business environment.

In terms of threat, we see risk as the potential for the occurrence of negative events such as financial loss, fraud, damage to reputation or public image and loss of competitive advantage. We therefore manage risk in this context by introducing risk management techniques to reduce the probability of these negative events occurring without incurring excessive costs or stifling the initiative, innovation, and entrepreneurial flair of our staff.

In terms of uncertainty, we see risk as the distribution of all possible outcomes both positive and negative. In this context, we manage uncertainty by seeking to reduce the variance between anticipated outcomes and actual results.

Our risk management philosophy and culture consist of our shared beliefs, values, attitudes and practices with respect to how we consider risk in everything we do, from strategy development and implementation to every aspect of our day-to-day activities.

We shall underwrite all profitable transactions that we consider prudent and meets our risk appetite and profile. We shall take calculated and informed risk while seeking to maximize returns and shareholders' value. We shall continuously evaluate the risk and rewards inherent in our business transactions, from strategy development and implementation to our day-to-day activities. We believe that to achieve this objective would require a good understanding of the risks we are taking and the effective management of these risks both at the individual and enterprise levels.

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We therefore manage and control risk by introducing new risk management techniques, enhancing existing risk management practices and placing a greater emphasis on cooperation among departments to comprehensively manage the Company's full range of risks as a whole. The Company proactively formulates strategies and plans that enable the identification and management of events/factors/occurrences that impact our ability to attain our business and strategic objectives.

(a) Risk Management Strategy

The Company adopts the following strategy for managing risks:

i. Establish a clearly defined risk management process for identifying, measuring, controlling, monitoring and reporting risks.
ii. Entrench and incorporate risk management principles in all functions across the Company.
iii. Comprehensive implementation and maintenance of our risk management framework.
iv. Ensure good corporate governance practices.
v. Board and senior management support to promote sound risk management.
vi. Zero tolerance for non-compliance with risk and control procedures.
vii. Avoid concentration of risk to any industry, market, sector or individual entity.
viii. Deploy a risk management systems to facilitate the effective management of risks.

(b) Market risk

The Group undertakes activities which give rise to a considerable level of market risks exposures (i.e. the risk that the fair value of future cash flows of our trading and investment positions or other financial instrument, will fluctuate because of changes in market prices). Market risks can arise from adverse changes in interest rates, foreign exchange rates, equity prices, commodity prices and other relevant factors such as market volatilities. The objective of market risk management activities is to continually manage and control market risk exposure within acceptable parameters, while optimizing the return on risks taken.

Management of market risk

The Group has an independent Risk Management unit which assesses, monitors, manages and reports on market risk taking activities across the group. We have continued to enhance our Risk Management Framework.

The Group's market risk objectives, policies and processes are aimed at instituting a model that objectively identifies, measures and manages market risks in the Group and ensure that:

1. The individuals who take or manage risk clearly understand it.
2. The Group's risk exposure is within established limits.
3. Risk taking decisions are in line with business strategy and objectives set by the Board of Directors.
4. The expected payoffs compensate for the risks taken.
5. Sufficient capital, as a buffer, is available to take risk.

(i) Interest Rate Risk

The Group is exposed to a considerable level of interest rate risk-especially on the Investment contracts (i.e. the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates). Similar to the last financial year, interest rate was fairly volatile. These changes could have a negative impact on the Net Interest Income, if not properly managed. The Group however, has all of its finacial instruments in non-rate sensitive assets and liabilities. This greatly assists it in managing its exposure to interest rate risks.

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For The Year Ended 31 December 2023

Exposure to fixed and variable interest rate risk

Group December 31 2023	Fixed N'000	Floating N'000	Non-interest bearing N'000	Total N'000
Cash and cash equivalents	3,742,338	-	4,280,742	8,023,080
Financial assets				
- At fair value through profit or loss	-	-	10,463,494	10,463,494
- At fair value through other comprehensive income	-	-	75,219	75,219
- At amortised cost	36,614,636	-	-	36,614,636
Loans and other receivables	108,114	-	-	108,114
Total	**40,465,087**	**-**	**14,819,456**	**55,284,542**

Group December 31 2022 (restated)	Fixed N'000	Floating N'000	Non-interest bearing N'000	Total N'000
Cash and cash equivalents	6,273,297	-	2,611,358	8,884,655
Financial assets				-
- At fair value through profit or loss	-	-	5,800,623	5,800,623
- At fair value through other comprehensive income	-	-	53,731	53,731
- At amortised cost	12,224,178	-	-	12,224,178
Loans and other receivables	220,446	-	-	220,446
Total	**18,717,921**	**-**	**8,465,712**	**27,183,633**

Parent December 31 2023	Fixed N'000	Floating N'000	Non-interest bearing N'000	Total N'000
Cash and cash equivalents	3,721,332	-	4,211,937	7,933,269
Financial assets				
- At fair value through profit or loss	-	-	10,463,494	10,463,494
- At fair value through other comprehensive income	-	-	75,219	75,219
- At amortised cost	36,614,636			36,614,636
Loans and other receivables	108,114	-	-	108,114
Total	**40,444,081**	**-**	**14,750,650**	**55,194,731**

Parent December 31 2022 (restated)	Fixed N'000	Floating N'000	Non-interest bearing N'000	Total N'000
Cash and cash equivalents	6,273,297	-	2,575,529	8,848,826
Financial assets				
- At fair value through profit or loss	-	-	5,800,623	5,800,623
- At fair value through other comprehensive income	-	-	53,731	53,731
- At amortised cost	12,224,178	-	-	12,224,178
Loans and other receivables	220,446	-	-	220,446
Total	**18,717,921**	**-**	**8,429,883**	**27,147,804**

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Sensitivity analysis - interest-rate risk

The sensitivity analysis below is based on a change in one assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated - for example, change in interest rate and change in market values.

Group December 31 2023	Carrying amount N'000	Fixed rate N'000	Floating rate N'000	Impact 100 basis point increase in interest rate N'000	Impact 100 basis point decrease in interest rate N'000
Assets					
Cash and cash equivalents	3,742,338	3,742,338	-	(3,742)	3,742
Amortized Cost Assets	36,614,636	36,614,636	-	(36,615)	36,615
Loans and other receivables	108,114	108,114	-	(108)	108
	40,356,973	40,356,973	-	(40,357)	40,357
Liabilities					
Borrowings	1,557,737	1,557,737	-	1,558	(1,558)
	1,557,737	1,557,737	-	1,558	(1,558)
Net increase/(Decrease)				(38,799)	38,799

Group 31 December 2022	Carrying amount N'000	Fixed rate N'000	Floating rate N'000	Impact 100 basis point increase in interest rate N'000	Impact 100 basis point decrease in interest rate N'000
Assets					
Cash and cash equivalents	6,273,297	6,273,297	-	6,273	(6,273)
Amortized Cost Assets	12,224,178	12,224,178	-	12,224	(12,224)
Loans and other receivables	220,446	220,446	-	220	(220)
	18,717,921	18,717,921	-	18,718	(18,718)
Liabilities					
Borrowings	-	-	-	-	-
	-	-	-	-	-
Net increase/(Decrease)				18,718	(18,718)

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For The Year Ended 31 December 2023

Parent December 31 2023	Carrying amount N'000	Fixed rate N'000	Floating rate N'000	Impact 100 basis point increase in interest rate N'000	Impact 100 basis point decrease in interest rate N'000
Assets					
Cash and cash equivalents	3,721,332	3,721,332	-	(3,721)	3,721
Amortized Cost Assets	36,614,636	36,614,636	-	(36,615)	36,615
Loans and other receivables	108,114	108,114	-	(108)	108
	40,444,081	40,444,081	-	(40,444)	40,444
Liabilities					
Borrowings	1,557,737	1,557,737	-	1,558	(1,558)
	1,557,737	1,557,737	-	1,558	(1,558)
Net increase/(Decrease)				**(38,886)**	**38,886**

Parent 31 December 2022	Carrying amount N'000	Fixed rate N'000	Floating rate N'000	Impact 100 basis point increase in interest rate N'000	Impact 100 basis point decrease in interest rate N'000
Assets					
Cash and cash equivalents	5,004,299	5,004,299	-	5,004	(5,004)
Amortized Cost Assets	12,224,178	12,224,178	-	12,224	(12,224)
Loans and other receivables	220,446	220,446	-	220	(220)
	17,448,923	17,448,923	-	17,449	(17,449)
Liabilities					
Borrowings	-		-		
	-	-	-	-	-
Net increase/(Decrease)				17,449	(17,449)

The impact on the Company's profit before tax if interest rates on financial instruments held at amortized cost or at fair value had increased or decreased by 100 basis points, with all other variables held constant are considered insignificant. This is due to the short term and fixed interest nature of the majority of the financial assets measured at amortized cost.

(ii) Foreign exchange risk

Foreign exchange risk is the exposure of the Group's financial condition to the changes in foreign exchange rates. The Company is exposed to exchange rate risk as a result of cash balances denominated in currencies other than Naira.

