Cornerstone Insurance Plc

ANNUAL REPORT

31 DECEMBER 2024

Contents

Corporate Information

Directors	Mr. Segun Adebanji	Chairman
	Mr. Stephen Alangbo	Managing Director/CEO
	Mr. Steve Iwenjora**	Non-Executive Director
	Ms. Elizabeth Amadiume	Independent Non-Executive Director
	Prof. Ogechi Adeola	Independent Non-Executive Director
	Mrs. Christabel Onyejekwe	Executive Director
	Mr. Chidiebere Nwokeocha*	Executive Director
	Mr. Peter Ekwueme	Executive Director
	**Resigned 31 July 2024*	
	***Retired 31 December 2024*	

Company Secretary
PAC Solicitors
10, Canaanland Street, Off Whitesands Avenue,
Lekki Phase 1,
Lagos.
FRC/2015/00000006026

Registered Office
Cornerstone Insurance Plc
136, Lewis Street,
Lagos Island
Lagos.
Tel: 01-2806500
Website: www.cornerstone.com.ng

Corporate Head Office
Cornerstone Insurance Plc
21, Water Corporation Drive,
Victoria Island,
Lagos
Tel: 01-2806500
Website: www.cornerstone.com.ng
E-mail: enquiries@cornerstone.com.ng

Registrars
Lighthouse Registrars Limited,
2/4 Davies Street,
Marina,
Lagos.

Auditor
KPMG Professional Services
KPMG Tower,
Bishop Aboyade Cole Street,
Victoria Island,
P.M.B 40014, Falomo,
Ikoyi, Lagos.
Website: www.kpmg.com/ng

Bankers
Access Bank Plc
First Bank of Nigeria Limited
Standard Chartered Bank Limited
Guaranty Trust Bank Plc
Wema Bank Plc
United Bank for Africa Plc
Stanbic IBTC Bank Plc
First City Monument Bank Limited
Heritage Bank Plc
Polaris Bank Limited
Union Bank Plc

Corporate Information

Bankers	Zenith Bank Plc Accion Microfinance Bank Ecobank Fidelity Bank Plc FSDH Merchant Bank Limited Keystone Bank Sun Trust Bank Sterling Bank Plc
Actuary	Becoda Consulting 7, Ibiyinka Olorunbe Close, Victoria Island, Lagos. Lagos. FRC/2015/NAS/00000012946
Property Valuers	Funsho Oladimeji & Company 4, Ikosi Road, Off Kudirat Abiola Way, Oregun, Ikeja, Lagos. FRC/2012/0000000000109
	John Odiba & Partners 29, Majia Plaza, Opposite Al-Ansar Centre for Comprehensive Education, Sahara Estate, Gwarimpa, Abuja. FRC/2022/00000014211
Custodian for Annuity Fund	Access Pension Fund Custodian Limited 18, Ahmadu Bello Way, Victoria Island, Lagos.
Lagos Branches	1.) 136, Lewis Street, Lagos. Tel: 01-2632863, 2630722, 2631832 2.) 6, Adeniyi Jones Avenue, (Opp. Wahum) Ikeja, Lagos. Tel: 08028339619 3.) Polysonic Mall (2nd floor), 42/44, Warehouse Road, Apapa, Lagos. Tel: 08034419914 4.) 191, Herbert Macaulay Street, Yaba. Tel: 08033809494, 07029043354 5.) 71,Emma Abimbola Cole Street, Lekki, Lagos State.
Other Branches	1.) 67, Aboderin Layout, Oni & Sons Area, Ring Road, Ibadan. Tel: 08029094320 2.) 222, Aba/Portharcourt Road, Portharcourt, Rivers State. Tel: 08030609056, 08098609056 3.) 34, Gana Street, Maitama, Abuja. Tel: 08035026956, 07028415441 4.) 103, Hadejia Road, Fagge, Kano. Tel: 08157223541 5.) Ken Complex, No. 229 Jakpa Road, Effurun, Delta State. Tel: 08020602974, 08033889679
NAICOM Number	RIC 008
TIN	00842273-0001
RC No	163170

Consolidated Results at a Glance

In thousands of naira

As at 31 December	2024	2023	Change (2023/2024)	%
Financial Position				
Cash and cash equivalents	24,061,223	19,217,453	4,843,771	25
Financial assets				
- measured at FVOCI	40,925,655	25,536,235	15,389,419	60
- measured at FVTPL	22,430,538	10,849,481	11,581,057	107
- measured at amortised cost	13,015,608	8,077,587	4,938,021	61
Premium receivables	549,140	271,955	277,185	102
Other receivables and prepayments	1,274,283	1,506,257	(231,975)	(15)
Reinsurance contract assets	12,834,142	10,483,865	2,350,278	22
Deferred tax assets	-	861,211	(861,211)	(100)
Investment properties	872,000	765,000	107,000	14
Property and equipment	4,323,243	3,731,447	591,796	16
Intangible assets	15,172	8,061	7,111	88
Statutory deposit	1,200,000	1,200,000	-	-
Total assets	**121,501,003**	**82,508,551**	**38,992,451**	**47**
Insurance contract liabilities	45,144,044	35,174,039	9,970,006	28
Investment contract liabilities	1,053,426	800,145	253,281	32
Other insurance related liabilities	4,659,561	5,118,697	(459,137)	(9)
Other payables and accruals	4,551,196	3,651,199	899,998	25
Current tax liabilities	925,416	599,630	325,786	54
Deferred tax liabilities	4,519,969	3,235,097	1,284,872	-
Employees benefit obligations	7,048	10,972	(3,924)	(36)
Total liabilities	**61,004,279**	**48,589,780**	**12,414,500**	
Share capital	9,083,196	9,083,196	-	-
Share premium	183,165	183,165	-	-
Treasury shares	(67,130)	(67,130)	-	-
Contingency reserve	11,799,411	7,833,733	3,965,678	51
Fair value and other reserves	5,884,721	2,301,359	3,583,362	156
Retained earnings	32,833,837	14,122,858	18,710,979	132
Shareholders' funds	**59,717,200**	**33,457,180**	**26,260,020**	**78**
Non-controlling interest	779,523	461,591		
Total equity	**60,496,724**	**33,918,772**	**26,577,952**	**78**
Total liabilities and equity	**121,501,003**	**82,508,551**	**38,992,450**	**47**

Profit or Loss and Other Comprehensive Income
In thousands of naira

For the year ended 31 December	2024	2023	Change	%
Insurance revenue	38,669,485	25,914,108	12,755,377	49
Insurance service expense	(25,457,869)	(17,952,762)	(7,505,107)	42
Net expenses from reinsurance contracts held	(11,063,393)	(8,298,907)	(2,764,486)	33
Insurance service result	**2,148,223**	**(337,561)**	**2,485,784**	**(736)**
Investment return	35,814,280	24,510,268	11,304,012	46
Management and other expenses	(9,343,017)	(7,091,375)	(2,251,642)	32
Profit before tax	**28,619,486**	**17,081,332**	**11,538,154**	**68**
Tax expense	(2,725,982)	(3,242,571)	516,589	(16)
Profit for the year	**25,893,504**	**13,838,762**	**12,054,742**	**87**

Directors' Report

For the year ended 31 December 2024

The Directors present their annual report on the affairs of Cornerstone Insurance Plc ("the Company") and its subsidiary companies ("the Group"), together with the consolidated and separate financial statements and the independent auditor's report for the year ended 31 December 2024.

1. Legal form and principal activity:

The Company was incorporated on 26 July 1991 as a private limited liability company and converted to a public limited liability company on 17 June 1997.

The Company's principal activity continues to be the provision of risk underwriting and related financial services to its customers. Such services include provision of life and Non-life insurance services for both corporate and individual customers.

The Company has three subsidiaries - FIN Insurance Company Limited, Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria Limited and Cornerstone Leasing & Investment Limited. FIN Insurance Company Limited is a private limited liability company incorporated in Nigeria and its primary activity is the provision of general insurance business. Cornerstone Insurance Plc acquired 96.68% equity interest in Fin Insurance Company Limited in 2015 thereby qualifying Fin Insurance Company Limited as a subsidiary. Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria Limited is a Company incorporated in Nigeria and its primary activity is the provision of Takaful insurance business. Cornerstone Takaful Nigeria Limited commenced operation on 1 April 2020, with Cornerstone Insurance Plc owning 99.99% equity interest in Cornerstone Takaful Nigeria Limited. Cornerstone Leasing and Investment Limited commenced operations on 1 July 2004 and provided convenient asset acquisition options to both corporate organizations and individuals. Cornerstone Insurance Plc has 100% equity interest in Cornerstone Leasing and Investment Limited which is currently dormant
The consolidated financial statements include the results of its three subsidiaries.

2. Operating results:

In thousands of naira	Group 2024	2023	Company 2024	2023	Group YOY% Growth	Company YOY% Growth
Insurance revenue	38,669,485	25,914,108	30,365,388	20,006,981	49%	52%
Insurance service expenses	(25,457,869)	(17,952,762)	(18,783,178)	(14,141,057)	42%	33%
Profit before tax	28,619,486	17,081,332	17,665,968	10,276,582	68%	72%
Income tax expense	(2,725,982)	(3,242,571)	(1,284,140)	(867,368)	-16%	48%
Profit for the year	25,893,504	13,838,762	16,381,828	9,409,215	87%	74%

3. Dividend

The Board is pleased to recommend to Shareholders at the forthcoming Annual General Meeting (AGM), the declaration of a total dividend of N4,904,926,035.75, that is, 27 (twenty seven) kobo only per ordinary share of Fifty (50) kobo each for the year ended 31 December 2024 (2023: N2,906,622,836.00; 16 kobo per ordinary share of 50 kobo each).

4. Directors

The Directors of the Company who held the office during the year in line with section 385(2) of the Companies and Allied Matters Act (CAMA) were as follows

Names of Directors	Designation	Nationality
Mr. Segun Adebanji	Chairman	Nigerian
Mr. Stephen Alangbo	Managing Director/CEO	Nigerian
Mr. Steve Iwenjora**	Non-Executive Director	Nigerian
Prof. Ogechi Adeola	Independent Non-Executive D	Nigerian
Mrs. Christabel Onyejekwe	Executive Director	Nigerian
Mr. Chidiebere Nwokeocha*	Executive Director	Nigerian
Mr. Peter Ekwueme	Executive Director	Nigerian

**Resigned 31 July 2024*
***Retired 31 December 2024*

5. Director's shareholding

The Directors of the Company who held the office during the year, together with their direct and indirect interests in the issued share capital of the Company as recorded in the Register of Directors' shareholding and as notified by the Directors in line with section 301 and 302 of the Companies and Allied Matters Act (CAMA), 2020 and the listing requirements of the Nigerian Stock Exchange, were as follows:

Directors' Report

For the year ended 31 December 2024

Names of Directors	Direct Shareholding 2024	Direct Shareholding 2023	Indirect Shareholding 2024	Indirect Shareholding 2023
Mr. Segun Adebanji*	-	-	-	-
Mr. Steve Iwenjora*	-	-	-	-
Mrs. Elizabeth Amadiume	-	-	-	-
Mr. Chidiebere Nwokeocha	-	-	-	-
Dr. Ogechi Adeola	-	-	-	-
Mrs. Christabel Onyejekwe	100,000			
Mr. Stephen Alangbo	1,122,200	-	-	-
Mr. Peter Ekwueme	135,279			

** These Directors represent the interest of Banc-Assure and Capasure Limited on the Board of the Company.*

6. Directors' interest in contracts

None of the Directors has notified the Company for the purpose of Section 302 of the Company and Allied Matters Act, 2020 of any disclosable interest in contracts in which the Company was involved during the year ended 31 December 2024.

7. Substantial interest in shares

According to the Register of Members at 31 December 2024, no shareholder held more than 5% of the issued share capital of the Company except as disclosed as follows: (1) Capasure Limited - 5,547,786,518 (30.54%) (2) BANC-ASSURE LIMITED - (48.46%) 8,803,503,588

	31 December 2024 Number of shares	31 December 2024 %	31 December 2023 Number of shares	31 December 2023 %
Banc-assure Limited	8,803,503,588	48.46	8,803,503,588	48.46
Capasure Limited	5,547,786,518	30.54	5,547,786,518	30.54
	14,351,290,106	79.00	14,351,290,106	79.00

8. Shareholding Analysis

The analysis of the shareholding of the Company as at 31 December 2024 is as follows:

Range	Number of shareholders	Number of shares held	% of number of shareholders	% of number of shares held
1-500	1,511	279,379	5.27	0.00
501-1,000	1,084	773,040	3.78	0.00
1,001-5,000	5,848	15,706,091	20.39	0.09
5,001-10,000	5,567	38,253,529	19.41	0.21
10,001-20,000	5,290	72,216,548	18.45	0.40
20,001-50,000	4,489	139,593,570	15.65	0.77
50,001-100,000	2,201	150,174,290	7.68	0.83
100,001-500,000	2,209	414,211,277	7.70	2.28
500,001-1,000,000	234	163,258,606	0.82	0.90
1,000,001 and Above	243	17,171,926,395	0.85	94.53
Total	28,676	18,166,392,725	100.00	100.00

The analysis of the shareholding of the Company as at 31 December 2023 is as follows:

Range	Number of shareholders	Number of shares held	% of number of shareholders	% of number of shares held
1-500	1,324	256,964	4.48	0.00
501-1,000	1,048	737,642	3.55	0.00
1,001 - 5,000	5,896	15,843,382	19.96	0.09
5,001 - 10,000	5,745	39,415,071	19.45	0.22
10,001 - 20,000	5,492	74,887,108	18.60	0.41
20,001 - 50,000	4,750	147,679,051	16.08	0.81
50,001 - 100,000	2,336	159,093,729	7.91	0.88
100,001 - 500,000	2,435	456,076,305	8.25	2.51
500,001 - 1,000,000	245	170,620,154	0.83	0.94
Above 1,000,000	261	17,101,783,318	0.88	94.14
Total	29,532	18,166,392,724	100.00	100.00

Directors' Report

For the year ended 31 December 2024

9. Property and equipment

Information relating to changes in property and equipment is given in Note (15) to the consolidated and separate financial statements. In the opinion of the directors, the market value of the Group's properties is not less than the value shown in the consolidated and separate financial statements.

10. Acquisition of own shares

The shares of the Company are held in accordance with the Articles of Association of the Company. The details of the Company's interest in its own shares is given in Note 23(c).

11. Employment and Employees:

Human Capital

The Company's Human Capital unit is responsible for driving and enhancing the performance of the organisation as well as attracting high potential professionals. All Human Capital policies of the Company are subject to local laws and regulations in Nigeria. One of the objectives of the unit is to provide a work environment that is conducive for both personal and professional growth and ensure that Management aligns with global best practice.

Employees' health, safety and environment

The Company continues to maintain strict health and safety rules and practices in the work environment which are reviewed periodically. Health, safety and fire drills are regularly organised to keep employees alert at all times. Employees are adequately insured against occupational hazards. In addition, the Company provides health insurance for its employees and their immediate families at its expense.

Employment of physically challenged persons

The Company operates a non-discriminatory policy in the consideration of applications for employment, including those received from physically challenged persons. The Company's policy is that the most qualified and experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition. In the event that an employee becomes physically challenged in the course of employment, the Group is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. As at 31 December 2024, the Company had no physically challenged persons in its employment (2023: None).