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The table below summaries the Group's financial instruments at carrying amount, categorised by currency:

December 31 2023	Total	Naira	US Dollar	Euro	Pounds
Assets					
Cash and cash equivalents	8,028,711	5,528,487	2,029,495	437,803	32,926
Financial assets					
- At fair value through profit or loss	10,463,494	10,463,494	-	-	-
- At fair value through other comprehensive income	75,219	75,219	-	-	-
- At amortised cost	36,614,636	17,051,116	19,303,875	259,644	-
Loans and other receivables	108,114	108,114			
Reinsurance contract assets	9,433,042	9,433,042	-	-	-
Statutory deposit	320,000	320,000	-	-	-
Total financial assets	65,043,215	42,979,471	21,333,370	697,447	32,926
Liabilities					
Other payables (excluding non-financial liabilities)	4,981,828	4,981,828	-	-	-
Total financial liabilities	4,981,828	4,981,828	-	-	-
Net financial assets/liabilities	60,061,387	37,997,643	21,333,370	697,447	32,926
Insurance contract liabilities	25,285,724	25,285,724	-	-	-
Net policyholders' assets	34,775,662	12,711,919	21,333,370	697,447	32,926

December 31, 2022 (Restated)	Total	Naira	US Dollar	Euro	Pounds
Assets					
Cash and cash equivalents	8,884,655	5,756,879	2,996,744	25,466	105,566
Financial assets					
- At fair value through profit or loss	5,800,623	5,800,623	-	-	-
- At fair value through other comprehensive income	75,219	75,219	-	-	-
- At amortised cost	12,224,178	7,413,928	4,810,250	-	-
Loans and other receivables	220,446	220,446			
Reinsurance contract assets	9,472,703	9,472,703	-	-	-
Statutory deposit	320,000	320,000	-	-	-
Total financial assets	36,997,824	29,059,798	7,806,994	25,466	105,566
Liabilities					
Other payables (excluding non-financial liabilities)	2,099,247	2,099,247	-	-	-
Total financial liabilities	2,099,247	2,099,247	-	-	-
Net financial assets/liabilities	34,898,577	26,960,550	7,806,994	25,466	105,566
Insurance contract liabilities	14,674,166	14,674,166	-	-	-
Net policyholders' assets	20,224,411	12,286,384	7,806,994	25,466	105,566

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For The Year Ended 31 December 2023

The table below summaries the Parent's financial instruments at carrying amount, categorised by currency:

December 31 2023	Total	Naira	US Dollar	Euro	Pounds
Assets					
Cash and cash equivalents	7,933,269	5,433,044	2,029,495	437,803	32,926
Financial assets					
- At fair value through profit or loss	10,463,494	10,463,494	-	-	-
- At fair value through other comprehensive income	75,219	75,219	-	-	-
- At amortised cost	36,614,636	17,051,116	19,303,875	259,644	-
Loans and other receivables	108,114	108,114	-	-	-
Reinsurance assets	9,433,042	9,433,042	-	-	-
Statutory deposit	320,000	320,000	-	-	-
Total financial assets	64,947,772	42,884,029	21,333,370	697,447	32,926
Liabilities					
Other payables (excluding non-financial liabilities)	4,830,401	4,830,401	-	-	-
Total financial liabilities	4,830,401	4,830,401	-	-	-
Net financial assets/liabilities	60,117,371	38,053,627	21,333,370	697,447	32,926
Insurance contract liabilities	25,097,847	25,097,847		-	-
Net policyholders' assets	35,019,524	12,955,780	21,333,370	697,447	32,926

December 31, 2022 (Restated)	Total	Naira	US Dollar	Euro	Pounds
Assets					
Cash and cash equivalents	8,848,826	5,721,050	2,996,744	25,466	105,566
Financial assets					
- At fair value through profit or loss	5,800,623	5,800,623	-	-	-
- At fair value through other comprehensive income	75,219	75,219	-	-	-
- At amortised cost	12,224,178	7,413,928	4,810,250	-	-
Loans and other receivables	220,446	220,446	-	-	-
Reinsurance assets	9,472,703	9,472,703	-	-	-
Statutory deposit	320,000	320,000	-	-	-
Total financial assets	36,961,995	29,023,969	7,806,994	25,466	105,566
Liabilities					
Other payables (excluding non-financial liabilities)	2,094,086	2,094,086	-	-	-
Total financial liabilities	2,094,086	2,094,086	-	-	-
Net financial assets/liabilities	34,867,909	26,929,882	7,806,994	25,466	105,566
Insurance contract liabilities	14,674,166	14,674,166	-	-	187,877
Net policyholders' assets	20,193,743	12,255,716	7,806,994	25,466	(82,311)

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(iii) Equity risk

The Group is exposed to equity price risk by holding investments quoted on the Stock Exchange. Equity securities quoted on the Stock Exchange is exposed to movement based on the general movement of the all share index and movement in prices of specific securities held by the Group.

Sensitivity analysis - equity risk

The sensitivity analysis for equity price risk illustrates how changes in the fair value of equity securities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual equity issuer, or factors affecting all similar equity securities traded in the market.

Management monitors movements of financial assets and equity price risk movements by assessing the expected changes in the different portfolios due to parallel movements of a 10% increase or decrease in the Nigeria All share index with all other variables held constant and all the Company's equity instruments in that particular index moving proportionally.

As at 31 December 2023, the market value of quoted securities held by the Group is N10.5 billion (2022: N5.8 billion). If the all share index of the NGX moves by 100 basis points at 31 December 2023, the effect on profit or loss would have been N247 million (2022: N 54 million).

(c) Credit Risk

The Company's assets are exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's maximum exposure to credit risk is reflected in the carrying amounts of financial assets on the statement of financial position. The main sources of the Company's incoming cash flows are the amounts of receivables from brokers and reinsurers. The Company manages the credit risk arising from such sources by aging and monitoring the receivables. The Company conducts the review of current and non-current receivables on a monthly basis and monitors the progress in the process of collection of the premiums in accordance with the procedure stated in the Company's internal control policy. The non-current receivables are checked and assessed for impairment.

The overdue premiums are considered by the Company on case by case basis. If an overdue premium is recognized by the Company as uncollectible, a notification is sent to the broker and the insurance agreement is cancelled from the date of notification. The premium related to the period from the beginning of insurance cover until the date of cancellation of the insurance agreement is considered a bad debt, and further steps right up to legal actions are planned with regard to that bad debt.

Other areas where the Company is exposed to credit risk are:

- amounts due from reinsurers for the insurance risks ceded;
- amounts due from insurance intermediaries.
- amounts of deposits held in banks and correspondent accounts

NEM is exposed to the following categories of credit risk;

Direct Default Risk - risk that NEM will not receive the cash flows or assets to which it is entitled because brokers, clients and other debtors which NEM has a bilateral contract default on their obligations.

Concentration Risk – is the exposure to losses due to excessive concentration of business activities to individual counterparties, groups of individual counterparties or related entities, counterparties in specific geographical locations, industry sectors, specific products, etc.

Counterparty Risk - the risk that a counterparty is not able or willing to meet its financial obligations to the Company as they fall due.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(i) Credit Risk Principles

The following principles underpin the Company's credit risk management policies:
- Individuals who create the credit risk and those who manage the risk clearly understand the nature of the risk;
- The Company's credit risk exposure is within the limits as approved by the Board;
- Credit decisions are clear and explicit and in line with the business strategy and objectives as approved by the Board;
- Credit risk exposures shall be within the defined limits to ensure there is no excessive concentration and that credit control procedures for managing large exposures and related counterparties are adhered to;
- Appropriate classification of credit risk through periodic evaluation of the collectability of risk assets; and
- Adequate loan loss provisioning to ensure that provisions or allowances are made to absorb anticipated losses.
- The expected payoffs more than compensate for the credit risks taken by the Company;
- Credit risk taking decisions are explicit and clear;
- There shall be clear delegated authorization limits for transactions;
- Sufficient capital as a buffer is available to take credit risk;

The Company's credit risk appetite shall be in line with its strategic objectives, available resources and the provisions of NAICOM Operational Guidelines. In setting this appetite/tolerance limits, NEM takes into consideration its corporate solvency level, risk capital and liquidity level , credit ratings, level of investments, reinsurance and coinsurance arrangements, and nature and categories of its clients. The company's credit risk is subsequently analysed as follows.

Credit risk by class

Group

	December 31 2023				December 31 2022(restated)			
Financial assets - at amortised cost	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	1,414,513	-	-	1,414,513	1,242,644	-	-	1,242,644
B-	35,070,471	-	129,652	35,200,122	10,981,534	-	-	10,981,534
Internal rating Grade								
Grade 1	25,727,230	-	30,963	25,758,193	9,377,571	-	-	9,377,571
Grade 2	10,757,754	-	98,689	10,856,443	2,846,607	-	-	2,846,607

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Financial assets at FVOCI	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	47,219	-	-	47,219	30,148	-	-	30,148
B	-	-	-	-	-	-	-	-
B-	28,000	-	-	28,000	23,583	-	-	23,583
Internal rating Grade								
Grade 1	75,219	-	-	75,219	53,731	-	-	53,731
Grade 2	-	-	-	-	-	-	-	-

Cash and cash equivalents	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	8,007,445	-	21,266	8,028,711	8,884,655	-	-	8,884,655
Internal rating Grade								
Grade 1	8,007,445	-	21,266	8,028,711	8,884,655	-	-	8,884,655
Grade 2	-	-	-	-	-	-	-	-

Reinsurance assets	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B to B-	9,433,042	-	-	9,433,042	9,472,703	-	-	9,472,703
Internal rating Grade								
Grade 1	9,433,042	-	-	9,433,042	9,472,703	-	-	9,472,703
Grade 2	-	-	-	-	-	-	-	-

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

Statutory deposit	December 31 2023 Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	320,000	-	-	320,000	320,000	-	-	320,000
B-	-	-	-	-	-	-	-	-
Internal rating Grade								
Grade 1	320,000	-	-	320,000	320,000	-	-	320,000
Grade 2	-	-	-	-	-	-	-	-

Loans and receivables	December 31 2023 Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
Internal rating Grade								
Grade 1	108,114	-	-	108,114	220,446	-	-	220,446
Grade 2	-	-	-	-	-	-	-	-

Other receivables (excluding non-financial assets)	December 31 2023 Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
Internal rating Grade								
Grade 1	1,500,000	-	-	1,500,000	122,496	-	-	122,496
Grade 2	-	-	-	-	-	-	-	-

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Credit risk by class
Parent

Financial assets - at amortised cost	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	1,414,513	-	-	1,414,513	1,242,644	-	-	1,242,644
B-	35,070,471	-	129,652	35,200,122	10,981,534	-	-	10,981,534
Internal rating Grade								
Grade 1	25,727,230	-	30,963	25,758,193	9,377,571	-	-	9,377,571
Grade 2	10,757,754	-	98,689	10,856,443	2,846,607	-	-	2,846,607

Financial assets at FVOCI	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	47,219	-	-	47,219	30,148	-	-	30,148
B	-	-	-	-	-	-	-	-
B-	28,000	-	-	28,000	23,583	-	-	23,583
Internal rating Grade								
Grade 1	75,219	-	-	75,219	53,731	-	-	53,731
Grade 2	-	-	-	-	-	-	-	-

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Cash and cash equivalents	December 31 2023				December 31 2022(restated)			
	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	7,912,003	-	21,266	7,933,269	8,848,826	-	-	8,848,826
Internal rating Grade								
Grade 1	7,912,003	-	21,266	7,933,269	8,848,826	-	-	8,848,826
Grade 2	-	-	-	-	-	-	-	-

Reinsurance assets	December 31 2023				December 31 2022(restated)			
	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	-	-	-	-	-	-	-	-
B-	9,433,042	-	-	9,433,042	9,472,703	-	-	9,472,703
Internal rating Grade								
Grade 1	9,433,042	-	-	9,433,042	9,472,703	-	-	9,472,703
Grade 2	-	-	-	-	-	-	-	-