Employees' Involvement and Training

The Company places considerable value on the involvement of its employees and has continued the practice of keeping them informed on matters affecting them as employees and in various factors affecting the performance of the Company. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

Management decisions are communicated to employees on matters that are of concern to them by utilising various means of internal communication, including internal memoranda, email, intranet portal, company-wide team building interactions, management meetings and business performance sessions among others.

The Company encourages the involvement of employees in the Company's performance through:

- Reward & Recognition schemes such as staff promos; awards for the best performing staff in different areas of the organization (Marketing & Support team);
- Profit sharing;
- No claim bonus for Company drivers.

For the 2024 financial year, a total of 281 employees attended 72 various training programs. The trainings were conducted using the following methods:

- e-Learning
- Virtual and classroom sessions
- Compliance trainings
- Local & international conferences
- Open programmes

Gender Equality in Employment

The Company is an equal opportunity employer that adheres strictly to the principles of equality in all employment decisions and interventions. In order to provide equal employment opportunities to all individuals, employment decisions are based on merit, available vacancies and organizational priority.

Staff breakdown	**2024**		**2023**	
Group				
Gender	**Number**	**%**	**Number**	**%**
Male	150	53	147	55
Female	131	47	119	45
Total	281	100	266	100

Directors' Report

For the year ended 31 December 2024

Company

Gender	**Number**	**%**	**Number**	**%**
Male	107	50	105	53
Female	105	50	95	47
Total	212	100	200	100

12. Donations and Charitable gifts

Group & Company

Donations during the year ended 31 December 2024 for the Group and Company amounted to ₦6,150,000.00 (2023: ₦14,391,000).
Donations made are as follows:

Description	**Organisation**	**Amount (₦)**
Sponsorship of NASU-OAU Ife Seminar on Annuity	NASU OAU IFE	400,000
Support for the international conference on mathematics sciences and optimization	Association of mathematics science and optimization	250,000
Sponsorship - 6th insurance open golf tournament	Ibadan golf club	2,500,000
Sponsorship for NGO humanitarian seminar	Adebisi Awawu foundation	3,000,000
Total		**6,150,000**

13. Complaints and Feedback

Introduction

At Cornerstone Insurance Plc, one of our core values is Empathy and this is reflected in the quality of our service delivery to our customers at all times. Our customers are the reason we are in business, to this end, we focus on delivering quality service at all times. We engage our customers and utilise feedback received to constantly improve on our service delivery, products offerings and distribution channels.

Complaints Channels

We take all feedbacks received from our customers as an opportunity to allow us serve them better, hence we channel a lot of resources to distilling the feedbacks and using the outcome

to improve on our services and product offerings to our customers. Our mode of collating customers' feedback includes but not limited to:

- Customer service representatives at our corporate head office and our various branches
- Complaint email channel: complaint@cornerstone.com.ng
- Our website platform: www.cornerstone.com.ng
- Customer service online: enquiries@cornerstone.com.ng

Resolution Mechanism

At Cornerstone Insurance Plc, we have put in place a standard system to ensure that customers' feedback is received and resolved promptly. True to this, we have a dedicated customer service unit, which is responsible for the prompt investigation and resolution of customers' complaints within the approved period. The unit interacts with other segments within the organisation to ensure that complaints are satisfactorily resolved.

Customers' complaints are stream-lined based on the type of the complaints to provide an enabling environment for proper monitoring, proper documentation and effective feedback process of received complaints. The process flow of customer complaint and resolution is as follows:

- The customer care officer acknowledges and attends to the various customers' complaints;
- The complaint is reviewed and addressed if it can be resolved at first level;
- Where the complaint can be resolved at the first level, a resolution is immediately provided to the customer;
- If such complaint cannot be resolved at the first level, the customer care officer forwards the complaint to the appropriate unit to handle;
- Upon resolution, the customer is contacted and the resolution is communicated to him. Thereafter, the case is closed and marked as resolved.

Customers' Opinions on Products

To enrich our customers' experience, we also periodically evaluate public/customer opinion about our services, products and policies. The evaluation is conducted in various ways including:

- One-on-one focus meetings with key customers
- Interviews with selected customers

Feedback on Customers' Complaints to Cornerstone Insurance Plc

Feedback on customers' complaints is provided to Management and other relevant units in the organisation. The feedback gathered ensures that:

- Cornerstone retains her customers as they feel appreciated and respected
- Quality service delivery is maintained and made uniform across the Cornerstone Group
- Identified improvement opportunities are presented to Management for implementation

The feedback is circulated to management staff through the Company's internal information channel.

Directors' Report

For the year ended 31 December 2024

Below is a report of complaints received and resolved by the Company during the year ended 31 December 2024.

Month	Complaints received during the year	Number of complaints resolved	Number of complaints unresolved**	Number of unresolved complaints with SLA*
January	-	-	-	-
February	1	1	-	-
March	2	2	-	-
April	1	1	-	-
May	1	1	-	-
June	2	2	-	-
July	-	-	-	-
August	1	1	-	-
September	3	3	-	-
October	-	-	-	-
November	1	1	-	-
December	2	2	-	-
Total	14	14	-	-

*Service Level Agreement

Complaints not resolved within the approved period, can be attributed mainly to unavailability of the customers via mail or phone call after the resolution of their complaint but all complaints are usually treated within 48 hours depending on the nature of the complaint.
The quantity of complaints received in 2024 was low as a result of our commitment to constantly engage our customers to understand and treat their concerns before they became complaints.

Complaints Management Policy
The Company has adopted a Complaint Management policy in compliance with the requirements of the Securities and Exchange Commission (SEC) rules and regulations. The policy sets out a broad framework by which the Company and its Registrars will manage shareholder enquiries and complaints in a fair, impartial, efficient and timely manner. The policy is available for viewing on the Company's website at www.cornerstone.com.ng

14. Code of Business Conduct and Business Ethics
In order to further strengthen the Company's Corporate Governance policies, the Company approved and implemented the following internal policies and practices which are reviewed periodically:

Code of Ethics: The Board has approved a Code of Business Ethics which requires that the Company and its employees, directors and all its stakeholders must operate in a manner that is consistent with the highest standards of conduct. The Code enunciates the Company's core values of Integrity, Empathy, Professionalism, Innovation and Team spirit.

The Code contains extensive provisions on the use of confidential information, conflict of interest, fair dealing, insider trading, anti-discrimination and harassment and other matters as stipulated in the SEC Code of Corporate Governance.

The Code of Ethics has been adequately communicated to all employees and each employee is required to read and execute same. Its implementation is adequately monitored.

Whistle Blowing Policy: The Whistle Blowing Policy of the Company specifically mandates members of staff to timely disclose any illegal, immoral or illegitimate practices including suspicious activities thereof that may adversely affect the Company and/or its stakeholders. The Company has a window for anonymous disclosures under this policy via a dedicated portal in addition to other channels through which employees may wish to make whistleblowing disclosures anonymously.

Employment Hand Book: The Employee Hand Book of the Company regulates the conduct and affairs of members of staff.

Service Delivery: To facilitate quality service delivery to customers, the Company has in place Service Level Agreements (SLA), which regulate the contractual relationships among different units of the Company and their external vendors.

Fraud Policy: The Company's fraud policy is aimed at facilitating the development of controls that will aid the detection and prevention of fraud against the Company. The Company maintains its zero tolerance to fraud and non-compliance practices.

15. Events after the reporting date
There were no events after the reporting date which could have a material effect on the financial position of the Group and Company as at 31 December 2024 and the financial performance for the year ended on that date that have not been adequately provided for or disclosed in the consolidated and separate financial statements.

Directors' Report

For the year ended 31 December 2024

16. Enterprise Risk Management

Overview

The Company's Enterprise Risk Management (ERM) model originates from a compendium of International risk standards. Foremost of the three (3) models is the ISO 31000 - Risk Management - Principles and Guidelines. The definition of risk represents the foundation of the Company's risk management philosophy as contained in the ERM framework document. Corresponding supporting frameworks include:

- The COSO integrated framework
- The three (3) lines of risk defense model - Risk owners, ERM & Internal Control/Audit

In addition to developing veritable structures in responding to the traditional Insurance Industry risks of claims management and underwriting risks among others, the Board of Directors and Management appreciate the dynamism risk of the business. For this reason, risk management structures have been implemented to administer material changes in the corporate risk management framework. These risks include: compliance/ regulatory, health and safety, strategic, reputational, operational and financial risks.

The Board is vested with the overall responsibility of overseeing the Company's risk management and internal control mechanism. The Company's internal Audit/Control function is instituted to strategically manage overall risks rather than exclude material risks in relation to the attainment of corporate objectives. The Company promotes the culture of risk awareness through policy directives, communication and training. Management is responsible for identifying, assessing and addressing material risks, and designing internal controls accordingly. Standard operating procedures and inherent controls are subject to periodic reviews by the Enterprise Risk Management unit, Management and Board Committees. The key financial and non-financial risks and uncertainties faced by the Company, have been considered during the year, and our approaches to managing them, are described below.

The Cornerstone Enterprise Risk Management (ERM) Programme

The Company's Enterprise Risk Management (ERM) Programme comprises instituted structures designed to manage a myriad of uncertainties and threats and equally explore opportunities in enhancing the Company's performance standards. The Company's ERM practice involves a cross-functional and multi-dimensional approach to corporate risk management. An ERM unit has been specifically charged with the function of identifying, evaluating, monitoring and reporting uncertainties (risks and opportunities) that may impact on corporate objectives (ISO: 31000) using the RAG (Red, Amber and Green) rating methodology.

The Company's risk context delineates the scope of the risk management process and sets the standards against which risks will be assessed in accordance with the Company's primary objective to be the leading insurance based financial services Group that transforms. The Group appreciates the myriad of uncertainties inherent in underwriting insurance and managing ancillary risks and how such risks potentially impact achievement of business objectives if left unaddressed via a structured /multi-dimensional risk management approach. It is to this end that the Group's ethics, philosophy and risk culture are embodied in our integrated risk management and control function.

Enterprise Risk Management (ERM) Governance

A system of risk governance is realised by establishing standards related to organisational structure, risk strategy, written policies, limit systems, documentation and reporting. These structures ensure the timely movement of risk-related information and a structured approach towards decision- making and implementation.

The Governance Risk and Compliance Group

The Governance, Risk, Compliance (GRC) committee functions as a management committee that addresses broad issues of corporate governance, enterprise risk management, corporate compliance.

Its other functions include but are not limited to the following:

- Promotion of the overall risk management culture and awareness, maturity level in the company;
- Act in advisory capacity to Executive management on Governance risk compliance and control standards;
- Ensure overall compliance with regulatory requirements.

The operational framework of the G.R.C is governed by the ERM Committee charter as approved by the Board of Directors.

Risk Management Philosophy

The key elements of the Group's risk management philosophy are as follows:

- The Group considers sound risk management as the foundation of a long lasting financial institution.
- The Group shall continue to adopt a holistic and integrated approach to risk management.
- Risk officers shall be empowered to perform their duties professionally and independently without undue interference.
- Risk management shall be governed by policies which are well defined and clearly communicated Group-wide.
- Risk management represents a shared responsibility. Therefore, the Group aims to build a shared perspective on risks that is grounded on consensus.

Directors' Report

For the year ended 31 December 2024

Risk Culture

The Board and senior management set the tone-at-the-top, by promoting accountable approaches to risks which are targeted at ensuring that the long-term rewards and the reputation of the Group is not jeopardized in a bid to achieve set objectives.

- The primary responsibility for risk management and control is fully vested in the Board of Directors.
- The Group's management shall promote risk awareness and risk management practice across the enterprise.
- The Group advocates risk event reporting and whistle blowing, in the quest to gain greater insights into unethical practices.
- The Group shall maintain a firm obligation to ethical principles, which shall be demonstrated in the ethical performance of staff and in the decision making process.

Risk Management and Internal Control Integrated Framework

The ERM and Internal Audit/Control practice of the Group derives its functionality from the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management – Integrated Framework. The framework highlights the nucleus of the Enterprise Risk Management process, the synergy of operations amongst the Board of Directors, management and other personnel across the enterprise.

The Group's ERM/internal control integrated framework primarily consists of the following five (5) constituents in accordance with best practices:

- Control environment
- Risk assessment
- Control activities
- Information & communication
- Monitoring

Control environment

The Group's control environment refers to established standards and structures that provide a foundation for the risk management/internal control and actions to thrive across the Group. The Board of Directors and senior management institutes the tone at the top regarding the importance of internal control. Furthermore, the control environment comprises our five (5) corporate values of integrity, empathy, professionalism, innovation and team spirit that exhibit the Group's commitment to essential values. These values provide the necessary advantages that enables Management establish the mode of business operations and the Board of Directors to effectively execute its independent oversight functions by setting the tone at the top. The operating and corporate governance structure, establishment of standards of conduct, enforcement of accountability through structures and authorities represent critical success factors responsible for the thriving risk management culture within the Group thus far.

Risk assessment

Risk assessment involves an iterative method of identifying and evaluating risks that could constitute threats to the enterprise as a whole, usually emanating from business units and are capable of impacting the Group's objectives. Designated risk champions and risk officers are responsible for risk identification/reporting, while the ERM unit conducts an evaluation and assessment of risk identified, with the intention of developing action plans for implementation and assessing the effectiveness thereof. Risk assessment reports are presented at the quarterly Board meetings of the Enterprise Risk Management and Governance Committee.

The 2021 risk assessment was administered via the Risk Control Self-Assessment exercise. The objective is to identify risks across the enterprise via process owners and risk officers and evaluate the adequacy of internal control vis-a-vis risks identified using probability and impact metrics (RAG methodology). The Group shall ensure that risks are kept as low as reasonably practicable with similar emphasis on potential risk embedded therein.

Control activities

Control activities are actions instituted through internal practices that help safeguard the implementation of the Group's directives to mitigate risk exposures and or promote business opportunities that may possibly influence the achievement of corporate strategic objectives. Control activities are entity-specific and are performed at all levels across the Group at various stages within business processes and over the technology environment.

Information and Communication

The Group firmly appreciates that management of information is critical for the enterprise to proficiently implement internal control functions and has developed and utilises information from internal and external sources to underpin the current internal control system. This information also supports business decision-making.

Monitoring

The current corporate governance structure enables the Group to evaluate the efficacy of its policies and procedures, adherence to its internal control and risk management measures and communicates inherent and potential vulnerabilities in a timely manner to the authorities responsible for taking risk-based corrective actions, including Senior Management and Board Committees.

Reputational Risk Management

The Group maintains a zero tolerance policy against all unethical behaviour. Furthermore, the Group's corporate values continually promote a responsible approach to avoiding and mitigating reputational risks and ensure that the long term survival and brand image of the Group is not jeopardized.

Directors' Report

For the year ended 31 December 2024

Operational Risk Management

Operational risks represent the risk of losses that emanate from inadequate or failed internal processes, people and systems or from external events including legal and compliance risks. The operational risk management approach hinges on prompt identification and proactive management of operational risks via an interactive of all "the lines of defense" functions.

The Group recognizes the pervasiveness of several types of operational risks in our business process; hence policies and tools have been instituted to ensure that resultant impacts are kept as-low-as-reasonably-practicable (ALARP). Some of these policies and tools are:

i. Risk and Control Self-Assessment (RCSA)

The Risk and Control Self-Assessment tool is employed to manage operational risks using a combination probability and impact measurement to calculate risk scores. Risk officers working in designated departments are primarily responsible for risk identification in line with our first line of defence model, assessment, proffering action plans for implementing and determining the efficacy of these plans in order to mitigate risk exposures.

ii. Risk Acceptance Criteria (RAC)

The RAC tool ensures that risks are adequately profiled by the Technical team before such risks are underwritten. The essence of this tool is to ensure that the Company only accepts risks that are within its risk appetite. The output from the use of the tool also helps the Company to make informed decisions on all insurance policies to be underwritten.

iii. Risk Appetite Dashboard (RAD)

The RAD provides at a glance the acceptable business risk threshold for identified risk metrics. The dashboard once updated with particular risks, triggers the business owners whenever acceptable risk limits are exceeded. All business risk ratios are profiled on the risk dashboard and are meticulously tracked daily.

iv. Occupational Health and Safety Management System

The Group reviewed its Occupational Health and Safety Management System (OHSAS) design, in order to meet the requirements of the international standard for OHSAS 1800:2007. The review was necessitated by the need to establish measures aimed at upholding the Group's policy on low risk tolerance against occupational health and safety risks. Risk awareness via communication to staff remains a veritable medium to promote company-wide health and safety.

v. Anti-Money Laundering and Combating Financing of Terrorism (AML/ CFT) Risk Profiling

The AML/CFT risk based profiling was developed to enhance the company's internal standards towards compliance with assessment of AML/CFT risks and applying a risk-based approach as provided by the 2017 Financial Action Task Force (FATF) recommendations.

Regulatory Reporting on ERM Activities

The Group submitted the Financial Condition Report (FCR) and Own Risk and Solvency Assessment (ORSA) report, in compliance with regulatory reporting priorities of NAICOM.

Environmental and Social Risk Management

The Group's activity is classified as a Category C based on the 2017 Environmental and Social (E&S) monitoring exercise. This categorization is based on available information that the Group's operational activities have minimal or no adverse environmental and social impact.

The Group is committed to improving identified areas in its E&S performance via the Environmental and Social Action Plan (ESAP).

17. Independent Auditor

KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as auditor to the Company. In accordance with section 401(1) & (2) of the Companies and Allied Matters Act (CAMA), 2020 the auditor will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY THE ORDER OF THE BOARD OF DIRECTORS

Isaiah Oreweme
FRC/2014/PRO/NBA/002/00000006267
For: PAC Solicitors (Company Secretary)
10, Canaanland Street, Off Whitesands Avenue
Lekki Phase 1
Lagos, Nigeria
13 May 2025

Corporate Governance Report

Introduction
Governance is central to the operations and structure of the Company and good corporate governance is an essential part of the spirit of the Board. The Company's governance structures and practices align with applicable local legislation and international best practices including compliance with the Code of Corporate Governance issued by the National Insurance Commission (NAICOM) for the Insurance Industry in Nigeria and the Code of Corporate Governance for Public Companies issued by the Securities and Exchange Commission. Further, we ensure continuous review of our governance approach and practices to promote accountability and transparency.

The Board also ensures that its governance approach is reflected throughout the organisation and has developed a culture where managers at every level are accountable and stakeholder views are taken seriously. The Board determines the governance culture of the organisation and ensures that it leads by example by exhibiting responsible behaviour which is expected from every stakeholder in the organisation.

Governance Structure
The governance of the Company resides with the Board of Directors who are accountable to shareholders for creating and delivering sustainable value through the management of the Company's business.

The Board is responsible for the efficient operation of the Company and ensures the Company fully discharges its legal, financial and regulatory responsibilities. These oversight functions of the Board of Directors are exercised through its various Committees.

The matters which are more specifically reserved for the Board to ensure that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues are:
- Maintenance of clear investment objectives and risk management policies;
- Formulation and Monitoring of the Group's strategy and Implementation of that strategy;
- Monitoring all business activities of the Company from analysis of investment performance to review of quarterly management accounts;
- Capital raising and Budget Allocation
- Accounting policies, and financial reporting
- Internal Control
- Approval of material acquisitions and disposal of assets
- Consideration and approval of Board and Senior Management appointments or removals
- Shareholder communication
- Authorisation of Directors' conflicts or possible conflicts of interest;
- Review of terms of reference and membership of Board Committees;

The Board delegates the operational management of the Group's businesses to the Group Managing Director/ Chief Executive Officer who reports to the Board and who can sub-delegate any of his powers as appropriate.

Board Composition
The Board of Directors of Cornerstone Insurance Plc is comprised of experienced people with significant achievements in their respective professions.

At the beginning of the 2024 financial year, the Board comprised eight (8) Directors; five (5) Non-Executive Directors, two (2) of which are Independent Non-Executive Directors and three (3) Executive Directors. During the period under review, the Board received the resignation of Mr. Chidiebere Nwokeocha on July 31, 2024, while the tenure of Mr. Steve Iwenjora, representing African Capital Alliance, expired effective December 31, 2024.

The composition of the Board during the 2024 financial year is presented as follows:

Non-Executive Directors

Name	Position
Mr. Segun Adebanji	Chairman
Mr. Steve Iwenjora	Non-Executive Director (Tenure expired, effective December 31, 2024)
Ms. Elizabeth Amadiume	Independent Non-Executive Director
Prof. Ogechi Adeola	Independent Non-Executive Director
Mrs. Christabel Onyejekwe	Non-Executive Director

Corporate Governance Report

Executive Directors

Name	Position
Mr. Stephen Alangbo	Managing Director/CEO (Appointed July 1, 2023)
Mr. Chidiebere Nwokeocha	Executive Director, Business Development (Resigned July 31, 2024)
Mr. Peter Ekwueme	Executive Director, Technical/Operations (Appointed July 1 2023)

Board Appointment, Induction and Training
The Board through the Governance, Nomination and Remuneration Committee is responsible for determining the required knowledge, skills and experience, required for the Board as a whole and for individual members. Members are expected to meet the standard requirements set by the Board and should also possess expertise and insights in the industry and other areas relevant to the Company.

All new non-executive Directors appointed to the Board are issued a letter of appointment which contains their fiduciary duties as Directors, their roles and responsibilities, remuneration and information on Board meetings among other things. On appointment, Directors receive information about Cornerstone Insurance including financial data and key policies supporting the Company's business practices. They also receive copies of the Terms of Reference of the Board and committees to which they have been appointed and the Company's Memorandum and Articles of Association. All new Directors are required to disclose their memberships on other Boards and any real or potential conflict of interest situations which they are aware of.

Directors are encouraged to update their skills and knowledge and the Board and individual Directors receive ongoing training as required. In 2024, Board members attended trainings on 'AML/CFT/CPF and Regulatory Compliance: Insights and Key Oversight Responsibilities of the Board' and 'The Need for Responsible Use of Artificial Intelligence; What the Board Needs to Know'.

Meetings of the Board
The Board formally met five (5) times in 2024. The Board meets at least once every quarter to perform its oversight function and to monitor the performance of management. Special Board meetings are scheduled whenever business exigencies arise which require the urgent attention of the Board. Between meeting dates, the Board maintains regular contact with management.

Details of attendance by each of the Directors at Board meetings are shown in the table below.

Meetings					
Names	27-May-24	18-Jul-24	31-Jul-24	29-Oct-24	4-Dec-24
Mr. Segun Adebanji	✓	✓	✓	✓	✓
Mr. Steve Iwenjora	✓	✓	✗	✓	✓
Ms. Elizabeth Amadiume	✓	✓	✓	✓	✓
Prof. Ogechi Adeola	✓	✓	✓	✓	✓
Mrs. Christabel Onyejekwe	✓	✓	✓	✓	✓
Mr. Stephen Alangbo	✓	✓	✓	✓	✓
Mr. Peter Ekwueme	✓	✓	✓	✓	✓
Mr. Chidiebere Nwokeocha**	✓	✓	✓	NA	NA

Key: ✓ - Present ✗ - Absent NA- Not Applicable

Mr. Chidiebere Nwokeocha** resigned from the Board on 31st July 2024. This is indicated in the Table as 'Not Applicable' (NA)

Annual Board Evaluation
In compliance with the NAICOM Code of Corporate Governance, the Company appointed DCSL Corporate Services Limited to conduct the annual Board evaluation exercise for the year ended 31 December 2024. An abridged report of the Board evaluation would be published in the 2024 Annual Report.

The Governance, Nomination and Remuneration Committee would consider the full report of the Board evaluation carried out for the year ended 31 Dec 2024 to identify areas of specific focus.

Corporate Governance Report

Board Committees
The Board is supported by a number of committees which underpin the Board's assurance and oversight of the organisation. The Board committees are part of the Company's formal governance structure and provide the Board with regular reporting and formal assurance.
This helps the Board to spend a significant proportion of its time on strategic decision-making, whilst obtaining proper assurance that decisions across the organisation have been made effectively based on the correct information. The Chairman of each committee reports to the Board on their activities following each meeting of their respective committee.

The following are the current standing committees of the Board:
i. Risk Management, Audit and Compliance Committee
ii. Governance, Nomination and Remuneration Committee
iii. Finance, Investments and General Purpose Committee
iv. Statutory Audit Committee

All the Committees have Terms of Reference that guide Committee members in the execution of their duties. The Committees report to the Board and provide recommendations to the Board on matters reserved for Board approval.

Risk Management, Audit and Compliance Committee
The Risk Management, Audit and Compliance Committee, assists the Board to oversee the Group's risk management systems, practices and procedures to ensure effectiveness of risk identification, mitigation and management. The Committee also assists the Board in ascertaining the integrity of the Company's financial statements and compliance with all applicable legal and other regulatory requirements.

The Committee meets at least four (4) times in a year. The relevant members of the senior executive management team in attendance at the Committee's meetings include the Chief Risk Officer and Head of Internal Audit.

The members of the Risk, Management, Audit and Complaince Committee
Ms. Elizabeth Amadiume - Chairperson
Mr. Steve Iwenjora
Prof. Ogechi Adeola
Mrs. Christabel Onyejekwe

The details of the meeting attendance is as follows:

Meetings						
Names	2/21/2024	9-May-24	23-May-24	15-Jul-24	27-Jul-24	10/23/2024
Ms. Elizabeth Amadiume	✓	✓	✓	✓	✓	✓
Mr. Steve Iwenjora	✗	✗	✓	✗	✗	✓
Prof. Ogechi Adeola	✓	✓	✓	✓	✓	✓
Mrs. Christabel Onyejekwe*	NYA	✓	✓	✓	✓	✗

Key: ✓ - Present ✗ - Absent NYA- Not Yet Appointed

At some meetings, Mrs. Christabel Onyejekwe* was not a member of the Committee. This is indicated as 'Not Yet Appointed' (NYA)

Governance, Nomination and Remuneration Committee
The Governance, Nomination and Remuneration Committee is established as a Committee of the Board and is responsible for reviewing and making recommendations to the Board on the structure, size and composition of the Board. It also makes recommendation to the Board on the remuneration of all Board Members and Senior Management, and on effective corporate governnace policies in line with global best practices.

The Committee meets at least four (4) times a year. The Committee can exercise its discretion to request any Senior Management staff to attend its meetings to provide advice and assistance, where necessary.

Corporate Governance Report

The members of the Committee are:
Prof. Ogechi Adeola - Chairperson
Mr. Steve Iwenjora
Ms. Elizabeth Amadiume

Names	20-Feb-24	11-Jul-24	24-Jul-24	22-Oct-24
Prof. Ogechi Adeola	✓	✓	✓	✓
Mr. Steve Iwenjora	✗	✓	✗	✗
Ms. Elizabeth Amadiume	✓	✓	✓	✓

Key: ✓ - Present ✗ - Absent

Finance, Investment and General Purpose Committee
The Finance, Investment, and General Purpose Committee assists the Board in its oversight responsibilities over the Company's financial and investment strategy. The Committee also assists with establishing a framework or broad policy for investment and monitors the implementation of the Company's investment policies and procedures. The Committee oversees the Board's responsibilities in relation to the financial affairs of the Company and acts as a general purpose committee with power to act on all day-to-day matters not within the province of any other committee of the Company.

The Managing Director, Chief Financial Officer, Head of Treasury and Investment, Head of Marketing and Corporate Communications and Head of Legal are usually in attendance at the Committee's meetings to provide answers to the Committee on questions that may arise in the course of the meeting.

The members of the Committee are:
Mr. Steve Iwenjora - Chairman
Prof. Ogechi Adeola
Mrs. Christabel Onyejekwe
Mr. Stephen Alangbo
Mr. Peter Ekwueme
Mr. Chidiebere Nwokeocha

The details of the meeting attendance is as follows:

Meetings					
Names	21-Feb-24	15-Jul-24	29-Jul-24	23-Oct-24	28-Nov-24
Mr. Steve Iwenjora	✗	✓	✗	✓	✓
Prof. Ogechi Adeola	✓	✓	✓	✓	✓
Mrs. Christabel Onyejekwe*	NYA	✓	✓	✓	✓
Mr. Stephen Alangbo	✓	✓	✓	✓	✓
Mr. Peter Ekwueme	✓	✓	✓	✓	✓
Mr. Chidiebere Nwokeocha**	✓	✓	✓	NA	NA

Key: ✓ - Present ✗ - Absent NA - Not Applicable ᴧ - Not Yet Appointed

Mr. Chidiebere Nwokeocha** resigned during the period under review. This is indicated in the Table as 'Not Applicable' (NA)
At some meetings, Mrs. Christabel Onyejekwe* was not a member of the Committee. This is indicated as 'Not Yet Appointed' (NYA)

Statutory Audit Committee
The Statutory Audit Committee of the Group is a requirement of Section 404 (2) & (3) of the Companies and Allied Matters Act, 2020. The

Committee consists of five (5) members comprising of two (2) Non-Executive Directors and three (3) members of the shareholders.
The Committee's terms of reference are stated in Section 404(4) of the Companies and Allied Matters Act, 2020. The Committee is also guided by the provisions of Section 30 of the Code of Corporate Governance for Public Companies issued by the Securities and Exchange Commission.

The Committee meets at least four (4) times a year and each of these meetings are attended by relevant members of the Company's management team including the Managing Director, the Internal Auditor, Head of Strategy and Risk Management, Chief Finance Officer, Head of Finance and Performance Management, Head of Legal and where necessary, the External Auditors.

Corporate Governance Report

The roles and responsibilities of the Statutory Audit Committee are to:

- Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical
- Review the scope and planning of audit requirements;
- Review the findings on Management matters in conjunction with the external auditor and departmental responses thereon;
- Keep under review the effectiveness of the Company's system of accounting and internal control;
- Make recommendations to the Board with regard to the appointment, removal and remuneration of the external auditors of the Company;
- Authorise the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern to the
- Review the Company's whistle-blowing policy
- Monitor and review the effectiveness of the Company's internal audit function in the context of the Company's overall risk management system.

The members of the Statutory Audit Committee are:
Mr. Henry Olayemi - Chairman
Mr. Chibuzor Eke
Mr. Oyetunde Olaitan Emilius
Ms. Elizabeth Amadiume
Mrs. Christabel Onyejekwe

The details of the meeting attendance is as follows:

Meetings				
Names	7-May-24	15-Jul-24	27-Jul-24	23-Oct-24
Mr. Henry Olayemi	✓	✓	✓	✓
Mr. Chibuzor Eke	✓	✓	✓	✓
Mr. Oyetunde Olaitan Emilius	✓	✓	✓	✓
Ms. Elizabeth Amadiume	✓	✓	✓	✓
Mrs. Christabel Onyejekwe	✓	✓	✓	✗

Key: ✓ - Present ✗ - Absent

Information Flow and Access to Management
Comprehensive Board papers are circulated electronically and in print to the Directors before each meeting of the Board and Board Committees.
The Board papers highlight and address the agenda items on which the Managing Director will report and areas requiring approvals and decisions of the Board.
The Board has a good line of communication with management and can request the presence of any senior management staff to provide information when required at its meetings.