Statutory deposit	December 31 2023				December 31 2022(restated)			
	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000	Stage 1 Gross amount N'000	Stage 2 Gross amount N'000	Stage 3 Gross amount N'000	Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	320,000	-	-	320,000	320,000	-	-	320,000
B-	-	-	-	-	-	-	-	-
Internal rating Grade								
Grade 1	320,000	-	-	320,000	320,000	-	-	320,000
Grade 2	-	-	-	-	-	-	-	-

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Loans and receivables	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
Internal rating Grade								
Grade 1	128,114	-	-	128,114	220,446	-	-	220,446
Grade 2	-	-	-	-	-	-	-	-

Other receivables (excluding non-financial assets)	December 31 2023 Stage 1 Gross amount N'000	December 31 2023 Stage 2 Gross amount N'000	December 31 2023 Stage 3 Gross amount N'000	December 31 2023 Total N'000	December 31 2022(restated) Stage 1 Gross amount N'000	December 31 2022(restated) Stage 2 Gross amount N'000	December 31 2022(restated) Stage 3 Gross amount N'000	December 31 2022(restated) Total N'000
External rating Grade								
AAA	-	-	-	-	-	-	-	-
AA- AA+	-	-	-	-	-	-	-	-
A- to A+	-	-	-	-	-	-	-	-
B	-	-	-	-	-	-	-	-
B-	-	-	-	-	-	-	-	-
Internal rating Grade								
Grade 1	1,500,000	-	-	1,500,000	122,496	-	-	122,496
Grade 2	-	-	-	-	-	-	-	-

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Amounts arising from ECL on financial assets

Group

	December 31 2023				December 31 2022(restated)			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Cash and cash equivalents	4,452	-	21,266	25,718	6,644	-	-	6,644
Financial assets								-
- At fair value through other comprehensive income	-	-	-	-	-	-	-	-
- At amortised cost	129,750	-	129,652	259,402	65,158	-	-	65,158
Reinsurance contract assets	-	-	-	-	-	-	-	-
Statutory deposit	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-
Other receivables (excluding non-financial assets)	-	-	-	-	-	-	-	-
	134,202	**-**	**150,917**	**285,119**	**71,802**	**-**	**-**	**71,802**

Parent

	December 31 2023				December 31 2022(restated)			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Cash and cash equivalents	4,452	-	21,266	25,718	6,644	-	-	6,644
Financial assets								
- At fair value through other comprehensive income	-	-	-	-	-	-	-	-
- At amortised cost	129,750	-	129,652	259,402	65,158	-	-	65,158
Reinsurance contract assets	-	-	-	-	-	-	-	-
Statutory deposit	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-
Other receivables (excluding non-financial assets)	-	-	-	-	-	-	-	-
	134,202	**-**	**150,917**	**285,119**	**71,802**	**-**	**-**	**71,802**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Concentration of credit risk

This is the exposure to losses due to excessive concentration of business activities to individual counterparties, groups of individual counterparties or related entities, counterparties in specific geographical locations, industry sectors, specific products, etc.

An analysis of the carrying amounts of financial invetsments is shown below;

By sector

Group

December 31, 2023	Corporate N'000	Commercial N'000	Bank N'000	Retail N'000	Government N'000	Others N'000	Total N'000
Cash and cash equivalents	803,493	-	7,225,218	-	-	-	8,028,711
Financial assets							-
- At fair value through profit or loss	4,275,739	-	6,187,755	-	-	-	10,463,494
- At fair value through other comprehensive income	28,000	-	-	-	47,219	-	75,219
- At amortised cost	26,033,090	-	7,405,696	-	3,175,850	-	36,614,636
Loan and other receivables	1,500,000	-	-	-	-	648,365	2,148,365
	32,640,322	**-**	**20,818,669**	**-**	**3,223,069**	**648,365**	**57,330,425**

December 31, 2022 (restated)	Corporate N'000	Commercial N'000	Bank N'000	Retail N'000	Government N'000	Others N'000	Total N'000
Cash and cash equivalents	1,268,998	-	7,615,657	-	-	-	8,884,655
Financial assets							
- At fair value through profit or loss	3,280,707	-	2,519,916	-	-	-	5,800,623
- At fair value through other comprehensive income	23,583	-	-	-	30,148	-	53,731
- At amortised cost	5,617,235	-	5,004,299	-	1,602,644	-	12,224,178
Loan and other receivables	-	-	-	-	-	723,429	723,429
	10,190,523	**-**	**15,139,872**	**-**	**1,632,792**	**723,429**	**27,686,616**

Parent

December 31, 2023	Corporate N'000	Commercial N'000	Bank N'000	Retail N'000	Government N'000	Others N'000	Total N'000
Cash and cash equivalents	803,493	-	7,129,776	-	-	-	7,933,269
Financial assets							
- At fair value through profit or loss	4,275,739	-	6,187,755	-	-	-	10,463,494
- At fair value through other comprehensive income	28,000	-	-	-	47,219	-	75,219
- At amortised cost	26,033,090	-	7,405,696	-	3,175,850	-	36,614,636
Loan and other receivables	1,500,000	-	-	-	-	375,423	1,875,423
	32,640,322	**-**	**20,723,226**	**-**	**3,223,069**	**375,423**	**56,962,040**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

December 31, 2022 (restated)	Corporate N'000	Commercial N'000	Bank N'000	Retail N'000	Government N'000	Others N'000	Total N'000
Cash and cash equivalents	1,268,998		7,579,828				8,848,826
Financial assets							
- At fair value through profit or loss	3,280,707	-	2,519,916	-	-	-	5,800,623
- At fair value through other comprehensive income	23,583	-	-	-	30,148	-	53,731
- At amortised cost	5,617,235	-	5,004,299	-	1,602,644	-	12,224,178
Loan and other receivables	-	-	-	-	-	581,362	581,362
	10,190,523	**-**	**15,104,043**	**-**	**1,632,792**	**581,362**	**27,508,720**

By Geography

Group

December 31, 2023	Nigeria N'000	Rest of Africa N'000	Europe N'000	Others N'000	Total N'000
Cash and cash equivalents	8,007,445	-	21,266	-	8,028,711
Financial assets					
- At fair value through profit or loss	10,463,494	-	-	-	10,463,494
- At fair value through other comprehensive income	75,219	-	-	-	75,219
- At amortised cost	25,758,193	98,689	10,757,754	-	36,614,636
	44,304,351	98,689	10,779,020	-	55,182,060

December 31, 2022 (restated)	Nigeria N'000	Rest of Africa N'000	Europe N'000	Others N'000	Total N'000
Cash and cash equivalents	8,884,655	-	-	-	8,884,655
Financial assets					
- At fair value through profit or loss	5,800,623	-	-	-	5,800,623
- At fair value through other comprehensive income	53,731	-	-	-	53,731
- At amortised cost	9,377,571	-	2,846,607	-	12,224,178
	24,116,580	**-**	**2,846,607**	**-**	**26,963,187**

Notes To The Financial Statements Cont'd
For The Year Ended 31 December 2023

By Geography

Parent

December 31, 2023	Nigeria N'000	Rest of Africa N'000	Europe N'000	Others N'000	Total N'000
Cash and cash equivalents	7,912,003	-	21,266	-	7,933,269
Financial assets					
- At fair value through profit or loss	10,463,494	-	-	-	10,463,494
- At fair value through other comprehensive income	75,219	-	-	-	75,219
- At amortised cost	25,758,193	98,689	10,757,754	-	36,614,636
	44,208,909	**98,689**	**10,779,020**	**-**	**55,086,617**

December 31, 2022 (restated)	Nigeria N'000	Rest of Africa N'000	Europe N'000	Others N'000	Total N'000
Cash and cash equivalents	8,848,826	-	-	-	8,848,826
Financial assets					
- At fair value through profit or loss	5,800,623	-	-	-	5,800,623
- At fair value through other comprehensive income	53,731	-	-	-	53,731
- At amortised cost	9,377,571	-	2,846,607	-	12,224,178
	24,080,751	**-**	**2,846,607**	**-**	**26,927,358**

Business Risk Management

Business risk is managed by Management Underwriting & Investment Committee through consistent monitoring of product lines' profitability, stakeholder engagement to ensure positive outcomes from external factors beyond the Group's control and prompt response to changes in the external environment.

Reputational Risk Management

NEM Insurance Plc norms and values set a tone for acceptable behaviors required for all staff members, and provide structure and guidance for non-quantifiable decision making, thereby assisting in the management of the group's reputation.

The Group identifies, assesses and manages reputational risks predominately within its business processes. Management of reputational risks is based on the Group's risk governance framework. In addition, Company-wide risks are identified and assessed qualitatively as part of the annual risk & control self-assessment. The Group's risk functions analyses the overall risk profile and regularly informs management about the current profile and potential exposures to the risk. Risk functions' presentation of potential reputational risk guides management decisions in executing business operations and strategies.

The Group has laid great emphasis on effective management of its exposure to credit risk especially premium related debts. The Group defines credit risk as the risk of counterparty's failure to meet its contractual obligations. Credit risk arises from insurance cover granted to parties with payment instruments or payments plan issued by stating or implying the terms of contractual agreement. Credit risk exposure to direct business is low as the Group requires debtors to provide payment plans before inception of insurance policies. The Group's exposure to credit risk arising from brokerage business is relatively moderate and the

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risk is managed by the Group's internal rating model for brokers. Our credit risk internal rating model is guided by several weighted parameters which determine the categorization of brokers the Group transacts businesses with.

The Group credit risk originates from reinsurance recoverable transactions, retail clients, corporate clients, brokers and agents.

Management of credit risk due to outstanding premium

Credit Rating
We constantly review brokers' contribution to ensure that adequate attention is paid to high premium contributing brokers while others are explored for possible potentials.

Receivables are reviewed and categorized into grade A, B, C and D on the basis of:
a) Previous year contribution
b) Payment mode
c) Outstanding as at December of the previous year
d) Future prospect
e) Recommendation

The Group credit risk is constantly reviewed and approved during the weekly Management Operations meeting. The monthly Group management meeting is responsible for the assessment and continual review of the Group premium debt and direct appropriate actions in respect of delinquent ones. It also ensured that adequate provisions are taken in line with the regulatory guidelines. Other credit risk management includes:

a) Formulating credit policies with strategic business units, underwriters, brokers covering, brokers grading, reporting, assessment, legal procedures and compliance with regulatory and statutory bodies.

b) Identification of credit risk drivers within the Group in order to coordinate and monitor the probability of default that could have an unfortunate impact.

c) Developing and monitoring credit limits. The Group is responsible for setting credit limits through grading in order to categorize risk exposures according to the degree of financial loss and the level of priority expected from management.

d) Assessment of credit risk. All firsthand assessment and review of credit exposures in excess of credit limits, prior to granting insurance cover are subject to review process and approval given during management meeting.

e) Continuous reviewing of compliance and processes in order to maintain credit risk exposure within acceptable parameters.