The Company Secretary is available to advise individual Directors on corporate governance matters.

Directors' Remuneration

The remuneration of Non-Executive Directors is competitive and comprises an annual fee and a meeting attendance allowance. The Board, through the Enterprise Risk Management (ERM) and Governance Committee, periodically reviews the remuneration package for Directors which is structured in a manner that does not compromise a Director's independence. The Company does not provide personal loans or credits to its Non-Executive Directors and publicly discloses the remuneration of each Director on an annual basis. In addition, the Company does not provide stock options to its Non-Executive Directors unless approved by shareholders at a general meeting.

Securities Trading Policy
In compliance with the Investments and Securities Act, 2007, the consolidated rules and regulations of the Securities and Exchange Commission and other relevant regulatory provisions, the Group has established a Securities Trading Policy which prohibits Directors, senior management, employees, professional advisers and every insider as described therein from abusing or placing themselves under the suspicion of abusing price sensitive information in relation to the Company's securities during closed periods. The policy is also available for viewing on https://cornerstone.com.ng/.

Cornerstone
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Risk Management Declaration

We, the Directors on behalf of Cornerstone Insurance Plc, hereby affirm to the best of our knowledge and belief, having made appropriate enquiries that:

a) The Company has instituted an operational structure aimed at adhering to the guidelines established by National Insurance Commission in relation to establishing a risk management framework for insurers and reinsurers in Nigeria;

b) The Board is satisfied with the efficacy of the methods surrounding the production of financial information of the Company;

c) The Enterprise Risk Management and Internal Control structure and functions are embedded in the Company's operational framework and are functioning effectively.

Mr. Stephen Alangbo
Managing Director/CEO
FRC/2017/PRO/DIR/003/00000016217
Lagos, Nigeria
13 May 2025

Mr. Segun Adebanji
Chairman
FRC/2014/ICAN/00000008434
Lagos, Nigeria
13 May 2025

Report of the Statutory Audit Committee

To the Shareholders of **Cornerstone Insurance Plc**

In compliance with the provisions of Section 404(7) of the Companies and Allied Matters Act (CAMA), 2020, the members of the Statutory Audit Committee of Cornerstone Insurance Plc report on the consolidated and separate financial statements for the year ended 31 December 2024 as follows:

i We confirm that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;

ii We have reviewed the scope and planning of audit requirements;

iii We have reviewed the findings on management matters in conjunction with the external auditor and departmental responses thereon;

iv We have kept under review the effectiveness of the Company’s system of accounting and internal control;

v We have made recommendations to the board with regard to the appointment, removal and remuneration of the external auditors of the Company;

SIGNED ON BEHALF OF THE COMMITTEE BY:

Mr. Henry Olayemi
Chairman, Statutory Audit Committee
FRC/2013/CISN/00000005191
Lagos, Nigeria
13 May 2025

Members of the Statutory Audit Committee are:

Mr. Henry Olayemi	Shareholders' representative	Chairman
Mr. Chibuzor Eke	Shareholders' representative	Member
Mr. Oyetunde Olaitan Emilius	Shareholders' representative	Member
Ms. Elizabeth Amadiume	Non-Executive Director	Member
Mrs. Christabel Onyejekwe	Non-Executive Director	Member

Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards 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 ("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 Directors by:

Mr. Segun Adebanji
Chairman
FRC/2014/ICAN/00000008434
Lagos, Nigeria
13 May 2025

Mr. Stephen Alangbo
Managing Director/CEO
FRC/2017/PRO/DIR/003/00000016217
Lagos, Nigeria
13 May 2025

Statement of Corporate Responsibility

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Group Managing Director and Chief Financial Officer, hereby certify the consolidated and seperate financial statements of Cornerstone Insurance Plc and its subsidiaries for the year ended 31 December 2024 as follows:

a) That we have reviewed the audited consolidated and separate financial statements of the Group and Company for the year ended 31 December 2024.

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 Company as of and for, the year ended 31 December 2024.

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 Company and its subsidiaries is made known to us by other officers of the companies, during the perio end 31 December 2024.

e) That we have evaluated the effectiveness of the Group and Company's internal controls within 90 days prior to the date of audited consolidated and separate financial statements, and certify that the Company'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 Company's Auditors and Statutory Audit Committee:

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

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

Signed:

Mr. Stephen Alangbo
Managing Director/CEO
FRC/2017/PRO/DIR/003/00000016217
Lagos, Nigeria
13 May 2025

Mr. Jubril Ajose
Chief Financial Officer
FRC/2013/ICAN/00000003148
Lagos, Nigeria
13 May 2025

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

I, Mr. Stephen Alangbo, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of Cornerstone Insurance Plc ("the Company") and its subsidiaries (together "the Group");
b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
d) The Group's other certifying officer and I:
    1) are responsible for establishing and maintaining internal controls;
    2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to 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* Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Statutory 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 Group'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 Group's internal control system.
f) The Group's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Name: Mr. Stephen Alangbo
Designation: Chief Executive Officer
FRC No: FRC/2017/PRO/DIR/003/00000016

Signature:____________________

Date: 13 May 2025

Cornerstone
RC 163170

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

I, Mr. Jubril O. Ajose, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of Cornerstone Insurance Plc ("the Company") and its subsidiaries (together "the Group");
b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
d) The Group's other certifying officer and I:
    1) are responsible for establishing and maintaining internal controls;
    2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to 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 Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Statutory 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 Group'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 Group's internal control system.
f) The Group's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Name: Mr Jubril O. Ajose
Designation: Chief Financial Officer
FRC No: FRC/2013/ICAN/00000003148

Signature:____________________

Date: 13 May 2025

Cornerstone Insurance PLC
Authorised & Regulated by the National Insurance Commission RIC 008

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Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024

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

The management of Cornerstone Insurance Plc assessed the effectiveness of the internal control over financial reporting of the Company and its subsidiaries (together "the Group") as of 31 December 2024 using the criteria set forth in Internal Control—Integrated Framework (2013 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 31 December 2024, the management of Cornerstone Insurance Plc did not identify any material weakness in its assessment of internal control over financial reporting.
As a result, management has concluded that, as of December 31, 2024, 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 2024 based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report is also included in the Annual Report.

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. Stephen Alangbo	Mr Jubril Ajose
MD/CEO	CFO
FRC/2017/PRO/DIR/003/00000016	FRC/2013/ICAN/00000003148

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Independent Auditor's Limited Assurance Report

To the Shareholders of Cornerstone Insurance Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Cornerstone Insurance Plc ("the Company") and its subsidiaries (together "the Group") as of 31 December 2024 is effective in accordance with the criteria established by Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Securities and Exchange Commission Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants *(including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

KPMG

Other matter

We have audited the consolidated and separate financial statements of Cornerstone Insurance Plc in accordance with the International Standards on Auditing, and our report dated 5 June 2025 expressed an unmodified opinion of those consolidated and separate financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of Cornerstone Insurance Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report on the Effectiveness of Internal Control Over Financial Reporting. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

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

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

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

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

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

Signed:

Kabir O. Okunlola
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
5 June 2025
Lagos, Nigeria

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Cornerstone Insurance Plc**

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion
We have audited the consolidated and separate financial statements of Cornerstone Insurance Plc ("the Company") and its subsidiaries (together, "the Group"), which comprise:
- the consolidated and separate statements of financial position as at 31 December 2024;
- 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 2024, 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 consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Insurance Contract Liabilities

The key audit matter

The Group and Company has significant life and non-life insurance contract liabilities. The valuation of insurance contract liabilities involves high estimation uncertainties and significant judgment over uncertain future outcomes. The measurement of insurance contract 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 uses both the Premium Allocation Approach (PAA) and General Measurement Model (GMM) under IFRS 17. Provisions for insurance contracts primarily comprise premium provisions (liability for remaining coverage, LRC) and claims provisions (liability for incurred claims, LIC). The IFRS 17 premium allocation approach (PAA) is applied for measurement of nonlife and group life insurance contracts while the General Measurement model is applied for the measurement of life insurance contracts.

The result of directors' 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 of non-life insurance contracts involve economic assumptions about inputs such as inflation rate, discount rates as well estimated future payments for claims, acquisition cashflows and the risk adjustment for non-financial risk hence the eventual outcome is uncertain.

The key actuarial assumptions used in the valuation of life insurance contract liabilities are judgmental, particularly with respect to the discount rates, lapse and surrender rates, mortality, longevity and morbidity rates, expense, risk adjustment, assets for acquisition cashflows and the amortization of the contractual service margin.

The level of complexity, the assumptions and judgment involved in estimating these amounts make insurance contract liabilities a matter of significance to our audit.

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 review of data used for the valuation of insurance contract liabilities.
- We evaluated the completeness, accuracy and relevance of data used in determining the assumptions by testing the underlying information on a sample basis.
- We considered the Group's valuation methodology and assumptions for consistency between reporting periods.
- Assisted by our actuarial specialists, 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.
    - — evaluated whether the timing and pattern of the entity's revenue recognition are in line with our expectations from work performed and our business understanding.
    - — assessed the assumptions used in estimating risk adjustments to evaluate whether they are in line with the requirements of the relevant accounting standard and industry practices.
    - — 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 and the general measurement model, considering the requirements of the relevant accounting standards.

The Group's accounting policy on valuation of insurance contract liabilities and related disclosures are shown in Note 3.2 Material Accounting policies, Note 4 Critical accounting estimates and judgments and Note 14 Insurance contract liabilities.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate information, Consolidated results at a glance, Director's report, Corporate governance report, risk management declaration, Report of the statutory audit committee, Statement of director's responsibilities, Statement of corporate responsibilities, Certification of management's assessment on internal control over financial reporting, Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 and other national disclosures which we obtained prior to the date of the auditor's report but does not include the consolidated and separate financial statements and our auditor's report thereon.

Other information includes Notice of Annual General Meeting, Chairman's Statement, GMD/CEO's Statement: Board of Directors and Management Team (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 and will 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 this 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.

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 consolidated and separate 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Statutory Audit 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 Statutory Audit 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.

From the matters communicated with the Statutory Audit 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

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 and returns.

Penalties

The Group paid penalties in respect of contravention of the requirements of the National Insurance Commission Guidelines and Circulars as well as National Pension Commission during the year ended 31 December 2024. Details of penalties paid are disclosed in note 38 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 31 December 2024. 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 5 June 2025.

Signed:

Kabir O. Okunlola
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
5 June 2025
Lagos, Nigeria

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0313818

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

For the year ended 31 December

In thousands of naira	***Note***	**Group 2024**	**Group 2023**	**Company 2024**	**Company 2023**
Insurance revenue	24(a)	38,669,485	25,914,108	30,365,388	20,006,981
Insurance service expense	24(a)	(25,457,869)	(17,952,762)	(18,783,178)	(14,141,057)
Net expenses from reinsurance contracts held	25	(11,063,393)	(8,298,907)	(9,215,025)	(5,957,538)
Insurance service result		**2,148,223**	**(337,561)**	**2,367,185**	**(91,614)**
Interest revenue using effective interest rate method	28	6,159,024	2,827,881	3,829,108	1,838,256
Net fair value (loss)/gain	29	(1,763,842)	613,172	(1,601,138)	613,172
Other investment income	30	432,685	498,089	284,197	334,015
Net gain from foreign exchange	31	30,831,685	20,244,148	20,241,523	13,005,976
Gain on deposit administration / investment contracts	18(a)	453,294	382,764	453,294	382,764
Impairment losses on financial assets	33	(298,566)	(55,786)	(286,154)	(12,651)
Investment return		**35,814,280**	**24,510,268**	**22,920,829**	**16,161,533**
Net finance expenses from insurance contracts issued	26	(481,300)	(1,030,184)	(536,603)	(1,030,184)
Net finance income from reinsurance contracts held	27	(648,221)	11,684	(630,888)	11,684
Net insurance finance expenses		**(1,129,521)**	**(1,018,500)**	**(1,167,491)**	**(1,018,500)**
Net financial result		**34,684,759**	**23,491,768**	**21,753,338**	**15,143,032**
Other operating income	32	74,151	21,010	64,373	7,286
Share of profit in joint venture	10(a)	-	361	-	-
Management expenses	34	(8,287,647)	(6,094,246)	(6,518,928)	(4,782,122)
Profit before minimum and income tax		**28,619,486**	**17,081,332**	**17,665,968**	**10,276,582**
Minimum tax	21(a)	(461,076)	(212,322)	(235,590)	(143,082)
Profit before tax		**28,158,410**	**16,869,010**	**17,430,379**	**10,133,500**
Income tax expense	21(a)	(2,264,906)	(3,030,249)	(1,048,551)	(724,286)
Profit for the year		**25,893,504**	**13,838,762**	**16,381,828**	**9,409,215**
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss					
Debt securities at FVOCI					
Net change in fair value	7.1(iv)	(232,065)	(620,249)	(164,924)	(620,249)
Expected credit losses		261,402	66,960	261,402	66,960
		29,337	**(553,289)**	**96,477**	**(553,289)**
Items that will not be reclassified to profit or loss					
Equity investments at FVOCI					
Net changes in fair value		3,025,617	2,005,314	2,821,683	1,559,339
Revaluation gain on property and equipment	23(f)(ii)	587,120	413,353	398,327	130,000
Related tax	21(c)(ii)	(58,712)	(41,990)	(39,833)	(13,000)
		3,554,025	**2,376,677**	**3,180,177**	**1,676,339**
Other comprehensive income, net of tax		**3,583,362**	**1,823,388**	**3,276,655**	**1,123,050**
Total comprehensive income for the year		**29,476,867**	**15,662,150**	**19,658,483**	**10,532,265**
Profit attributable to:					
Owners of the company		25,583,281	13,701,432	16,381,828	9,409,215
Non-controlling interests		310,223	137,330	-	-
Profit for the year		**25,893,504**	**13,838,762**	**16,381,828**	**9,409,215**
Total comprehensive income attributable to:					
Owners of the company		29,158,934	15,513,485	19,658,483	10,532,265
Non-controlling interest		317,932	148,665	-	-
		29,476,867	**15,662,150**	**19,658,483**	**10,532,265**
Basic and diluted earnings per share (Kobo)	36	142	76	91	52