In measuring credit risk, the Group considers three models:

a) The Probability of Default(PD), the likelihood that the insured will fail to make full and timely payment of financial obligations

b) The Exposure at Default (EAD) is derived from the Group's expected value of debt at the time of default
c) The Loss Given Default (LGD) which states the amount of the loss if there is a default, expressed as a percentage of the (EAD).

Impairment Model
Premium debtors, which technically falls under receivables is recognized at a fair value and subsequently measured at amortized cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. The Group adopts simplified provisional matrix for calculating expected losses on premium receivables as a practical expedient in line with IFRS 9. The provision matrix is based on the Group's historical default rates over the expected life of the trade receivables which is adjusted for forward-looking estimates.

Credit quality
The Group loan and receivables have no collateral as security and other credit enhancements, thus the Group has no loan or receivables that are past due but not impaired. Insurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.

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The Group further manages its exposure to credit risk through deduction of transactions at source and investment in blue-chip companies quoted on Stock Exchange. The exposure to credit risk associated with other receivables is low.

Operational Risk Management

A summary of the analytical tools that the Group employed in operational risk management are discussed below:

Issue tracking report/action plan report:

Issues can surface from the internal self-assessment process, an audit, or regulators requirements. A key result of the self-assessment process is an action plan with assigned responsibilities. This report contains a reap of major issues, the status of the action plan, and an aging of overdue tasks.

Risk control and self-assessment (RCSA): The business areas perform self-assessments semi- annually and results are aggregated to provide a qualitative and quantitative profile of risk across the organization and related action items. Severity of the risks identified is compared with previous RCSA risk severity and a trend is ascertained. The register summarizes findings into list of risks facing the institution. These summary results are accompanied by descriptions of the significant gaps and trends, suggested mitigants, and process owners and timeline for each risk.

The profile of risks across the organization is an integral input for the Group's internal audit whilst preparing audit plans. Areas with high-risk exposures are thoroughly audited and performance of recommended controls tested by the Group's internal control function to ascertain that risks are properly managed.

Risk Maps: Risk maps typically are graphs on which impact of each risk is plotted against probability of occurrence. Risk maps are designed either to show inherent or residual risk categories by line of business. Risks in the upper right are very severe and need to be monitored closely to reduce the Group's exposure. High-frequency/low-severity risks create the basis for expected losses and are often subject to detailed analysis focused on reducing the level of losses.

Key risk indicators dashboard: These are numerous measures of actual risks in the business and support functions, such as error rates and control breaks. Summary indicators, related escalation criteria, explanations of any excesses, and identified trends are all important aspects that are tracked. Many indicators are specific to each business unit or process, but some may be common and reported in a consolidated fashion. Threshold is set by management for each key risk indicators and escalation of indicators above such levels triggers a mitigation response.

Loss events report: The ERM team developed a database for loss event collation named Loss Event Register. This register allows staff to report actual and near-miss (an unplanned event that did not result in injury, illness, or damage – but had the potential to do so) loss events. Summary statistics from the loss event database are used to show trends of total losses and mean average loss, with analysis by type of loss and business line.

Business continuity plan: A critical tool in managing our operational risk is the Business Continuity Plan (BCP) that documents the procedures to be executed by relevant teams in the event of a disaster.

Liquidity Risk Management

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made and clients request for termination of their investment-linked products. The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flows including investment income. The Group has no tolerance for liquidity risk and is committed to meeting all liabilities as they fall due.

Expected Credit Loss Impairment Model for financial assets

The Group's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the

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For The Year Ended 31 December 2023

following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

- Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

- Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

- Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance is based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination. Examples of financial assets with low credit risk (no significant increase in credit risk) include: Risk free and gilt edged debt investment securities that are determined to have low credit risk at the reporting date; and Other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Measurement of Expected credit losses

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

The Group employs the usage of international rating agencies PD factors which was modified by factors specific to the Nigerian Economy such as inflation rate, unemployment rate, GDP and so on.

Using the probabilities of default (PD) as provided by Standard & Poor's, our model employs Nigeria-centric forward-looking macro-economic factors which have been determined to be statistically significant, to adjust the PDs. Country-specific factors are also applied to the LGD factors which originate from Basel recommendations and are thereby adjusted to our specific circumstances. Base, optimistic and pessimistic scenarios are employed and projected cash flows are discounted to present value at using the effective rates of interest. The resulting ECL computations are therefore appropriately probability-weighted and consider relevant forward-looking information as well as the time value of money.

Details of these statistical parameters/inputs are as follows:

- PD – The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognized and is still in the portfolio.

1. 12-month PDs – This is the estimated probability of default occurring within the next 12 months (or over) the remaining life of the financial instrument if that is less than 12 months). This is used to calculate 12-month ECLs.

2. Lifetime PDs – This is the estimated probability of default occurring over the remaining life of the financial instrument. This is used to calculate lifetime ECLs for 'stage 2' and 'stage 3' exposures. PDs are limited to the maximum period of exposure required by IFRS 9.

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- EAD – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

- LGD – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. Basically, It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD. However, the Group make use of the combination of the following in establishing its LGD:

1) Fixed LGD ratios prescribed by the Bank for International Settlements (BIS) under the foundation approach

2) Recovery rates on insolvencies in Nigeria as published by the World bank

Forward-looking information

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

Macroeconomic factors

The Group relies on a broad range of forward looking information as economic inputs, such as: GDP growth, unemployment rates, central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

Multiple forward-looking scenarios

The Group determines allowance for credit losses using probability-weighted forward looking scenarios.

The Group considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Financial Markets Dealers Quotation (FMDQ) and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn are used in the estimation of the multiple scenario ECLs. The normal case represents the most likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers specific quantitative and qualitative information about the issuer without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depend on the type of product, characteristics of the financial instruments and the issuer and the geographical region.

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The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers:

Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

i **Quantitative elements**
The quantitative element is the primary indicator of significant increases in credit risk, with the qualitative element playing a secondary role. The quantitative element is calculated based on the change in lifetime PDs by comparing:

- the remaining lifetime PD as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated based on facts and circumstances at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations)

ii **Qualitative elements**
In general, qualitative factors that are indicative of an increase in credit risk are reflected in PD models on a timely basis and thus are included in the quantitative assessment and not in a separate qualitative assessment. However, if it is not possible to include all current information about such qualitative factors in the quantitative assessment, they are considered separately in a qualitative assessment as to whether there has been a significant increase in credit risk. If there are qualitative factors that indicate an increase in credit risk that have not been included in the calculation of PDs used in the quantitative assessment, the Group recalibrates the PD or otherwise adjusts its estimate when calculating ECLs.

iii **Backstop indicators**
Instruments which are more than 30 days past due or have been granted forbearance are generally regarded as having significantly increased in credit risk and may be credit-impaired. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due; this presumption is applied unless the Group has reasonable and supportable information demonstrating that the credit risk has not increased significantly since initial recognition.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
(i) Significant financial difficulty of the borrower or issuer;
(ii) A breach of contract such as a default or past due event;
(iii) It is becoming probable that the issuer will enter bankruptcy or other financial reorganization; or
(iv) The disappearance of an active market for a security because of financial difficulties.
(v) The purchase or origination of a financial asset at a deep discount that reflects the incurred credit loss

An asset that has been renegotiated due to a deterioration in the issuer's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors:

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The Country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place

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to provide the necessary support as 'lender of last resort'

to that Country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

The Company assesses the possible default events within 12 months for the calculation of the 12month ECL and lifetime for the calculation of Life Time ECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio varies for different instruments. In cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets:
- Financial assets measured at FVOCI: loss allowance shall be recognized in the statement of financial position because the carrying amount of these assets shall be their fair value. However, the loss allowance shall be disclosed and recognized in the fair value reserve.

Inputs, assumptions and techniques used for estimating impairment

When determining whether the credit risk(i.e. Risk of default) on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost of effort, This includes both qualitative and quantitative information analysis based on the Group's experience, expert credit assessment and forward looking information.

The Group primarily identifies whether a significant increase in credit risk has occurred for an exposure by using days past due and assessing other information obtained externally.Whenever available, the Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published rating, the Group also reviews changes in Bond yields together with available press and regulatory information about issuers.

Where external credit ratings are not available, the Group allocates each exposure to a credit risk grade based on data that is determined to predictive of the risk of default(including but not limited to the audited financial statements, management accounts and cash flows projections, available regulatory and press information about the borrowers and apply experienced credit judgement. Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are aligned with the external credit rating definition from Moody's and Standards and Poor.

The Group has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk at reporting date. The Group considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Group considers this to be Baa3 or higher based on the Moody rating.

As a back stop, the Group considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due. Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

The Group monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;

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- The criteria do not align with the point in time when the asset becomes 30 days past due;
- The average time between the identification of a significant increase in credit risk and default appears reasonable
- Exposures are not generally transferred from 12-month ECL measurement to credit impaired and
- There is no unwarranted volatility in loss allowance from transfers between 12-month ECL and Lifetime ECL measurement.

Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the borrower. An existing financial asset whose terms have been modified may be derecognized and the renegotiated asset recognized as a new financial asset at fair value in accordance with the accounting policies. When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects a comparison of:

- Its risk of default occuring at the reporting date based on the modified term; with
- The risk of default occuring estimated based on Data on initial recognition and the original contractual terms.

Liquidity Risk

Liquidity risk is the inability of a Group to meet obligations on a timely basis. It is also the inability of a Group to take advantage of business opportunities and sustain the growth target in its business strategy due to liquidity constraints or difficulty in obtaining funding at a reasonable cost. Our liquidity risk exposure is strongly related to our credit and investment risk profile. The Group is exposed to daily calls on its available cash resources from claims to be paid.

At 31 December 2023, management does not believe the current maturity profile of the Group lends itself to any material liquidity risk, taking into account the level of cash and deposits and the nature of its securities portfolio at year end, as well as the reinsurance structure of the Group's insurance portfolio. The Group's bank deposits and trading securities are able to be released at short notice when and if required. The possible payments of significant insurance claims are secured by the reinsurance contracts' clause that allows a cash call from the reinsurers for the losses exceeding a certain amount based on line of business.