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Financial Position

As at 31 December

In thousands of naira	Note	Group 2024	Group 2023	Company 2024	Company 2023
Assets					
Cash and cash equivalents	6	24,061,223	19,217,453	7,341,943	9,265,799
Financial assets					
- measured at FVOCI	7	40,925,655	25,536,235	39,380,009	24,128,751
- measured at FVTPL	7	22,430,538	10,849,481	21,248,306	10,849,481
- measured at amortised cost	7	13,015,608	8,077,587	148,737	133,998
Premium receivables	8	549,140	271,955	322,551	207,729
Other receivables and prepayments	9	1,274,283	1,506,257	940,275	2,123,762
Reinsurance contract assets	13	12,834,142	10,483,865	9,280,075	8,543,256
Deferred tax assets	21(c)	-	861,211	-	861,211
Investment in subsidiaries	11	-	-	5,008,847	3,620,847
Investment properties	12	872,000	765,000	-	-
Property and equipment	15	4,323,243	3,731,447	1,901,208	1,504,929
Intangible assets	16	15,172	8,061	9,726	343
Statutory deposit	17	1,200,000	1,200,000	500,000	500,000
Total Assets		**121,501,003**	**82,508,551**	**86,081,675**	**61,740,105**
Liabilities					
Insurance contract liabilities	14	45,144,044	35,174,039	37,837,078	31,211,425
Reinsurance contract liabilities	13(ii)	143,619	-	143,619	-
Investment contract liabilities	18	1,053,426	800,145	730,382	479,124
Other insurance related liabilities	19	4,659,561	5,118,697	3,417,237	4,451,110
Other payables and accruals	20	4,551,196	3,651,199	3,816,113	2,458,468
Current tax liabilities	21(b)	925,416	599,630	632,963	433,268
Deferred tax liabilities	21(c)	4,519,969	3,235,097	859,434	809,794
Employees benefit obligations	22	7,048	10,972	7,048	10,972
Total liabilities		**61,004,279**	**48,589,779**	**47,443,873**	**39,854,162**
Equity					
Share capital	23(a)	9,083,196	9,083,196	9,083,196	9,083,196
Share premium	23(b)	183,165	183,165	183,165	183,165
Treasury shares	23(c)	(67,130)	(67,130)	(67,130)	(67,130)
Contingency reserve	23(e)	11,799,411	7,833,733	7,925,430	5,864,929
Fair value and other reserves	23(f)	5,884,721	2,301,359	3,959,174	682,519
Retained earnings	23(d)	32,833,837	14,122,858	17,553,968	6,139,264
Equity attributable to owners of the company		**59,717,200**	**33,457,180**	**38,637,802**	**21,885,943**
Non-controlling interest	23(g)	779,523	461,591	-	-
Total equity		**60,496,724**	**33,918,772**	**38,637,802**	**21,885,943**
Total liabilities and equity		**121,501,003**	**82,508,551**	**86,081,675**	**61,740,105**

These consolidated and separate financial statements were approved by the Board on 13 May 2025 and signed on its behalf by:

Mr. Segun Adebanji
Chairman
FRC/2014/ICAN/00000008434

Mr. Stephen Alangbo
Managing Director/CEO
FRC/2017/PRO/DIR/003/00000016

Additionally certified by:

Mr. Jubril Ajose
Chief Financial Officer
FRC/2013/ICAN/00000003148

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Changes in Equity

For the year ended 31 December 2024
Group

In thousands of naira	Share Capital	Share Premium	Treasury Shares	Contingency Reserve	Fair value and other reserves	Retained Earnings	Shareholders' Equity	Non Controlling Interest	Total
At 1 January 2024	**9,083,196**	**183,165**	**(67,130)**	**7,833,733**	**2,301,359**	**14,122,858**	**33,457,180**	**461,592**	**33,918,772**
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	25,583,280	25,583,280	310,223	25,893,504
Revaluation gain on property and equipment, net of tax	-	-	-	-	528,408	-	528,408	-	528,408
ECL on FVOCI securities	-	-	-	-	261,402	-	261,402	-	261,402
Fair value changes on FVOCI securities	-	-	-	-	2,793,552	-	2,793,552	7,709	2,801,261
Total other comprehensive income for the year	-	-	-	-	3,583,362	25,583,280	29,166,643	317,932	29,484,575
Transfer to contingency reserve	-	-	-	3,965,678	-	(3,965,678)	-	-	-
Transactions with owners, recorded directly in equity									
Dividend paid	-	-	-	-	-	(2,906,623)	(2,906,623)	-	(2,906,623)
Total contributions by and distributions to equity holders		-	-	-	-	(2,906,623)	(2,906,623)	-	(2,906,623)
Balance as at 31 December 2024	**9,083,196**	**183,165**	**(67,130)**	**11,799,411**	**5,884,721**	**32,833,837**	**59,717,200**	**779,524**	**60,496,724**

For the year ended 31 December 2023
Group

In thousands of naira	Share Capital	Share Premium	Treasury Shares	Contingency Reserve	Fair value and other reserves	Retained Earnings	Shareholders' Equity	Non Controlling Interest	Total
At 1 January 2023	**9,083,196**	**183,165**	**(67,130)**	**5,559,616**	**477,971**	**2,695,544**	**17,932,361**	**312,927**	**18,245,288**
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	13,701,431	13,701,431	137,330	13,838,762
Revaluation gain on property and equipment, net of tax	-	-	-	-	371,363	-	371,363	-	371,363
ECL on FVOCI securities	-	-	-	-	66,960	-	66,960	-	66,960
Fair value changes on FVOCI securities	-	-	-	-	1,385,065	-	1,385,065	11,335	1,396,400
Total other comprehensive income for the year	-	-	-	-	1,823,388	13,701,431	15,524,819	148,665	15,673,485
Transfer to contingency reserve	-	-	-	2,274,117	-	(2,274,117)	-	-	-
Transactions with owners, recorded directly in equity									
Dividend paid	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2023	**9,083,196**	**183,165**	**(67,130)**	**7,833,733**	**2,301,359**	**14,122,858**	**33,457,180**	**461,592**	**33,918,772**

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Changes in Equity (Cont'd)

For the year ended 31 December 2024
Company

In thousands of naira	Share Capital	Share Premium	Treasury Shares	Contingency Reserve	Fair value and other reserves	Retained Earnings	Shareholders' Equity	Total
At 1 January 2024	**9,083,196**	**183,165**	**(67,130)**	**5,864,929**	**682,519**	**6,139,264**	**21,885,943**	**21,885,943**
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	16,381,828	16,381,828	16,381,828
Revaluation gain on property and equipment, net of tax	-	-	-	-	358,494	-	358,494	358,494
ECL on FVOCI securities	-	-	-	-	261,402	-	261,402	261,402
Fair value changes onf FVOCI securities	-	-	-	-	2,656,758	-	2,656,758	2,656,758
Total other comprehensive income for the year	-	-	-	-	3,276,655	16,381,828	19,658,483	19,658,483
Transfer to contingency reserve	-	-	-	2,060,501	-	(2,060,501)	-	-
Transactions with owners, recorded directly in equity								
Dividend paid	-	-	-	-	-	(2,906,623)	(2,906,623)	(2,906,623)
Total contributions by and distributions to equity holders	-	-	-	-	-	(2,906,623)	(2,906,623)	(2,906,623)
Balance as at 31 December 2024	**9,083,196**	**183,165**	**(67,130)**	**7,925,430**	**3,959,174**	**17,553,968**	**38,637,803**	**38,637,802**

For the year ended 31 December 2023
Company

In thousands of naira	Share Capital	Share Premium	Treasury Shares	Contingency Reserve	Fair value and other reserves	Retained Earnings	Shareholders' Equity	Total
At 1 January 2023	**9,083,196**	**183,165**	**(67,130)**	**4,508,692**	**(440,531)**	**(1,913,714)**	**11,353,678**	**11,353,678**
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	9,409,215	9,409,215	9,409,215
Revaluation gain on property and equipment, net of tax	-	-	-	-	117,000	-	117,000	117,000
ECL on FVOCI securities	-	-	-	-	66,960	-	66,960	66,960
Fair value changes onf FVOCI securities	-	-	-	-	939,090	-	939,090	939,090
Total other comprehensive income for the year	-	-	-	-	1,123,050	9,409,215	10,532,265	10,532,265
Transfer to contingency reserve	-	-	-	1,356,237	-	(1,356,237)	-	-
Transactions with owners, recorded directly in equity								
Total contributions by and distributions to equity holders	-	-	-	-	-	-	-	-
Balance as at 31 December 2023	**9,083,196**	**183,165**	**(67,130)**	**5,864,929**	**682,519**	**6,139,264**	**21,885,943**	**21,885,943**

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Cash Flows

For the year ended 31 December

In thousands of naira	***Note***	**Group 2024**	**Group 2023**	**Company 2024**	**Company 2023**
Cash flows from operating activities					
Insurance premium received	8	41,434,202	31,051,381	32,181,835	25,243,363
Premium deposits received	19(a)	827,429	2,539,782	827,429	2,367,831
Deposit liabilities - contributions during the year	18	618,561	639,393	618,561	487,338
Deposit liabilities - withdrawals during the year	18	(409,400)	(537,860)	(411,422)	(287,448)
Reinsurance premium paid	44(iv)	(16,801,465)	(12,707,767)	(12,578,539)	(9,332,731)
Commission received	44(v)	20,844	128,598	20,844	128,598
Claims paid during the year	14a(i),(ii)	(13,582,988)	(11,453,935)	(11,127,455)	(9,781,174)
Reinsurance claims recovered	13a	2,904,036	2,104,573	2,160,270	1,833,491
Acquisition cashflows	44(vi)	(5,150,893)	(4,277,890)	(3,383,120)	(3,233,400)
Management expenses and other operating cash payments	44(vii)	(8,146,469)	(2,848,213)	(6,440,724)	(3,091,717)
		1,713,856	4,638,063	1,867,678	4,334,151
Income tax paid	21(b)	(312,826)	(223,588)	(213,431)	(96,947)
Net cash flows from operating activities		1,401,030	4,414,475	1,654,248	4,237,204
Investing activities:					
Interest received	7(e)	6,235,114	2,103,866	3,231,565	1,698,114
Dividend received	44(ii)	197,581	413,748	168,148	329,691
Rent received	30	12,000	4,833	-	-
Purchase of property and equipment	15	(383,747)	(599,613)	(296,557)	(374,376)
Purchase of intangibles	16	(12,571)	(7,435)	(10,648)	-
Proceeds from liquidation of investment in joint venture	10(b)	-	510	-	280
Proceeds from Mingol properties	9(f)	-	46,778	-	21,080
Proceeds from sale of property and equipment	44(iii)	9,862	33,851	14,575	911
Purchases of financial assets	7(e)	(10,290,106)	(5,164,396)	(8,293,019)	(4,294,172)
Deposit for shares in Hilal Takaful	9(b)	-	-	-	(1,219,000)
Proceeds from sale/disposal/redemption of financial assets	7(e)	677,441	1,253,898	676,621	1,192,811
Net cash flows used in investing activities		(3,554,425)	(1,913,961)	(4,509,315)	(2,644,661)
Financing activities:					
Dividend paid	23(d)	(2,906,623)	-	(2,906,623)	-
Net cash flows used in financing activities		(2,906,623)	-	(2,906,623)	-
Net (decrease)/increase in cash and cash equivalents		(5,060,018)	2,500,515	(5,761,690)	1,592,543
Cash and cash equivalents, beginning of the year	6	19,217,453	10,885,696	9,265,799	5,957,724
Effect of exchange rate changes on cash and cash equivalents held	31	9,903,789	5,831,242	3,837,834	1,715,532
Cash and cash equivalents, end of the year		24,061,223	19,217,453	7,341,943	9,265,799

The accompanying notes form an integral part of these consolidated and separate financial statements.

Notes to the consolidated and separate financial statements

1.1 Reporting entity

Cornerstone Insurance Plc (the Company) was incorporated on 26 July 1991 as a private limited liability company and converted to a public limited liability company on 17 June 1997. The Company's principal activity continues to be the provision of risk underwriting and related financial services to its customers. Such service includes the provision of Life and Non-life insurance services for both corporate and individual customers.

The Company has three subsidiaries - Fin Insurance Company Limited, Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria

Fin Insurance Company Limited was incorporated in 1981 as Yankari Insurance Company Limited. The name was changed to Fin Insurance

The Company currently has authorized share capital of ₦9.25 billion divided into 18.5 billion units of ordinary shares of 50k each with a fully paid up capital of ₦9.083 billion. The Company currently has its corporate head office at Victoria Island, Lagos with branches spread across major cities and commercial centres in Nigeria. These consolidated financial statements comprise the financial records of Company and its subsidiaries (together referred to as "the Group").

The Group is domiciled in Nigeria with registered address at 136, Lewis street, Lagos Island, Lagos and Corporate head office at 21 Water Corporation drive, Victoria Island Lagos.

1.2 Principal activities

The Group is engaged in various business lines ranging from property-casualty insurance, life/ health insurance and leasing. The Group's products are classified at inception, for accounting purposes, as either Insurance contracts or Investment contracts.

A contract that is classified as insurance contract remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period; unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

1.3 Going concern

This consolidated and separate financial statements have been prepared using appropriate accounting policies, supported by reasonable judgments and estimates. The Directors have a reasonable expectation, based on an appropriate assessment of a comprehensive range of factors, that the Group has adequate resources to continue as going concern for the foreseeable future and has no intention or need to reduce substantially its business operations. Liquidity ratio, compliance with regulatory requirements, maintaining a net asset position and continuous evaluation of current ratio of the Group is carried out to ensure that there are no going concern threats to the operation of the Group.

2.1 Basis of accounting

Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Stardards Board (IFRS Accounting Standard) 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 (NAICOM) circulars. The consolidated and seperate financial statements were authorised by the Board of directors on 13 May 2025.

2.2 *Functional and presentation currency*

These consolidated and separate financial statements are presented in Nigerian Naira, which is the Group's and Company's functional and presentation currency. Except as indicated, financial information presented in Naira has been rounded to the nearest thousand.

2.3 *Basis of measurement*

These consolidated and separate financial statements have been prepared under the historical cost basis except for the following items which are measured on an alternative basis on each reporting date:

- financial instruments at fair value through profit or loss
- financial instruments measured at fair value through OCI
- Insurance and reinsurance contracts measured at fulfilment cash flows and if any contractual service margin (CSM).
- Investment properties measured at fair value

2.4 *Use of estimates and judgements*

The preparation of consolidated and seperate financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 4.

2.5 Reporting period

The consolidated and separate financial statements have been prepared for a 12-month period from 1 January 2024 to 31 December 2024.

2.6 List of Standards, Amendments to Standards and Interpretations effective for a 31 December 2024 year-end

- Amendments to IFRS 16: Lease Liability in a Sale and Leasedback
- Amendments to IAS 1 Classification of liabilities as current or non-current
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

Notes to the consolidated and separate financial statements

2.7 New standards and interpretations not yet effective for a 31 December 2024 year end

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements. Those Standards, Amendments to Standards and Interpretations which may be relevant to the Group (or Company) are set out below. The Group and Company do not plan to adopt these standards early. The standards will be adopted in the period that they become mandatory unless otherwise indicated

Standard/Interpretation	**Date issued**	**Effective date Periods beginning**	**Summary of the requirements and impact assessment**
Amendments to IAS 21 ***Lack of exchangeability***	Aug-23	1-Jan-25	The amendments clarifies: • when a currency is exchangeable into another currency; and • how a company estimates a spot rate when a currency lacks exchangeability. Assessing exchangeability: When to estimate a spot rate. A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. Estimating a spot rate: Meeting the estimation objective A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements on how to estimate a spot rate. Therefore, when estimating a spot rate a company can use: • an observable exchange rate without adjustment; or • another estimation technique. Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. This may include: • the nature and financial impacts of the currency not being exchangeable • the spot exchange rate used; • the estimation process; and • risks to the company because the currency is not exchangeable The group is still evaluating the impact of the amendments on its operation.
Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments	May-24	1-Jan-26	The International Accounting Standards Board (IASB) issued amendments to the classification and measurement requirements in IFRS 9 Financial Instruments. The key amendments include the following: •Settlement of financial liabilities through electronic payment systems: The amendments clarify that a financial liability is derecognised on the 'settlement date'. However, the amendments provide an exception for the derecognition of financial liabilities. This exception allows the company to derecognise its trade payable before the settlement date when it uses an electronic payment system, provided that specified criteria are met. •Additional SPPI Test for Contingent Features: The amendments introduce an additional SPPI test for financial assets with contingent features that are not directly related to a change in basic lending risks or costs – for example, where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract. Under the amendments, certain financial assets, including those with ESG-linked features, could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. •Clarification on Contractually Linked Instruments (CLIs): The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. They also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test). •Additional Disclosure Requirements: The amendments require additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that are not directly related to a change in basic lending risks or costs and are not measured at fair value through profit or loss. These amendments are not expected to materially impact the group or company.

Notes to the consolidated and separate financial statements

Presentation and Disclosure in Financial Statements (IFRS 18) ***IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements.***	Apr-24	1-Jan-27	The new standard introduces the following key new requirements: •It promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories, operating, investing, and financing, based on a company's main business activities. •All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing results are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category. •Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. •Enhance guidance is provided on how to group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so. •Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. •It also requires Companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature. The group is still evaluating the impact of the standard on the group or company operation.
Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 7, IFRS 9 and IAS 7)	Jul-24	1-Jan-26	IFRS 7 Financial Instruments: Disclosures 1. Gain or loss on derecognition. The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued. These ammendments are not expected to have material impact on the group or company. 2. Disclosure of deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance. 3. Introduction and credit risk disclosures. The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations. IFRS 9 Financial Instruments 1. Initial measurement of Trade receivables. The amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure Trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. Amendment on Trade receivables could prompt accounting policy change. 2. Derecognition of a lease liability. If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The group is still evaluating the impact of the amendments on its operation.

Notes to the consolidated and separate financial statements

			The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. **IAS 7 Statement of Cash Flows** This amendment replaces the term 'cost method' in paragraph 37 of IAS 7 with 'at cost'.
Amendments to IFRS 10 and IAS 28 ***Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***	Sep-14	Deferred indefinitely	The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting. Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV. In either case, the loss is recognised in full if the underlying assets are impaired. The IASB has decided to defer the effective date for these amendments indefinitely. There is no impact on the Group's actvities.

3 Material Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements, unless mentioned otherwise.

3.1 Basis of Consolidation

Business combination and goodwill

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if 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. Otherwise, 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.

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 Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

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.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interest (NCI) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Non- controlling interests

Non-controlling Interest (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the consolidated and separate financial statements

3.2 Insurance contracts

(i) Insurance and reinsurance contracts

The definition of an insurance contract refers to 'insurance risk' which is defined as 'risk, other than financial risk, transferred from the holder of a contract to the issuer'

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

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

Separating components from insurance and reinsurance contracts

Some insurance contracts may contain one or more components that would be within the scope of another IFRS if they were separate contracts. Such components may be embedded derivatives, an investment component, or a component for services other than insurance contract services. When separated, those components must be accounted for under the relevant IFRS instead of under IFRS 17. This makes these components more comparable to similar contracts that are issued by the Company and other entities as separate contracts and allows users of financial statements to better compare the risks undertaken by entities in different businesses or industries.

Therefore, the Group:
• Applies IFRS 9 to determine whether there is an embedded derivative to be bifurcated (i.e., be separated) and, if there is, account for that separate derivative.
• Separates from a host insurance contract an investment component if, and only if, that investment component is distinct and apply IFRS 9 to account for the separated component unless it is an investment contract with discretionary participation features and then
• Separates from the host insurance contract any promise to transfer to a policyholder distinct goods or services other than insurance contract services by applying IFRS 15.

Embedded derivatives are not separated for accounting purposes if the non-derivative host is a financial asset within the scope of IFRS 9 i.e the classification criteria of IFRS 9 are applied to the financial asset as a whole, otherwise, an embedded derivative will be separated from the host contract if and only if, all the criteria below are met:

a. The economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host;
b. A separate instrument with the same terms as embedded derivative would meet the definition of a derivative; and
c. The hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss.

An investment component is distinct if and only if, both of the following conditions are met;
• The investment component and the insurance components are not highly interrelated
• a contract with equivalent terms is sold, or could be sold, separately in the same market or the same jurisdiction, either by entities that issue insurance contracts or by other parties. An investment component and an insurance component are highly interrelated if and only if; the company is unable to measure one component without considering the other or the policyholder is unable to benefit from one component unless the other is also present, for example the lapse and maturity of one component causes the lapse or maturity of the other.

The Company assesses its non-life insurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS

After identifying and separating any distinct components, the Company applies IFRS 17 to the remaining components of the host insurance contract. Currently, the Company's products do not include any distinct components that require separation.

Level of aggregation

IFRS 17 defines the level of aggregation to be used for measuring insurance contracts and their related profitability. This is a key issue in identifying onerous contracts and in determining the recognition of profit or loss and presentation in the financial statements. The starting point for aggregating contracts is to identify portfolios of insurance contracts. A portfolio comprises contracts that are subject to similar risks and managed together. IFRS 17 requires the Group to determine the level of aggregation for applying its requirements. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios using the current lines of business framework with consideration for the reserving segmentation and product types within each line of business to support the definition of similar risk. These lines of business are motor Insurance, home insurance, combined fire, and burglary, marine, engineering, oil and gas, goods in transit, gadget protection and drone insurance. Group makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management).

Notes to the consolidated and separate financial statements

IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Group elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics. Currently, there is no law or regulation that constrained the Group's practical ability to set a different price or level of benefits for policyholder with different characteristics.
The Group divides portfolios of reinsurance contracts held applying the same principles set out above.

Initial recognition of insurance contracts

The Group recognises groups of insurance contracts it issues from the earliest of the following:
• The beginning of the coverage period of the group of contracts
• The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
• For a group of onerous contracts, when the group becomes onerous, if facts and circumstances indicate that the group is onerous

Initial recognition of reinsurance contracts held

The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:
• The beginning of the coverage period of the group of reinsurance contracts held. (However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.
And
• The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.
The issue date of a contract is when the Company has a contractual obligation to accept risk. The issue date is typically before the beginning of coverage and due date for the initial premium. However, the Company only recognizes issued insurance contracts before these dates if facts and circumstances indicate that the contracts in the group to which the PAA applies are onerous. For instance, in the case where business has been intentionally sold as onerous, the inception date of the contract will be the issue date.

The recognition requirements for reinsurance contracts held that provide proportionate coverage are intended to simplify recognition for proportionate reinsurance contracts held. Circumstances in which the first underlying attaching contract is issued, shortly after the reinsurance contracts are written, will result in similar timing of recognition for proportionate and 'other-than-proportionate' reinsurance contracts. In other cases, there may be a greater difference in the timing of recognition.

If there is no contractual due date, the first payment from the policyholder is deemed to be due when it is received. The Company determines whether any contracts form a group of onerous contracts before the earlier of the first two dates above (i.e., before the earlier of the beginning of the coverage period and the date when the first payment from a policyholder in the group is due) if facts and circumstances indicate there is such a group.

Initial recognition of insurance acquisition cash flows

Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.

The company has aggregated its directly attributable expenses into the following classes including administrative and maintenance expense, claims and benefits expenses, management expenses and other operating expenses. The company allocates acquisition cost to policies based on applicable rate per policy, claims expenses are allocated based on number of claims on the policies and, a portion of maintenance cost is allocated based on the proportion of premium written.

The company recognises an asset for insurance acquisition cash flows paid (or insurance acquisition cash flows for which a liability has been recognised under another IFRS standard) before the related group of insurance contracts is recognised, unless it elects to expense those acquisition cash flows as incurred for premium allocation approach contracts. The Company recognise such an asset for each related group of insurance contracts and allocates insurance acquisition cash flows to an existing or future group of insurance contracts using a systematic and rational method.

The systematic and rational method of allocating insurance acquisition cash flows to groups of contracts is used to allocate;

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• Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
- To that group; and
- To groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group

• Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to individual contracts or groups of contracts to groups in the portfolio.

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

After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Company applies:

• An impairment test at the level of an existing or future group of insurance contracts and
• An additional impairment test specifically covering the insurance acquisition cashflows allocated to expected future contracts renewals
If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.
The Company recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

Initial recognition of investment contracts with discretionary participation features

The date of initial recognition of an investment contract with discretionary participation features is the date that the entity becomes party to the contract. This is consistent with the requirements for recognition of a financial instrument in IFRS 9 and is likely to be earlier than the date of initial recognition for an insurance contract. Currently the Company does not issue investment contracts with discretionary participation features.

Onerous groups of contracts
The Company issues some contracts before the coverage period starts and the first premium becomes due. Therefore, the Company has determined whether any contracts issued form a group of onerous contracts before the earlier of the beginning of the coverage period and the date when the first payment from a policyholder in the group is due. The Company looks at facts and circumstances to identify if a group of contracts are onerous based on:
• Pricing information
• Results of similar contracts it has recognised
• Environmental factors such as a change in market experience or regulations
• Other Relevant risk factor which includes age, gender, occupation, geographical location and size of sum assured

For groups of contracts measured using the premium allocation approach (PAA), the Company assumes all groups of insurance contracts to be non-onerous unless the board has approved the sales of loss-making contracts through an official process. The company will assess the probability of non-onerous contracts becoming onerous in the future base on expert judgement of the projected combined ratio. For subsequent measurement, the company use combined ratio as facts and circumstances hence, a group of contracts will be deemed onerous if there has been a combined ratio of over 100% in two (2) subsequent annual reporting periods.

Measurement – Premium Allocation Approach

Insurance contract – Initial measurement

The premium allocation approach is an optional simplified form of measuring an eligible group of insurance contracts issued or reinsurance contracts held. The eligibility is assessed for each group of insurance contracts and the election is made for each eligible group. However, the ability to use the premium allocation approach for reinsurance contracts held must be assessed separately from the use of the premium allocation approach for the related underlying insurance contracts covered by reinsurance.
The premium allocation approach compared to the general model, results in a simpler accounting method:

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:
• The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary
Or
• For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

All the Non-life products are measured using the PAA approach because the coverage period of each contract it issues is for a period of One (1) year except for the engineering, and oil and gas portfolio which could be issued for a period of more than one year. For this product, the company will perform the PAA eligibility test as required by the second criteria stated above and has set materiality level for difference in the liability for remaining coverage at plus or minus 5% for total portfolio and not more than plus or minus 10% for each group of insurance contracts or portfolio.

The company interprets “reasonably expects” to mean the liability for remaining coverage under the premium allocation approach (PAA) and general measurement model (GMM) under all probable scenarios is Immaterial. Hence the company has defined probable scenario for both economic and non-economic assumptions which includes interest rate sensitivity of +/- 1%, expected combined ratio of +/-10%, lapse at +/-10%. The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

• The extent of future cash flows related to any derivatives embedded in the contracts
• The length of the coverage period of the group of contracts

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:
• The premiums, if any, received at initial recognition
• Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed,
• Plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and
• Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

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

Where claims are to be paid within a year the company would not discount the liability for incurred claims (LFIC) for the time value of money, however where claims are settled after a year period, the company would consider the impact of the time value of money on its liability for incurred claims (LFIC)

The company interpret that all contracts measured using the premium allocation approach (PAA) are profitable unless there has been approval through an official process to implement commercial actions such as promotional discounts on premium rate, selling loss leaders to gain market shares or no claims discount on renewal of policies that would results in a group of contracts being onerous.

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

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In assessing the profitability of the contracts, the company has used "all reasonable and supportable information available at reporting date without undue cost or effort", hence the company has used the combined ratio for this assessment. The combined ratio represents the total costs and losses divided by the earned premium and a combined ratio of below 100% indicates that the business is profitable. The company assesses whether a group of contracts will be deemed onerous subsequently if there has been combined ratio over 100% in two (2) subsequent annual reporting.

Reinsurance contracts held – initial measurement

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

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

Insurance contracts – subsequent measurement

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

• Plus, premiums received in the period
• Minus insurance acquisition cash flows, with the exception of insurance product line for which the Company chooses to expense insurance acquisition cash flows as they occur
• Plus, any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group
• Plus, any adjustment to the financing component, where applicable
• Minus the amount recognised as insurance revenue for the services provided in the period
• Minus any investment component paid or transferred to the liability for incurred claims

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

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

Subsequent measurement – liability for incurred claims

The liability for incurred claims for a group of insurance contracts subject to the premium allocation approach (which should usually be nil on initial recognition) is measured in the same way as the liability for incurred claims using the general model (i.e., a discounted estimate of future cash flows with a risk adjustment for non-financial risk).
However, when applying the premium allocation method to the liability for remaining coverage, the company is, for the liability for incurred claims, the company is not required to adjust future cash flows for the time value of money and the effect of financial risk if those cash flows (for that group of insurance contracts) are expected to be paid or received in one year or less from the date the claims are incurred. This is a separate election from the choice not to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk at initial recognition.
When the entire insurance finance income or expenses is included in profit or loss, the company discounts the incurred claims at current rates (i.e., the rate at the reporting date). When insurance finance income or expenses is disaggregated between profit or loss and other comprehensive income the amount of insurance finance income or expenses included in profit or loss is determined using the discount rate at the date of the incurred claim.

Reinsurance contracts held – subsequent measurement

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

Insurance contracts – modification and derecognition
An insurance contract may be modified, either by agreement between the parties or as result of regulation. If the terms are modified, the Company derecognises the original insurance contract and recognise the modified contract as a new contract, if and only if, any of the conditions listed below are satisfied.

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• If the modified terms were included at contract inception:
• The modified contract would have been excluded from the scope of IFRS 17.
• The Company would have separated different components from the host insurance contract resulting in a different insurance contract to which IFRS 17 would have applied.
• The modified contract would have had a substantially different contract boundary
• The modified contract would have been included in a different group of contracts at initial recognition (e.g., the contracts would have been onerous at initial recognition rather than having no significant possibility of being onerous subsequently)
• The original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets that definition or vice versa.
• The Company applied the premium allocation approach to the original contract, but the modifications mean that the contract no longer meets the eligibility criteria for that approach.

In summary, any contract modification that changes the accounting model or the applicable standard for measuring the components of the insurance contract, is likely to result in derecognition.

If a contract modification meets none of the conditions above for derecognition, the Company would treat any changes in cash flows caused by the modification as changes in the estimates of the fulfilment cash flows.
The Company derecognises insurance contracts when:
• The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)
Or
• The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract

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

The Company treats the derecognition of a contract three different ways, depending on the circumstances.

Derecognition resulting from extinguishment
The Company derecognises an insurance contract from within a group of insurance contracts by applying the following requirements:
• The fulfilment cash flows allocated to the group for both the liability for remaining coverage and the liability for incurred claims are adjusted 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 derecognised from the group
• The contractual service margin of the group is adjusted for the change in fulfilment cash flows described above, to the extent required by the general model
• The number of coverage units for expected remaining insurance contract services is adjusted to reflect the coverage units derecognised from the group, and the amount of the contractual service margin recognised in profit or loss in the period is based on that adjusted number to reflect services provided in the period

Derecognition resulting from transfer
When the Company derecognises an insurance contract because it transfers the contract to a third party, the Company:
• Adjusts the fulfilment cash flows allocated to the group for the rights and obligations that have been derecognised
• Adjusts the contractual service margin of the group from which the contract has been derecognised for the difference between the change in the contractual cash flows resulting from derecognition and the premium charged by the third party (unless the decrease in fulfilment cash flows is allocated to the loss component of the liability for remaining coverage).
If there is no contractual service margin to be adjusted, then the difference between the fulfilment cash flows derecognised and the premium charged by the third party is recognised in profit or loss.