Sources of Liquidity Risk

Our liquidity risk exposure depends on the occurrence of other risks. Some of the factors that could lead to liquidity risks are:

- Reputational loss or rating downgrade, leading to inability to generate funds;
- Failure of insurance brokers and clients to meet their premium payment obligation as and when due;
- Lack of timely communication between Finance &Investment Division and Claims Department resulting in mismatch of funds;
- Investment in volatile securities; and
- Frequency and severity of major and catastrophic claims.

Liquidity Risk Management Strategy

The Group's strategy for managing liquidity risks are as follows:

- Maintain a good and optimum balance between having sufficient stock of liquid assets, profitability and investment needs;
- Ensure strict credit control and an effective management of account receivables;
- Ensure unrestricted access to financial markets to raise funds;
- Develop and continuously update the contingency funding plan;
- Adhere to the liquidity risk control limits; and
- Communicate to all relevant staff on the liquidity risk management objectives and control limits.

Liquidity Risk Appetite/Tolerance

Our liquidity risk appetite is defined using the following parameters:

- Liquidity gap limits;
- Scenario and Sensitivity Analysis
- Liquidity Ratios such as:
  - Claims ratio
  - Cash ratio
  - Quick ratio

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- Receivable to capital ratio
- Technical provision to capital ratio
- Maximum exposure for single risk to capital ratio
- Maximum exposure for a single event to capital ratio
- Retention rate
- Re-insurance receipts to ceded premium ratio
- Solvency margin

Short-term insurance contracts

For short-term insurance contracts, the Company funds the insurance liabilities with a portfolio of equity and debt securities exposed to liquidity risk. The following tables indicate the contractual timing of cash flows arising from assets and liabilities included in the Company's ALM framework for management of short-term insurance contracts.

The table below sets out the classification of each class of financial assets and liabilities, and their maturity profiles:

Group **At 31 December 2023**	Note N'000	Carrying amount N'000	1 - 3 months N'000	3 - 6 months N'000	6 - 12 months N'000	Above 12 months N'000	Total N'000
Financial assets							
Cash & cash equivalent	3	8,002,993	8,028,711	-	-	-	8,028,711
Financial assets							-
- At fair value through profit or loss	4.1	10,463,494	-	-	-	10,463,494	10,463,494
- At fair value through other comprehensive income	4.2	75,219	-	-	-	75,219	75,219
- At amortised cost	4.3	36,355,234	533,063	11,461,910	7,162,790	17,456,873	36,614,636
Loans and receivables	8	108,114	-	-	108,114	-	108,114
Other Receivables	(5)(8)	2,490,394	869,193	36,347	84,855	1,500,000	2,490,394
		57,495,448	9,430,967	11,498,256	7,355,758	29,495,586	57,780,568
Accruals and other payables (excluding non-financial liablities)	(17)(28)	3,651,207	3,651,207	-	-	-	3,651,207
		3,651,207	3,651,207	-	-	-	3,651,207
Liquidity Gap		53,844,242	5,779,760	11,498,256	7,355,758	29,495,586	54,129,361
Cumulative liquidity gap			5,779,760	17,278,016	24,633,775	54,129,361	

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Group **At 31 December 2022 (Restated)**	**Note** **N'000**	**Carrying amount** **N'000**	**1 - 3 months** **N'000**	**3 - 6 months** **N'000**	**6 - 12 months** **N'000**	**Above 12 months** **N'000**	**Total** **N'000**
Financial assets							
Cash & cash equivalent	3	8,878,011	8,884,655	-	-	-	8,884,655
Financial assets							-
- At fair value through profit or loss	4.1	5,800,623	-	-	-	5,800,623	5,800,623
- At fair value through other comprehensive income	4.2	53,731	-	-	-	53,731	53,731
- At amortised cost	4.3	12,159,020	360,000	2,336,138	2,576,367	6,951,673	12,224,178
Loans and receivables	8	220,446		-	220,446	-	220,446
Other Receivables	(5)(8)	1,175,339	1,028,222	51,532	69,045	26,540	1,175,339
		28,287,170	10,272,877	2,387,670	2,865,858	12,832,567	28,358,972
Accruals and other payables (excluding non-financial liablities)	(17) (28)	1,575,721	1,575,721	-	-	-	1,575,721
		1,575,721	1,575,721	-	-	-	1,575,721
Liquidity Gap		26,711,449	8,697,156	2,387,670	2,865,858	12,832,567	26,783,251
Cumulative liquidity gap			8,697,156	11,084,826	13,950,684	26,783,251	

Parent **At 31 December 2023**	**Note** **N'000**	**Carrying amount** **N'000**	**1 - 3 months** **N'000**	**3 - 6 months** **N'000**	**6 - 12 months** **N'000**	**Above 12 months** **N'000**	**Total** **N'000**
Financial assets							
Cash & cash equivalent	3	7,907,551	7,933,269	-	-	-	7,933,269
Financial assets							-
- At fair value through profit or loss	4.1	10,463,494	-	-	-	10,463,494	10,463,494
- At fair value through other comprehensive income	4.2	75,219	-	-	-	75,219	75,219
- At amortised cost	4.3	36,355,234	533,063	11,461,910	7,162,790	17,456,873	36,614,636
Loans and receivables	8	108,114	108,114	-	-	-	108,114
Other Receivables	(5)(8)	2,229,953	399,269	-	192,709	1,637,976	2,229,953
		57,139,565	8,973,714	11,461,910	7,355,498	29,633,562	57,424,684
Accruals and other payables (excluding non-financial liablities)	(17)(28)	3,573,259	3,573,259	-	-	-	3,573,259
		3,573,259	3,573,259	-	-	-	3,573,259
Liquidity Gap		53,566,306	5,400,455	11,461,910	7,355,498	29,633,562	53,851,425
Cumulative liquidity gap			5,400,455	16,862,365	24,217,863	53,851,425	

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Parent **At 31 December 2022 (Restated)**	**Note** **N'000**	**Carrying amount** **N'000**	**1 - 3 months** **N'000**	**3 - 6 months** **N'000**	**6 - 12 months** **N'000**	**Above 12 months** **N'000**	**Total** **N'000**
Financial assets							
Cash & cash equivalent	3	8,842,182	8,848,826	-	-	-	8,848,826
Financial assets							
- At fair value through profit or loss	4.1	5,800,623	-	-	-	5,800,623	5,800,623
- At fair value through other comprehensive income	4.2	53,731	-	-	-	53,731	53,731
- At amortised cost	4.3	12,159,020	360,000	2,336,138	2,576,367	6,951,673	12,224,178
Loans and receivables	8	220,446	-	-	220,446	-	220,446
Other Receivables	(5)(8)	1,033,272	803,656	120,576	-	109,040	1,033,272
		28,109,274	10,012,482	2,456,714	2,796,813	12,915,067	28,181,076
Accruals and other payables (excluding non-financial liablities)	(17)(28)	1,570,560	1,570,560	-	-	-	1,570,560
		1,570,560	1,570,560	-	-	-	1,570,560
Liquidity Gap		26,538,714	8,441,922	2,456,714	2,796,813	12,915,067	26,610,516
Cumulative liquidity gap			8,441,922	10,898,636	13,695,449	26,610,516	

(b) Financial instruments measured at fair value

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflects market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

(c) Fair valuation methods and assumptions

(i) Cash and bank balances

Cash and bank balances represent cash held with other banks. The fair value of these balances is their carrying amounts.

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

(ii) Equity securities

The fair values of quoted equity securities are determined by reference to quoted prices (unadjusted) in active markets for identical assets. The fair value of the unquoted equity securities was determined on a net asset value basis.

(iii) Debt securities

Treasury bills represent short term instruments issued by the Central bank of the jurisdiction where the Group operates. The fair value of treasury bills and bonds at fair value are determined with reference to quoted prices (unadjusted) in active markets for identical assets. The estimated fair value of bonds (asset or liability) at amortised cost represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(iv) Other assets

Other assets represent monetary assets which usually have a short recycle period and as such the fair values of these balances approximate their carrying amount.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Fair value measurement

Accounting classification measurement basis and fair values
The table below sets out the classification of each class of financial assets and liabilities, and their fair values.

Group At 31 December 2023	Financial assets designated as FVTPL N'000	Financial assets measured at amortized cost N'000	Financial assets measured at FVOCI N'000	Financial liabilities measured at amortised cost N'000	Total carrying amount N'000	Fair value N'000
Cash and cash equivalents	-	8,028,711	-	-	8,028,711	8,028,711
Financial assets						
- At fair value through profit or loss	10,463,494	-	-	-	10,463,494	10,463,494
- At fair value through other comprehensive income	-	-	75,219	-	75,219	75,219
- At amortised cost	-	36,614,636	-	-	36,614,636	36,614,636
Loans and receivables	-	108,114	-	-	108,114	108,114
Total Financial assets	**10,463,494**	**44,751,460**	**75,219**	**-**	**55,290,173**	**55,290,173**
Borrowings	-	-	-	1,557,737	1,557,737	1,557,737
Other payables	-	-	-	1,620,229	1,620,229	1,620,229
Lease liabilities	-	-	-	473,241	473,241	473,241
Total Financial liabilities	**-**	**-**	**-**	**3,651,207**	**3,651,207**	**3,651,207**

Group December 31, 2022 (restated)	Financial assets designated as FVTPL N'000	Financial assets measured at amortized cost N'000	Financial assets measured at FVOCI N'000	Financial liabilities measured at amortised cost N'000	Total carrying amount N'000	Fair value N'000
Cash and cash equivalents	-	-	-	8,884,655	8,884,655	8,884,655
Financial assets						
- At fair value through profit or loss	5,800,623	-	-	-	5,800,623	5,800,623
- At fair value through other comprehensive income	-	-	53,731	-	53,731	53,731
- At amortised cost	-	12,224,178	-	-	12,224,178	12,224,178
Loans and receivables	-	220,446	-	-	220,446	220,446
Total Financial assets	**5,800,623**	**12,444,624**	**53,731**	**8,884,655**	**27,183,633**	**27,183,633**
Borrowings	-	-	-	-	-	-
Other payables	-	-	-	1,539,722	1,539,722	1,539,722
Lease liabilities	-	-	-	35,999	35,999	35,999
Total Financial liabilities	**-**	**-**	**-**	**1,575,721**	**1,575,721**	**1,575,721**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