Derecognition resulting from modification
When the Company derecognises an insurance contract and recognises a new insurance contract as a result of a modification described above, the Company:
• Adjusts the fulfilment cash flows allocated to the group relating to the rights and obligations that have been derecognised, as discussed above
• Adjusts the contractual service margin of the group, from which the contract has been derecognised for the difference between the change in the contractual cash flows resulting from derecognition and the hypothetical premium the Company would have charged, had it entered into a contract with terms equivalent to the new contract at the date of the contract modification, less any additional premium charged for the modification (unless the decrease in fulfilment cash flows is allocated to the loss component of the liability for remaining coverage)

And
• Measures the new contract recognised assuming the Company received the hypothetical premium that it would have charged, had it entered into the modified contract at the date of the contract modification.

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Presentation

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

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

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

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

Level of aggregation - Life Business

The Company has elected to include in the same group, contracts where its ability to set prices or levels of benefits for policyholders with different characteristics is constrained by regulation. The annuity contracts, credit life contracts, endowment contracts, funeral expenses policy, group life, individual life, mortgage policy and term life insurance portfolios are divided into:
• A group of contracts that are onerous at initial recognition
• A group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently
• A group of the remaining contracts in the portfolio

The reinsurance contracts held portfolios are further divided into:
• A group of contracts on which there is a net gain on initial recognition
• A group of contracts that have no significant possibility of a net gain arising subsequent to initial recognition
• A group of the remaining contracts in the portfolio

For contracts measured under the PAA, the company assume that no contracts in a portfolio of insurance contracts are onerous at initial recognition unless there has been an approval through an official process to implement commercial actions which include promotional discounts on premium rates, selling loss leaders to gain market shares or no claims discount on renewal of policies, which could result into a group of contracts being onerous.
For subsequent measurement, the onerous contract assessment is only required if facts and circumstances indicate that a group of contacts is onerous.

Contract boundary

A contract is an arrangement that binds one or both of the parties involved. If both parties are bound equally, the boundary of the contract is generally clear. Similarly, if neither party is bound, there is no genuine contract, thus:
• The outer limit of the existing contract is the point at which the entity is no longer required to provide coverage and the policyholder has no right of renewal. Beyond that outer limit, neither party is bound.
• The company is no longer bound by the existing contract at the point at which the contract confers on the company the practical ability to reassess the risk presented by a policyholder and, as a result, the right to set a price that fully reflects that risk.

The measurement of a group of insurance contracts includes all the cash flows expected to result from the contracts in the group, reflecting estimates of policyholder behavior. Thus, to identify the future cash flows that will arise as the entity fulfils its obligations, it is necessary to determine the contract boundary that distinguishes whether future premiums, and the resulting benefits and claims, arise from:
• Existing insurance contracts. If so, those future premiums, and the resulting benefits and claims, are included in the measurement of the group of insurance contracts
Or
• Future insurance contracts. If so, those future premiums, and the resulting benefits and claims, are not included in the measurement of the group of existing insurance contracts

As such, the company does not recognize a liability or asset relating to expected premiums or expected claims outside the boundary as such amounts relates to future insurance contracts. However, the company recognizes an asset for acquisition cash flows paid before the related group of insurance contracts is recognized.

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The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group.

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

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

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

The company have set contract boundaries based on its portfolio of insurance contracts which is stated as follows:
For Individual Life
• Credit Life: The contract boundary is set equal to the term of the credit life policy
• Term Assurance: The contract boundary is set equal to the term of the term assurance policy
• Endowments: The contract boundary is set equal to the term of the endowment policy
• Funeral: The company has assumed that all policyholders will be dead by age 110, hence the contract boundary is 110 years.
• Education: The contract boundary is set equal to the term of the education policy.
For Group Life
• Group life: The contract boundary is set equal to the policy term which is one year
• Annuities: The company has assumed that all annuitants will be dead by age 120. Hence the contract boundary is 120 years.

For life contracts with renewal periods, the Company assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by the Company by considering all the risks covered for the policyholder by the Company, when underwriting equivalent contracts on the renewal dates for the remaining coverage. The Company reassess contract boundary of each group at the end of each reporting period.

Measurement – General Model

Insurance contract – Initial Measurement
The general model measures a group of insurance contracts as the sum of the following components, or 'building blocks', for each group of insurance contracts:
• Fulfilment cash flows, which comprise:
- Estimates of expected future cash flows over the life of the contract
- An adjustment to reflect the time value of money and the financial risks related to the future cash flows to the extent that the financial risks are not included in the estimates of the future cash flows
- A risk adjustment for non-financial risk
• A contractual service margin representing unearned profit an entity will recognise as it provides service under the insurance contracts in the group

Fulfilment Cashflows (FCF)
Fulfilment cash flows comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk.

The Company's objective in estimating future cash flows is to determine the expected value, or the probability-weighted mean, of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort. The Company estimates future cash flows considering a range of scenarios which have commercial substance and give a good representation of possible outcomes.

The cash flows from each scenario are probability- weighted and discounted using current assumptions.
When estimating future cash flows, the Company includes all cash flows that are within the contract boundary including:

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• Premiums and related cash flows
• Claims and benefits, including reported claims not yet paid, incurred claims not yet reported and expected future claims
 - Payments to policyholders resulting from embedded surrender value options
 - An allocation of insurance acquisition cash flows attributable to the portfolio to which the contract belongs
• Claims handling costs
• Policy administration and maintenance costs, including recurring commissions that are expected to be paid to intermediaries
• An allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts
• Transaction-based taxes including; premium taxes, value added taxes
• Payments by the Company in a fiduciary capacity to meet tax obligations incurred by policyholder
• Allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts
• Cost that the company incurs in providing investment- related services for investment contracts without direct participation features
• Any other costs specifically chargeable to the policyholder under the term of the contract

The Company incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows. The Company estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:
• Information about claims already reported by policyholders
• Other information about the known or estimated characteristics of the insurance contracts
• Historical data about the Company's own experience, supplemented when necessary with data
from other sources. Historical data is adjusted to reflect current conditions
• Current pricing information, when available

The measurement of fulfilment cash flows-includes insurance acquisition cash flows which are allocated based on rational and systematic manner as prescribed above.

Contractual Service Margin (CSM)

The Company's CSM is a component of the asset or liability for the group of insurance contracts that represents the unearned profit the Company will recognise as it provides services in the future. The Company measures the CSM on initial recognition at an amount that, unless the group of contracts is onerous, results in no income or expenses arising from:
• Initial recognition of the fulfilment cash flows
• Derecognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows
• Any cash flows arising from the contracts in the group at that date

For groups of contracts assessed as onerous, the Company has recognised a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows and the CSM of the group being zero. A loss component has been established by the Company for the liability for remaining coverage for an onerous group depicting the losses recognized for additional disclosures on the loss component.

The liability for remaining coverage is the Company's obligation to investigate and pay valid claims for insured events that have not yet occurred (i.e., the obligation that relates to the unexpired portion of the coverage period) and at initial recognition, comprises all remaining expected future cash inflows and cash outflows under an insurance contract plus the CSM for that contract.
The liability for incurred claims is the Company's obligation to investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses. At initial recognition of a group of contracts, the liability for incurred claims is usually nil as no insured events have occurred.

Insurance contracts – subsequent measurement

The CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognised in profit or loss, because it relates to future service to be provided.
For a group of insurance contracts, the carrying amount of the CSM of the group at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

• The effect of any new contracts added to the group
• Interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition
• The changes in fulfilment cash flows relating to future service, except to the extent that:
 - Such increases in the fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss
OR
 - Such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage
• The effect of any currency exchange differences on the CSM
• The amount recognised as insurance revenue because of the transfer of services in the period, determined by the allocation of the CSM remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period

The locked-in discount rate is the weighted average of the rates applicable at the date of initial recognition of contracts that joined a group over a 12-month period. The discount rate used for accretion of interest on the CSM is determined using the bottom-up approach at inception

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

• Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences related to premiums received (or due) related to current or past services are recognised immediately in profit or loss while differences related to premiums received (or due) for future services are adjusted against the CSM

• Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk (recognised in the statement of profit or loss and other comprehensive income rather than adjusting the CSM)

• Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period. Those differences are determined by comparing (i) the actual investment component that becomes payable in the period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable.

• Changes in the risk adjustment for non-financial risk that relate to future service

Except for changes in the risk adjustment, adjustments to the CSM noted above are measured at discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

Where, during the coverage period, a group of insurance contracts becomes onerous, the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised.
The Company measures the carrying amount of a group of insurance contracts at the end of each reporting period as the sum of:
(i) the liability for remaining coverage comprising fulfilment cash flows related to future service allocated to the group at that date and the CSM of the group at that date; and
(ii) the liability for incurred claims for the Company comprised the fulfilment cash flows related to past service allocated to the group at that date.

Reinsurance contracts held – initial measurement
The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:
• Measurement of the cash flows include an allowance on a probability-weighted basis for the effect of any non-performance by the reinsurers, including the effects of collateral and losses from disputes
• The Company determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred to the reinsurer
• The Company recognises both day 1 gains and day 1 losses at initial recognition in the statement of financial position as a CSM and releases this to profit or loss as the reinsurer renders services, except for any portion of a day 1 loss that relates to events before initial recognition

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

When the company enters into reinsurance contracts held which provide coverage relating to events that occurred before the purchase of the reinsurance, such cost is recognised in the profit or loss on initial recognition.

Reinsurance contracts held – Subsequent measurement

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:
• Changes in the fulfilment cash flows are recognised in profit or loss if the related changes arising from the underlying ceded contracts have been recognised in profit or loss. Alternatively, changes in the fulfilment cash flows adjust the CSM.
• Changes in the fulfilment cash flows that result from changes in the risk of non-performance by the issuer of a reinsurance contract held do not adjust the contractual service margin as they do not relate to future service.

Any change in the fulfilment cash flows of a retroactive reinsurance contract held due to the changes of the liability for incurred claims of the underlying contracts is taken to profit and loss and not the contractual service margin of the reinsurance contract held.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognised from related reinsurance contracts held is disclosed as a loss-recovery component.

3.3 Revenue recognition

(i) Insurance revenue (PAA)

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

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

Insurance revenue (Non-PAA)

The Company's insurance revenue depicts the provision of coverage and other services arising from a group of insurance contracts at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Company adjusted for financing effect (the time value of money) and excluding any distinct investment components). The total consideration for a group of contracts covers amounts related to the provision of services and is comprised of:

- Insurance service expenses, excluding any amounts allocated to the loss component of the liability for remaining coverage
- The risk adjustment for non-financial risk, excluding any amounts allocated to the loss component of the liability for remaining coverage
- The CSM release
- Amounts related to insurance acquisition cash flows

(ii) Loss component (PAA)

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

Loss component (Non-PAA)

The Company has grouped contracts that are onerous at initial recognition separately from contracts in the same portfolio that are not onerous at initial recognition. Groups of insurance contracts that were not onerous at initial recognition can also subsequently become onerous if assumptions and experience changes. The Company has established a loss component of the liability for remaining coverage for any onerous group depicting the future losses recognised.

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes in the fulfilment cash flows to:
(i) the loss component; and
(ii) the liability for remaining coverage excluding the loss component.

The loss component is also updated for subsequent changes in estimates of the fulfilment cash flows related to future service. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been materialised in the form of incurred claims). The Company uses the proportion on initial recognition to determine the systematic allocation of subsequent changes in future cash flows between the loss component and the liability for remaining coverage excluding the loss component.

(iii) Loss-recovery components

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

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

Notes to the consolidated and separate financial statements

(iv) Investment income on financial assets

Investment income on financial assets is composed of interest income and dividend income.

Interest income is recognized in profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

(v) Net gains on finacial assets

Represents gains and losses on investments carried at FVTPL. These include fair value gains, interest income, exchange gains and gains and losses on disposal of these financial assets.

(vi) Other operating income

Other operating income represents income generated from sources other than insurance service revenue, net gains on financial assets at FVTPL and investment income. It includes rental income and profit on disposal of property and equipment. Rental income is recognized on an accrual basis. This also includes mudarabah income from the Takaful insurance

3.4 Expense recognition

(i) Insurance finance income and expense

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

• The effect of the time value of money and changes in the time value of money; and

• The effect of financial risk and changes in financial risk.

The Company systematically allocates expected total insurance finance income or expenses over the duration of the group of contracts to profit or loss using discount rates determined on initial recognition of the group of contracts.

In the event of transfer of a group of insurance contracts or derecognition of an insurance contract, the Company reclassifies the insurance income finance or expense to profit or loss as a reclassification adjustment to any remaining amounts for the group (or contract) that were previously recognised in other comprehensive income.

(ii) Net income or expense from reinsurance contracts held (PAA)

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

Net income or expense from reinsurance contracts held (Non-PAA)

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

(iii) Management expenses

Management expenses are recognised in profit or loss when goods are received or services rendered. They are expenses other than insurance service expenses and include employee benefits, depreciation charges and other operating expenses.

3.5 Investment contracts

Investment contracts are those contracts that transfer financial risks with no significant insurance risk.

Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

The Group enters into investment contracts with guarantee returns and other businesses of savings nature. Those contracts are termed investment contract liabilities and are initially measured at fair value and subsequently at amortised cost.

Finance cost on investment contract liabilities is recognised as an expense in profit or loss using the effective interest rate.

3.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank and call deposits and other short-term highly liquid investments with original maturities of three months or less, which are subject to insignificant risk of changes in their fair value and used by the Group to manage its short term commitments. Cash and cash equivalents are measured at amortised cost in the statement of financial position.

Notes to the consolidated and separate financial statements

3.7 Financial assets

Classification

i. Recognition and initial measurement

The Group recognises deposits with financial institutions and loans and borrowings on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for a financial asset or financial liability not measured at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Classification

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are SPPI.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI.

The Group elects to present changes in the fair value of certain equity investments that are not held for trading in OCI. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group assesses the objective of the business model in which a financial asset is held for each portfolio of financial assetsb because this best reflects the way that the business is managed and information is provided to management. The information considered includes:
- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

For a majority of debt investments, the objective of the Group's business model is to fund insurance contract liabilities. The Group undertakes significant buying and selling activity on a regular basis to rebalance its portfolio of assets and to ensure that contractual cash flows from the financial assets are sufficient to settle insurance contract liabilities. The Group determines that both collecting contractual cash flows as they come due and selling financial assets to maintain the desired asset profile are integral to achieving the business model's objective.

Certain debt securities are held in separate portfolios for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The Group considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Portfolios of financial assets that are managed and whose performance is evaluated on a fair value basis, which include underlying items of participating contracts, and portfolios of financial assets that are held for trading are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are SPPI

For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition. However, the principal may change over time - e.g. if there are repayments of principal. Interest is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration for the time value of money (e.g. periodic reset of interest rates).

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. In addition, for a financial asset acquired at a premium or discount to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant on initial recognition.