Parent **At 31 December 2023**	Financial assets designated as FVTPL N'000	Financial assets measured at amortized cost N'000	Financial assets measured at FVOCI N'000	Financial liabilities measured at amortised cost N'000	Total carrying amount N'000	Fair value N'000
Cash and cash equivalents	-	7,933,269	-	-	7,933,269	7,933,269
Financial assets						
- At fair value through profit or loss	10,463,494	-	-	-	10,463,494	10,463,494
- At fair value through other comprehensive income	-	-	75,219	-	75,219	75,219
- At amortised cost	-	36,614,636	-	-	36,614,636	36,614,636
Loans and receivables	-	108,114	-	-	108,114	108,114
Total Financial assets	**10,463,494**	**44,656,018**	**75,219**	**-**	**55,194,731**	**55,194,731**
Borrowings	-	-	-	1,557,737	1,557,737	1,557,737
Other payables	-	-	-	591,043	591,043	591,043
Lease liabilities	-	-	-	473,241	473,241	473,241
Total Financial liabilities	**-**	**-**	**-**	**2,622,021**	**2,622,021**	**2,622,021**

Parent **December 31, 2022 (restated)**	Financial assets designated as FVTPL N'000	Financial assets measured at amortized cost N'000	Financial assets measured at FVOCI N'000	Financial liabilities measured at amortised cost N'000	Total carrying amount N'000	Fair value N'000
Cash and cash equivalents	-	8,848,826	-	-	8,848,826	8,848,826
Financial assets						
- At fair value through profit or loss	5,800,623	-	-	-	5,800,623	5,800,623
- At fair value through other comprehensive income	-	-	53,731	-	53,731	53,731
- At amortised cost	-	12,224,178	-	-	12,224,178	12,224,178
Loans and receivables	-	220,446	-	-	220,446	220,446
Total Financial assets	**5,800,623**	**21,293,450**	**53,731**	**-**	**27,147,804**	**27,147,804**
Borrowings	-	-	-	-	-	-
Other payables	-	-	-	1,534,561	1,534,561	1,534,561
Lease liabilities	-	-	-	35,999	35,999	35,999
Total Financial liabilities	**-**	**-**	**-**	**1,570,560**	**1,570,560**	**1,570,560**

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

51 Capital management Policy

NEM has over the years been deploying capital from earnings and additional equity funds to support growth in business volumes while striving to meet dividend commitments to shareholders. To be able to continue to generate and deploy capital both to grow core businesses and reward shareholders, there is need for the Group to execute the right strategy, the right growth dynamics, the right cost structure and risk discipline as well as the right capital management.

NEM's capital management strategy focuses on the creation of shareholders' value whilst meeting the crucial and equally important objective of providing an appropriate level of capital to protect stakeholders' interests and satisfy regulators.

The Group's objectives when managing capital are as follows:

- To ensure that capital is, and will continue to be, adequate for the safety, soundness and stability of the Group;
- To generate sufficient capital to support the Group's overall business strategy;
- To ensure that the Group meets all regulatory capital ratios and the prudent buffer required by the Board;
- To ensure that the average return on capital over a 3 -5 years performance cycle is sufficient to satisfy the expectations of investors;
- To maintain a strong risk rating;
- To ensure that capital allocation decisions are optimal, considering the return on economic and regulatory capital;
- To determine the capital required to support each business activity based on returns generated on capital to facilitate growth/expansion of existing businesses (i.e. capital allocation);
- To establish the efficiency of capital utilization.

(a) Minimum Capital Requirement

The Parent complied with the minimum capital requirement of N3billion for non-life operations. This is shown under Shareholders' Fund in the Statement of Financial Position.

(b) Solvency Status

The Parent met the criteria for solvency margin as stated in section 24(1) of the Insurance Act, CAP I17, LFN 2004, the solvency margin maintained is N23,713,851,281.

(c) Capital Adequacy Test

Based on the capital adequacy claculation below, NEM Insurance Plc has a surplus of N38.2 billion (2022: N26.6 billion).

	2023 N'000	2022 Restated N'000
Shareholders' fund as per Statement of Financial Position	38,695,671	26,983,131
Less:		
Intangible Assets	(42,161)	(15,721)
Deferred tax asset	-	(253,568)
Due from related parties	(488,577)	(176,540)
	(530,737)	**(445,829)**
Capital base	**38,164,934**	**26,537,302**

Management uses regulatory capital ratios to monitor its capital base. Based on the capital base computed above, the Parent capital base is above the minimum capital requirement of N3billion specified by NAICOM.

Notes To **The Financial Statements** Cont'd

For The Year Ended 31 December 2023

(D) Determination Of Solvency Margin

	Admissible	Inadmissible	2023 N'000	2022 Restated N'000
Assets				
Cash and cash equivalents	7,082,792	824,759	7,907,551	7,573,184
Financial assets				
-FVTPL	10,463,494	-	10,463,494	5,800,623
-Amortised Cost	25,498,791	10,856,443	36,355,234	9,312,413
-FVOCI	75,219	-	75,219	53,731
Trade receivables	354,531	-	354,531	672,356
Insurance contract assets	-	-	-	-
Reinsurance contract assets	9,433,042	-	9,433,042	9,472,703
Investment in Subsidiary	435,000	-	435,000	-
Staff loans and advances	108,114		108,114	220,446
Other receivables and prepayments	-	1,767,309	1,767,309	581,362
Investment Properties	2,353,946	-	2,353,946	-
Property, plant and equipment	1,353,117	2,706,233	4,059,350	1,332,433
Right-of-use Assets	-	609,015	609,015	-
Intangible assets	42,161	-	42,161	15,721
Statutory deposit	320,000		320,000	320,000
Admissible assets	**57,520,206**	**16,763,759**	**74,283,965**	**35,354,972**
Liabilities				
Insurance contract liabilities	25,097,847		25,097,847	14,674,166
Other Insurance contracts liabilities	783,901		783,901	487,527
Borrowings	1,557,737		1,557,737	-
Provisions and other payables	2,015,522		2,015,522	1,570,560
Lease liabilities	473,241		473,241	35,999
Retirement benefits obligations	-		-	29,497
Current income tax liabilities	1,154,348		1,154,348	378,179
Deferred tax payable	-	4,505,697	4,505,697	3,687
Admissible liabilities	**31,082,597**	**4,505,697**	**35,588,294**	**17,179,615**
Solvency margin	26,437,610			18,175,357
A. Minimum share capital	3,000,000			3,000,000
B. 15% of Net premium	6,570,287			3,322,524
C. Higher of A and B	6,570,287			3,322,524
Surplus in solvency margin	19,867,323			14,852,833
Percentage of solvency	75%			82%

The Company's capital requirement ratio and Solvency margin are above the requirements of the Insurance Act CAP I17, LFN 2004.

NEM

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Asset and Liability Management

The Group is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities.

Asset and Liability management (ALM) attempts to address financial risks the group is exposed to which include interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long term its investment proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. ALM ensures that specific assets of the group is allocated to cover reinsurance and liabilities of the Group.

The Group manages these positions within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance contracts. The notes below show how the Group has managed its financial risks.

Company Hypothetication Table as at 31 December 2023

	Policyholders funds	Shareholders' funds	Total
	N'000	N'000	N'000
Assets			
Cash and cash equivalents	7,082,792	824,759	7,907,551
Financial assets			
-FVTPL	10,463,494	-	10,463,494
-FVOCI	-	75,219	75,219
- At amortised cost	7,405,696	28,949,538	36,355,234
Trade receivables	-	354,531	354,531
Reinsurance contract assets	9,433,042		9,433,042
Other receivables and prepayment	-	1,875,423	1,875,423
Investment in Subsidiaries	-	435,000	435,000
Investment properties	-	2,353,946	2,353,946
Statutory deposit	-	320,000	320,000
Intangible assets	-	42,161	42,161
Property, plant and equipment	-	4,059,350	4,059,350
Right-of-use Assets	-	609,015	609,015
Deferred tax assets	-	-	-
Total assets	**34,385,024**	**39,898,941**	**74,283,965**
Liabilities:			
Insurance contract liabilities	25,097,847	-	25,097,847
Other Insurance contract liabilities	-	783,901	783,901
Borrowings		1,557,737	1,557,737
Other payables	-	2,015,522	2,015,522
Lease liabilities	-	473,241	473,241
Retirement benefit obligations	-	-	-
Income tax liability	-	1,154,348	1,154,348
Deferred tax liabilities	-	4,505,697	4,505,697
Total liabilities	**25,097,847**	**10,490,447**	**35,588,294**
Gap	**9,287,177**	**29,408,495**	**38,695,672**

Notes To **The Financial Statements** Cont'd
For The Year Ended 31 December 2023

Company Hypothetication Table as at 31 December 2022 (Restated)

	Policyholders funds N'000	Shareholders' funds N'000	Total N'000
Assets			
Cash and cash equivalents	7,573,184	1,268,998	8,842,182
Financial assets			
-FVTPL	5,800,623	-	5,800,623
-FVOCI	-	53,731	53,731
- At amortised cost	-	12,159,020	12,159,020
Trade receivables	-	672,356	672,356
Reinsurance contract assets	9,472,703	-	9,472,703
Other receivables and prepayment	-	581,362	581,362
Investment in Subsidiaries	-	150,000	150,000
Investment properties	-	1,813,768	1,813,768
Statutory deposit	-	320,000	320,000
Intangible assets	-	15,721	15,721
Property, plant and equipment	-	3,878,192	3,878,192
Right-of-use Assets	-	149,520	149,520
Deferred tax assets	-	253,568	253,568
Total assets	**22,846,510**	**21,316,236**	**44,162,746**
Liabilities:			
Insurance contract liabilities	14,674,166	-	14,674,166
Other Insurance contract liabilities	-	487,527	487,527
Borrowings	-	-	-
Other payables	-	1,570,560	1,570,560
Lease liabilities	-	35,999	35,999
Retirement benefit obligations	-	29,497	29,497
Income tax liability	-	378,179	378,179
Deferred tax liabilities	-	3,687	3,687
Total liabilities	**14,674,166**	**2,505,449**	**17,179,615**
Gap	**8,172,344**	**18,810,787**	**26,983,131**

The main objectives of the Parent when managing capital are:
to ensure that the Minimum Capital Requirement of N3 billion as required by the Insurance Act CAP I17, LFN 2004, is maintained at all times.

This is a risk based capital method of measuring the minimum amount appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The calculation is based on applying capital factors to amongst others, the Parent's assets, outstanding claims, unearned premium reserve and assets above a certain concentration limit.

Other National Disclosure

Other National Disclosure
Statement Of Value Added - Group
For The Year Ended 31 December 2023

	2023 N'000	%	2022 Restated N'000	%
Insurance revenue				
Local	52,112,435		31,433,600	
Foreign	-		-	
Other Income:				
Local	20,024,374		3,244,601	
Foreign	-		-	
	72,136,809		**34,678,201**	
Bought in Services:				
Local	(46,328,950)		(24,801,763)	
Foreign	-		-	
Value Added	**25,807,859**	**100**	**9,876,438**	**100**
Applied as follows:				
Employees				
Salaries and other employees benefits	2,310,268	9	1,889,357	19
Provider of Capital				
Dividend to Shareholders	1,504,943	6	1,103,625	11
Government				
Taxation	5,929,070	23	96,667	1
Retention and Expansion				
Depreciation and Amortisation Charges	463,879	2	297,556	3
Contingency reserves	2,650,915	10	1,087,811	11
Retained profit for the year	12,948,785	50	5,401,422	55
Value Added	**25,807,859**	**100**	**9,876,438**	**100**

Value added represents the additional wealth the Group has been able to create on its own and its employees' efforts. This statement shows the allocation of the wealth between employees, shareholders, government and that retained for the future creation of more wealth.

Other National Disclosure
Statement Of Value Added - Parent
For The Year Ended 31 December 2023

	2023 N'000	%	2022 Restated N'000	%
Insurance Revenue:				
Local	51,993,997		31,433,600	
Foreign	-		-	
Other Income:				
Local	19,960,824		3,191,110	
Foreign	-		-	
	71,954,821		**34,624,710**	
Bought in Services:				
Local	(46,080,861)		(24,764,539)	
Foreign	-		-	
Value Added	**25,873,960**	**100**	**9,860,171**	**100**
Applied as follows:				
Employees				
Salaries and other employees benefits	2,099,928	8	1,877,383	19
Provider of Capital				
Dividend to Shareholders	1,504,943	6	1,103,625	11
Government				
Taxation	5,924,145	23	94,941	1
Retention and Expansion				
Depreciation and Amortisation Charges	439,452	2	295,557	3
Contingency reserves	2,650,915	10	1,087,811	11
Retained profit for the year	13,254,576	51	5,400,854	55
Value Added	**25,873,960**	**100**	**9,860,171**	**100**

Value added represents the additional wealth the Company has been able to create by its own and its employees' efforts. This statement shows the allocation of the wealth between employees, shareholders, government and that retained for the future creation of more wealth.

Other National Disclosure
Five Year Financial Summary - Group

Statement Of Financial Position

	2023 N'000	2022 Restated N'000	2021 Restated N'000	2020 Restated N'000	2019 Restated N'000
Assets					
Cash and Cash Equivalents	8,002,993	8,878,011	7,895,469	7,352,189	8,101,885
Financial assets					
- At fair value through profit or loss	10,463,494	5,800,623	5,354,017	4,479,121	2,485,564
- At fair value through other comprehensive income	75,219	53,731	84,884	81,318	70,028
- At amortised cost	36,355,234	12,159,020	8,143,491	6,105,529	2,130,855
Insurance Contract assets	-	-			
Trade Receivable	450,143	672,356	1,479,056	228,140	207,484
Reinsurance Contract Assets	9,433,042	9,472,703	7,428,571	4,703,036	5,248,767
Investment in Associate	-	-	-	412,741	435,165
Investment Properties	2,353,946	1,813,768	1,706,167	1,617,609	1,589,278
Intangible Assets	54,110	15,721	10	10	1,225
Property, plant and equipment	4,202,175	3,886,188	3,794,957	2,922,422	3,031,838
Right-of-use Assets	609,015	149,520	209,920	-	-
Other Receivables and Prepayment	2,148,365	723,429	414,712	470,727	683,375
Statutory Deposit	320,000	320,000	320,000	320,000	320,000
Deferred tax asset	-	256,411	257,505	263,035	291,203
Total Assets	**74,467,735**	**44,201,481**	**37,088,759**	**28,955,877**	**24,596,667**
Liabilities					
Insurance Contract Liabilities	25,285,724	14,674,166	11,557,642	7,939,241	8,190,768
Other Insurance contract liabilities	857,381	487,527	410,728	585,327	298,046
Borrowings	1,557,737	-			
Other Payables	2,093,470	1,575,721	1,531,528	1,267,300	1,109,555
Lease Liabilities	473,241	35,999	139,623	47,963	-
Income Tax Liabilities	1,155,152	379,224	623,508	675,783	462,419
Deferred Tax Liability	4,507,627	3,687	10,387	-	356,500
Retirement Benefit Obligations	-	29,497	52,414	78,960	81,635
Total liabilities	**35,930,332**	**17,185,821**	**14,325,830**	**10,594,574**	**10,498,923**
Net Assets	**38,537,404**	**27,015,659**	**22,762,929**	**18,361,303**	**14,097,744**
Equity					
Share Capital	5,016,477	5,016,477	5,016,477	5,016,477	2,640,251
Share Premium	-	-	-	-	272,551
Other Reserves-gratuity	-	58,581	72,495	71,147	111,455
FVOCI reserve	(46,277)	(67,765)	(36,612)	(40,178)	(51,468)
Asset revaluation reserve	2,107,964	2,107,964	2,107,964	1,094,475	1,094,475
Contingency Reserve	9,837,510	7,186,595	6,098,784	5,213,927	4,198,848
Retained Earnings	21,578,802	12,713,807	9,503,821	7,005,455	5,831,632
Non controlling interests	42,927				
Shareholders' Fund	**38,537,403**	**27,015,659**	**22,762,929**	**18,361,303**	**14,097,744**

Other National Disclosure
Five Year Financial Summary - Group

Statement Of Financial Position

	2023 N'000	2022 Restated N'000	2021 Restated N'000	2020 Restated N'000	2019 Restated N'000
Income Statement					
Insurance revenue	52,112,435	31,433,600	26,545,254	21,682,189	19,259,541
Insurance Service exp	(34,218,973)	(22,693,835)	(18,947,902)	(13,377,938)	(12,835,699)
Net expenses on Reinsurance contracts	(12,795,475)	(2,480,675)	(747,957)	(2,324,108)	(2,075,145)
Insurance Service Result	**5,097,987**	**6,259,090**	**6,849,395**	**5,980,143**	**4,348,697**
Other Revenue	19,789,453	3,071,200	1,785,351	2,490,666	1,143,774
Other Expenses	(6,009,585)	(3,832,201)	(4,207,514)	(3,289,820)	(3,553,738)
Profit Before Tax	**18,877,855**	**5,498,089**	**4,427,232**	**5,180,989**	**1,938,733**
Income tax	(5,929,070)	(96,667)	(141,043)	(96,337)	456,633
Profit For the Year	**12,948,785**	**5,401,422**	**4,286,189**	**5,084,652**	**2,395,366**
Other Comprehensive (loss)/income					
for the year	10,025	(45,067)	1,018,403	(29,018)	(35,712)
Total Comprehensive Income	**12,958,810**	**5,356,355**	**5,304,592**	**5,055,634**	**2,359,654**
for the year					
Basic EPS (Kobo)	260	108	85	96	45
Diluted Basic EPS (Kobo)	260	108	85	96	45

Other National Disclosure
Five Year Financial Summary - Parent

Statement Of Financial Position

	2023 N'000	2022 Restated N'000	2021 Restated N'000	2020 Restated N'000	2019 Restated N'000
Assets					
Cash and Cash Equivalents	7,907,551	8,842,182	7,841,181	7,326,758	8,095,230
Financial Assets					
- At fair value through profit or loss	10,463,494	5,800,623	5,354,017	4,479,121	2,485,564
- At fair value through other comprehensive income	75,219	53,731	84,884	81,318	70,028
- At amortised cost	36,355,234	12,159,020	8,143,491	6,105,529	2,130,855
Insurance contract assets	-	-	-	-	-
Trade Receivable	354,531	672,356	1,479,056	228,140	207,484
Reinsurance Contract Assets	9,433,042	9,472,703	7,428,571	4,703,036	5,248,767
Investment in Associate	-	-	-	412,741	435,165
Investment in Subsidiary- NEM Asset Management Limited	435,000	150,000	150,000	100,000	50,000
Investment Properties	2,353,946	1,813,768	1,706,167	1,617,609	1,589,278
Intangible Assets	42,161	15,721	10	10	1,225
Property, plant and equipment	4,059,350	3,878,192	3,784,962	2,922,422	3,030,737
Right-of-use Assets	609,015	149,520	209,920	-	-
Other Receivables and Prepayments	1,875,423	581,362	263,776	374,862	627,253
Statutory Deposit	320,000	320,000	320,000	320,000	320,000
Deferred tax asset	-	253,568	253,568	253,568	281,736
Total Assets	**74,283,965**	**44,162,746**	**37,019,603**	**28,925,114**	**24,573,322**
Liabilities					
Insurance Contract Liabilities	25,097,847	14,674,166	11,557,642	7,939,241	8,190,768
Other insurance contract liabilities	783,901	487,527	410,728	585,327	298,046
Borrowings	1,557,737	-	-		
Other Payables	2,015,522	1,570,560	1,499,104	1,266,000	1,105,351
Lease liabilities	473,241	35,999	139,623	47,963	-
Income Tax Liabilities	1,154,348	378,179	618,736	670,286	457,987
Deferred Tax Liability	4,505,697	3,687	10,387	-	356,500
Retirement Benefit Obligations	-	29,497	52,414	78,960	81,635
Total liabilities	**35,588,294**	**17,179,615**	**14,288,634**	**10,587,777**	**10,490,287**
Net Assets	**38,695,672**	**26,983,131**	**22,730,969**	**18,337,337**	**14,083,035**
Equity					
Share Capital	5,016,477	5,016,477	5,016,477	5,016,477	2,640,251
Share Premium	-	-	-	-	272,551
Other Reserves-gratuity	-	58,581	72,495	71,147	111,455
FVOCI reserve	(46,277)	(67,765)	(36,612)	(40,178)	(51,468)
Asset revaluation reserve	2,107,964	2,107,964	2,107,964	1,094,475	1,094,475
Contingency Reserve	9,837,510	7,186,595	6,098,784	5,213,927	4,198,848
Retained Earnings	21,779,997	12,681,279	9,471,861	6,981,489	5,816,923
Shareholders' Fund	**38,695,671**	**26,983,131**	**22,730,969**	**18,337,337**	**14,083,035**

Other National Disclosure
Five Year Financial Summary - Parent

Statement Of Financial Position

	2023 N'000	2022 Restated N'000	2021 Restated N'000	2020 Restated N'000	2019 Restated N'000
Income Statement					
Insurance revenue	51,993,997	31,433,600	26,545,254	21,682,189	19,259,541
Insurance Service exp	(34,116,367)	(22,693,835)	(18,947,902)	(13,377,938)	(12,835,699)
Net expenses on Reinsurance contracts	**(12,795,475)**	**(2,480,675)**	**(747,957)**	**(2,324,108)**	**(2,075,145)**
Insurance Service Result	5,082,155	6,259,090	6,849,395	5,980,143	4,348,697
Other Revenue	19,725,902	3,054,134	1,743,972	2,449,659	1,099,009
Other Expenses	(5,629,337)	(3,817,429)	(4,181,855)	(3,260,991)	(3,530,785)
Profit Before Tax	**19,178,721**	**5,495,795**	**4,411,512**	**5,168,811**	**1,916,921**
Income tax	(5,924,145)	(94,941)	(133,317)	(93,416)	461,133
Profit For the Year	**13,254,576**	**5,400,854**	**4,278,195**	**5,075,395**	**2,378,054**
Other Comprehensive (loss)/income					
for the year	10,025	(45,067)	1,018,403	(29,018)	(35,712)
Total Comprehensive Income	**13,264,601**	**5,355,787**	**5,296,598**	**5,046,377**	**2,342,342**
for the year					
Basic EPS (Kobo)	264	108	85	96	45
Diluted Basic EPS (Kobo)	264	108	85	96	45

Shareholders Information

Proxy **Form**

NUMBER OF SHARES HELD:		FOR	AGAINST
1.0	**ORDINARY BUSINESS**		
	To receive the account and the Reports thereon		
	To declare a dividend		
	To re-elect Mr. Papa Ndiaye as a Director		
	To re-elect Mr. Kelechi Okoro as a Director		
	To ratify the appointment of Mr. Tope Smart as Chairman of the Company		
	To ratify the appointment of Mr. Andrew Ikekhua as Managing Director of the Company		
	To ratify the appointment of Mr. Idowu Semowo as Executive Director of the Company		
	To ratify the appointment of Chief Anthony Aletor as a Non – Executive Director of the Company		
	To ratify the appointment of Mrs. Abisola Giwa - Osagie as a Non – Executive Director of the Company		
	To ratify the appointment of Dr. Daphne Oterie Dafinone as a Non- Executive Director of the Company		
	To ratify the appointment of the External Auditors		
	To authorize the Directors to fix the remuneration of the External Auditors		
	To elect members of the Audit committee		
	To disclose the Remuneration of Managers of the company in line with Section 257 of the Companies and Allied Matters Act, 2020		
2.0	**SPECIAL BUSINESS**		
	To approve the remuneration of Non-Executive Directors.		
	To consider and if thought fit, pass the resolution as an ordinary resolution of the Company: "That the general mandate given to the company to enter into recurrent transactions with related parties for the company's day-to-day operations, including amongst others the procurement of goods and services, on normal commercial terms be and is hereby renewed.		
	Indicate with **"X"** in the appropriate box how you wish your vote to be cast on the resolutions set out above. Unless otherwise instructed, the Proxy will vote or abstain from voting at his / her discretion. Before posting the above form, please tear off this part and retain it for admission to the meeting.		

ADMISSION FORM

NEM INSURANCE PLC 54th ANNUAL GENERAL MEETING
Please admit the shareholder named on this form or his duly appointed proxy to the Annual General Meeting to be held at:

The Shell Hall, Muson Centre,
8/9, Marina, Onikan, Lagos.
On Tuesday 2nd July 2024 at 9.00am

Name of Shareholder(s):

……

Note: You are requested to sign this form at the entrance in the presence of the Registrar on the day of AGM……………….

……

Proxy **Form** Cont'd

I/We………..
being a Shareholder/Shareholders of NEM Insurance Plc, hereby appoint any of the underlisted persons as my/our Proxy to act and vote for me/us on my/our behalf at the 54th Annual General Meeting to be held on Tuesday, 2nd July 2024 and at any adjournment thereof.

1.	**Mr. Tope Smart**	Chairman
2.	**Mr. Andrew Ikekhua**	Managing Director
3.	**Mr. Idowu Semowo**	Executive Director
3.	**Mrs. Ifunanya Iwuagwu**	Company Secretary
4.	**Mr. Taiwo Oderinde**	Shareholder
5.	**Mr. Samuel Mpamaugo**	Shareholder
6.	**Mr. Christopher Ogba**	Shareholder

Dated this ……………………………. Day of …………………………………………….. 2024

Signature: ……………………………………………………………………………………..………………….……….

NOTE:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy in his stead. All proxies must reach the Registrars, Apel Capital Registrars Limited 8, Alhaji Bashorun Street off Norman Williams Crescent South-West Ikoyi, Lagos or emailed to registrars@apel.com.ng not less than 48 hours before the time of holding the meeting. A proxy need not to be a member of the company.

2. In the case of joint shareholders any one of such may complete the form, but the names of all joint shareholders must be stated.

3. It is a requirement of the law under the Stamp Duties Act. Cap S8 Laws of Federation of Nigeria 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of the shareholders must bear a Stamp Duty. This shall be at the company's expense.

4. If the shareholder is a corporation this form must be under its common seal or under the hand of any officer or attorney duly authorized in that behalf.

IMPORTANT

Please insert your name in BLOCK CAPITALS on both proxy and admission forms.

Apel Capital
Registrars Limited

PASSPORT PHOTOGRAPH HERE

SHAREHOLDER'S INFORMATION UPDATE

The Registrar,
Apel Capital Registrars Limited
8, Alhaji Bashorun Street
Off Norman Williams Crescent S.W. Ikoyi
Lagos State.

Kindly update my information with the following details below:

FULL NAME

CONTACT ADDRESS

EMAIL ADDRESS

MOBILE NUMBER

REMARK

Thank you,

Yours faithfully

Signature(s)

Company seal (if applicable)

Joint/Company's Signatories

Tick	Name of Company	Shareholder's Acct NO.
	ADAS PROGRAMME LIMITED	
	AIICO BALANCED FUND	
	ANINO INT'L PLC	
	ARBICO PLC	
	CALIPHATE SUKUK SPV LIMITED	
	CHAPEL HILL DENHAM MONEY MARKET FUND	
	CITITRUST FINANCIAL SERVICES PLC	
	EUNISELL INTERLINKED PLC	
	FSL ASSET MANAGEMENT MUTUAL FUND	
	INTERNATIONAL BREWERIES PLC	
	JEWEL SUKUK SPV LIMITED	
	JINLAS NIGERIA PLC	
	KSIP FUNDING SPV LIMITED SERIES 1	
	KSIP FUNDING SPV LIMITED SERIES 2	
	LAGOS COMMODITIES & FUTURES EXCHANGE	
	LASACO ASSURANCE PLC	
	LEAD UNIT TRUST SCHEME	
	LINKAGE ASSURANCE PLC	
	MANZ SPV LIMITED	
	MASS TELECOM INNOVATION PLC	
	METAL SECURITY PRODUCTS LTD	
	MUTUAL BENEFITS ASSURANCE PLC	
	MUTUAL TRUST MICROFINANCE BANK LTD	
	NCR NIGERIA PLC	
	NEM INSURANCE PLC	
	OGC FOODS & BEVERAGES LIMITED	
	PARAMOUNT EQUITY FUND	
	PHARMA DEKO PLC	
	RED STAR EXPRESS PLC	
	RICHGREEN MASTER INVESTMENT LIMITED	
	SKYWAY AVIATION HANDLING CO. PLC	
	TAJ SUKUK ISSUANCE PROGRAMME SPV PLC	
	THE INITIATES PLC	
	THE NIGERIA FOOTBALL FUND	
	VITAL PRODUCTS LIMITED	

SECOND FOLD HERE

Please Affix

Postage Stamp

FIRST FOLD HERE

APEL Capital Registrars Limited
8, Alhaji Bashorun Street
Off Norman Williams
Crescent South West Ikoyi
Lagos

THIRD FOLD HERE

Apel Capital Registrars Limited

E-DIVIDEND MANDATE ACTIVATION FORM

PASSPORT PHOTOGRAPH HERE

Please complete all section of this form to make it eligible for processing and return to the address below

The Registrar,
Apel Capital Registrars Limited.
8, Alhaji Bashorun Street
Off Norman Williams Str, S.W Ikoyi Lagos.

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my/our bank detailed below:

BVN ______________________

BANK NAME ______________________

ACCOUNT NUMBER ______________________

ACCOUNT OPENING DATE ______________________

SHAREHOLDER'S ACCOUNT INFORMATION

Surname/Company name **First Name** **Other Name**

Address

City **State** **Country**

Previous Address(if any)

CHN (if any)

Mobile telephone 1 **Mobile telephone 2**

Email address

Signature(s) **Company seal (if applicable)**

Joint/Company's Signatories

Note: This service cost N150.

Tick	Name of Company	Shareholder's Acct NO.
	ADAS PROGRAMME LIMITED	
	AIICO BALANCED FUND	
	ANINO INT'L PLC	
	ARBICO PLC	
	CALIPHATE SUKUK SPV LIMITED	
	CHAPEL HILL DENHAM MONEY MARKET FUND	
	CITITRUST FINANCIAL SERVICES PLC	
	EUNISELL INTERLINKED PLC	
	FSL ASSET MANAGEMENT MUTUAL FUND	
	INTERNATIONAL BREWERIES PLC	
	JEWEL SUKUK SPV LIMITED	
	JINLAS NIGERIA PLC	
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	THE INITIATES PLC	
	THE NIGERIA FOOTBALL FUND	
	VITAL PRODUCTS LIMITED	

Address: 8, Alhaji Bashorun Street, Off Norman Williams Crescent, S.W. Ikoyi Lagos
Email: registrars@apel.ng | **Tel:** 07046126698

SECOND FOLD HERE

Please Affix

Postage Stamp

FIRST FOLD HERE

APEL Capital Registrars Limited
8, Alhaji Bashorun Street
Off Norman Williams
Crescent South West Ikoyi
Lagos

THIRD FOLD HERE

NEM Insurance Plc RC:6971

NEM HOUSE:
199, Ikorodu Road, Obanikoro
P.O. Box 654 Marina, Lagos

Tel: 01-4489560-9,
Nem Support Centre: 01-4489570-2

Email: nem@nem-insurance.com

website: nem-insurance.com