Some prepayment features permit the debtor to prepay the debt instrument at an amount calculated as the remaining contractual cash flows discounted at the current market benchmark interest rate plus a fixed spread. The Group has determined that these prepayment features are consistent with the SPPI criterion. Because the Group would be compensated only for the change in the market benchmark interest rate and for lost interest margin, the prepayment penalty would not include any non-SPPI risks and may be seen as reasonable compensation.

Subsequent measurement and gains and losses

Financial assets at FVTPL; Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss, unless they arise from derivatives designated as hedging instruments in net investment hedges.

Debt investments at FVOCI: Measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI and accumulated in the fair value reserve. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: Measured at fair value. Dividends are recognised as income in profit or loss when the Group's right to receive payment is established, unless they clearly represent a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

Financial assets at amortised cost: Measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the consolidated and separate financial statements

ii. Financial liabilities

Classification

The Group classifies its financial liabilities, other than financial guarantees, into one of the following categories:
- financial liabilities at FVTPL, and within this category as:
 - held-for-trading;
 - designated as at FVTPL; and
 - financial liabilities at amortised cost.

Subsequent measurement and gains and losses

Financial liabilities at FVTPL: Measured at fair value. Net gains and losses, including any interest expenses and foreign exchange gains and losses, are recognised in profit or loss, unless they arise from derivatives designated as hedging instruments in net investment hedges.
Financial liabilities at amortised cost: Measured at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is calculated on initial recognition of a financial instrument and is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest. The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

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

Financial assets not credit-impaired on initial recognition:

-If the financial asset is not credit-impaired, then interest income is calculated by applying credit-impaired on the effective interest rate to the gross carrying amount of the asset. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the asset, but not ECL.

-If the financial asset has become credit-impaired subsequent to initial recognition, then interest income is calculated by applying the effective interest rate to the amortised cost of the asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Financial assets credit-impaired on initial recognition:

-Interest income is calculated by applying a credit-adjusted effective interest rate to the amortised cost of the asset. The credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Financial liabilities: Interest expenses are calculated by applying the effective interest rate to the amortised cost of the liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the liability.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability. Interest revenue calculated using the effective interest method and other finance costs presented in profit or loss include interest on financial assets and financial liabilities measured at amortised cost and debt investments measured at FVOCI.

Notes to the consolidated and separate financial statements

Interest income and expenses were recognised in profit or loss using the effective interest method. The effective interest rate was the rate that exactly discounted the estimated future cash payments and receipts through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimated future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate included transaction costs and fees and points paid or received that were an integral part of the effective interest rate. Transaction costs were incremental costs that were directly attributable to the acquisition or issue of a financial asset or financial liability.

Interest revenue calculated using the effective interest method and other finance costs presented in profit or loss included interest on financial assets and financial liabilities measured at amortised cost and available-for-sale financial assets.

iii. Impairment

The Group recognises loss allowances for ECL on:
- financial assets measured at amortised cost; and
- debt investments measured at FVOCI.

The Group measures loss allowances at an amount equal to lifetime ECL, except in the following cases, for which the amount recognised is 12-month ECL:
- debt securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

Financial instruments for which 12-month ECL are recognised are referred to as ‘Stage 1 financial instruments’. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Financial instruments for which lifetime ECL are recognised because of a significant increase in credit risk since initial recognition but that are not credit-impaired are referred to as ‘Stage 2 financial instruments’. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as ‘Stage 3 financial instruments’.

In all cases, the maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECL
ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets measured at amortised cost, debt investments credit-impaired at FVOCI and lease receivables are credit-impaired. A financial asset is when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the debtor;
- a breach of contract such as a default or past-due event;
- the restructuring of an amount due to the Group on terms that the Group would not otherwise consider;
- the debtor entering bankruptcy or other financial reorganisation becoming probable; or
- the disappearance of an active market for a security because of financial difficulties.

A financial asset that has been renegotiated due to a deterioration in the borrower’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.

Notes to the consolidated and separate financial statements

In assessing whether an investment in sovereign debt is credit-impaired, the Group considers the following factors:
- the market's assessment of creditworthiness as reflected in 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; and
- 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, including 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 loss allowances in the statement of financial position
Loss allowances for ECL are presented as follows:
- financial assets measured at amortised cost: the loss allowance is deducted from the gross carrying amount of the assets; and
- debt investments measured at FVOCI: the loss allowance does not reduce the carrying amount of the financial assets (which are measured at fair value) but gives rise to an equal and opposite gain in OCI.

Write-off
The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.
Although the Group expects no significant recovery from amounts written off, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

In addition, for an investment in an equity instrument, a significant or prolonged decline in its fair value below its cost was objective evidence of impairment. In general, the Group considered a decline of 20% to be significant and a period of nine months to be prolonged. However, in specific circumstances a smaller decline or a shorter period might have been appropriate. Impairment losses on financial assets were recognised as follows.

Financial assets at amortised cost: The Group considered evidence of impairment for these assets at both individual asset and collective levels. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account. When the Group considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

FVOCI financial assets: Impairment losses on FVOCI financial assets were recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified was the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired FVOCI debt security subsequently increased and the increase was related objectively to an event occurring after the impairment loss was recognised, then the impairment loss was reversed through profit or loss. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale were not reversed through profit or loss.

iv. Derecognition and contract modification

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. For debt investments at FVOCI and financial assets that had already been derecognised at 1 January 2024, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. The cumulative gain or loss on equity investments designated as at FVOCI is not reclassified to profit or loss.
The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows.
- Fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the new asset.
- Other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the debtor is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual cash flows rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see 'Write-off' under (iii)).

Financial liabilities
The Group generally derecognises a financial liability when its contractual obligations expire or are discharged or cancelled. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Notwithstanding the above, when, and only when, the Group repurchases its financial liability and includes it as an underlying item of direct participating contracts, the Group may elect not to derecognise the financial liability. Instead, the Group may elect to continue to account for that instrument as a financial liability and to account for the repurchased instrument as if it were a financial instrument-by asset and measure it at FVTPL. This election is irrevocable and is made on an instrument basis.
If a financial liability measured at amortised cost is modified but not substantially, then it is not derecognised.

v. Cash and cash equivalents

Cash and cash equivalents include cash balances, unrestricted balances held with banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short term commitment. For cash flow purposes, cash and cash equivalents represent balances held with banks in Nigeria, placements with financial institutions and treasury bills with maturities of less than 90 days.

vii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when it is required or permitted by a standard - e.g. gains and losses arising from a group of similar transactions such as the gains and losses on financial assets measured at FVTPL.

3.8 Trade receivables

Trade receivables comprise Trade receivables. Trade receivables are those for which credit notes issued by brokers are within 30 days after the reporting date, in conformity with the "NO PREMIUM, NO COVER" NAICOM policy.

3.9 Foreign currency transactions

Foreign currency transactions are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the reporting date. Foreign currency differences are generally recognised in profit or loss.

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.

3.10 Other Insurance related liabilities

Other insurance related 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 evaluates these liabilities and measures them at fair value at each reporting date.

Trade and other payables

Trade payables

Trade payables are recognized when due. These include amounts due to agents, reinsurers and co-assurers. Trade 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 is less than one year, discounting is not applied.

Other payables and Accruals

Other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is not applied.

3.11 Other receivables and prepayments

Other receivables principally consist of accrued income, intercompany receivable and sundry debtors. Prepayments are essentially prepaid rents, prepaid insurance and other prepaid balances. Other receivables are measured at amortised cost.

3.12 Investment properties

Investment properties are properties held to earn rentals or for capital appreciation (including property under construction for such) or for both purposes, but not for sale in the ordinary course of business.

Recognition and measurement

Investment properties are measured initially at cost plus any directly attributable expenses.
Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Fair values of the investment properties are evaluated and assessed annually by an accredited external valuer.

De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss in the period of de-recognition. The carrying amount of the asset represents the fair value of the asset as at the date of the latest valuation before disposal.

Transfers

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change. Subsequently, the property is re-measured to fair value and reclassified as investment property.

3.13 Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses if any except for land and building which is carried at revalued amount. When Land and Building are revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Notes to the consolidated and separate financial statements

Subsequent costs
The cost of replacing part of an item of property or equipment is recognised 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 measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Depreciation
Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. Available for use is the date the asset is available for use. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

Depreciation is calculated over their estimated useful lives at the following rates:

Land	Not depreciated
Building	50 years
Leasehold improvements	Over the shorter of the useful life of the item or the lease period
Office equipments	4 years
Plant	4 years
Furniture and fittings	5 years
Computer equipment	3 years
Motor vehicles	4 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

De-recognition
An item of property and equipment is derecognised 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 (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 derecognised.

Impairment
Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell or the value in use.

3.14 Intangible assets

Computer software
Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally developed software is recognised 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. The capitalised costs of internally developed software include all costs directly attributable to developing the software and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised 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 estimated useful life of software is five years. Amortisation method, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in profit ot loss in the year the asset is derecognised.

Notes to the consolidated and separate financial statements

3.15 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash flows that are largely independent from other assets. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.16 Income and deferred tax

Current tax

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

- Company income tax (30%) is assessed on taxable profits
-Tertiary Education tax (3%) is computed on assessable profits
-National Information Technology Development levy (1%) is computed on profit before tax
-Nigerian Police Trust Fund (0.005%) is computed on net profit

Minimum tax

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

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- 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;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and 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 realised simultaneously.

In determining the amount of current and deferred tax, the Group considers the impact of tax exposures, including whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made.

3.17 Statutory deposits

Statutory deposits are cash balances held with the Central Bank of Nigeria (CBN) in compliance with the Insurance Act 2003. The deposits are only available as a last resort to the Group if it goes into liquidation. Statutory deposits are measured at amortised cost.

Notes to the consolidated and separate financial statements

3.18 Hypothecation of assets

The Company structured its assets to meet the requirements of the Insurance Act 2003 such that policyholders' assets and funds are not co-mingled with shareholders'.
In particular, investment securities and insurance funds hypothecated to policyholders are distinguished from those owned by the shareholders. The assets hypothecated are shown in note 43 of the financial statements.

3.19 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability.
A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.
A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3.20 Employee benefits

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

Defined contribution plans
Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due in respect of service rendered before the end of the reporting period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Group contributes to a defined contribution pension scheme for its employees. Obligations in respect of the Group's contributions to the scheme are recognised as an expense in the profit or loss account on an annual basis. The employee and the Group contribute 8% and 10% respectively of basic salary, housing, and transport allowance to each employee's retirement savings account maintained with their nominated Pension Fund Administrators in line with the Pension Reform Act 2014 and circulars of the National Pension Commission.

Termination benefits
Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed either to terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal, or to provide termination benefits as a result of an offer made to encourage voluntarily redundancy if it is probable that the offer will be accepted and the number of acceptances can be estimated. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Post employment benefits
The Group operates a defined contributory retirement scheme as stipulated in the Pension Reform Act 2014. Under the defined contribution scheme, the Group pays fixed contributions of 10% to a separate entity – Pension Fund Administrators; employees also pay 8% to the same entity. Once the contributions have been paid, the Group retains no legal or constructive obligation to pay further contributions if the Fund does not hold enough assets to finance benefits accruing under the retirement benefit plan. The Group's obligations are recognised in the statement of comprehensive income.

3.21 Earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. Earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders by the weighted number of ordinary shares adjusted for any bonus shares issued.

Notes to the consolidated and separate financial statements

3.22 Leases

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of office spaces and plant and machinery with shorter non-cancellable period (i.e., three to five years) where this is expressly stated in the lease contract or enforceable at law per the lease contract. The Company typically exercises its option to renew for these leases because there will be a significant negative effect on its operation if a replacement asset is not readily available. The renewal periods for leases of office spaces are not included as part of the lease term as these are not reasonably certain to be exercised.

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Company as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by any impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased. Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is:
- a change in future lease payments arising from a change in an index or rate;
- a change in the amounts expected to be payable under a residual value guarantee;
- a change in the Group's assessment of whether it will exercise a purchase, extension or termination option; or
- a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. 'The Group presents its right of use assets and lease liabilities separately in the consolidated and separate statements of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the consolidated and separate financial statements

3.23 Segment reporting

Operating segments are identified and reported in consonance with the internal reporting policy of the Group that are regularly reviewed by the Chief Executive who allocates resources to the segment and assesses their performance thereof.

The Group's reportable segments, for management purpose, are organized into business units based on the products and services offered as follows:
• Non-life insurance
• Life insurance
• Takaful insurance
• Fin Insurance
• Leasing
• Life deposit administration/investment contracts

3.24 Contingent liabilities and assets

A 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 may crystallize.

A contingent asset is a possible asset 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.

Contingent assets are never recognised but are disclosed in the financial statements when they arise.

3.25 Share capital and other reserves

Share capital

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.

Where any of the Group entities purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

Share premium

This represents the excess amount paid by shareholders on the nominal value of the shares. This amount is distributable to the shareholders at their discretion. The share premium is classified as an equity instrument in the statement of financial position.

Treasury shares

Own equity instruments which are acquired (treasury shares) are deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognised in other capital reserves. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

Retained earnings/Accumulated deficit

Retained earnings/Accumulated losses comprises undistributed profit/(loss) from previous years and the current year. Retained earnings/Accumulated losses is classified as part of equity in the statement of financial position.

Contingency reserve

The Nigerian Insurance regulations require the Group to make an annual appropriation to a statutory reserve. As stipulated by section 21(1) of Insurance Act 2003, the contingency reserve for Non-life insurance business is credited with the greater of 3% of total premium, or 20% of the net profits. This shall accumulate until it reaches the greater of minimum paid-up capital and 50% percent of the net premium. For life business, the contingency reserve is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reaches the amount of minimum paid-up capital.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of FVOCI financial assets until the assets are derecognised or impaired.

3.26 Discontinued operation

For discontinued operations, the Group presents discontinued operations in a separate line in the Income statement if an entity or a component of an entity has been disposed of or is classified as held for sale and: (a) represents a separate major line of business or geographical area of operations; (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or (c) is a subsidiary acquired exclusively with a view to resale. Net profit from discontinued operations includes the net total of operating profit and loss before tax from operations, including net gain or loss on sale before tax or measurement to fair value less costs to sell and discontinued operations tax expense. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group's operations and cash flows. If an entity or a component of an entity is classified as a discontinued operation, the Group restates prior periods in the Income statement.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates, judgement and assumptions

The preparation of consolidated and seperate financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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

(a) Insurance and reinsurance contracts- Life Business

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) The methods used to measure insurance contracts future cash flows

The Company primarily uses deterministic projections to estimate the present value of future cash flows. The following assumptions were used when estimating future cash flows for different class of the company's portfolio:

Mortality, longevity and morbidity rates

Assumptions are based on standard industry and national tables, according to the type of contract written and the territory in which the insured person resides. They reflect recent historical experience and are adjusted when appropriate to reflect the Company's own experiences. An appropriate, but not excessive, allowance is made for expected future improvements. Assumptions are differentiated by policyholder gender, underwriting class and contract type. An increase in expected mortality, longevity and morbidity rates will increase the expected claim cost which will reduce future expected profits of the Company.

Expense

Operating expenses assumptions reflect the projected costs of maintaining and servicing in–force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

An increase in the expected level of expenses will reduce future expected profits of the Company

The cash flows within the contract boundary include an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts. Such overheads are allocated to groups of contracts using methods that are systematic, rational and are consistently applied to all costs that have similar characteristics.

Lapse and Surrender rates

Lapses relate to the termination of policies due to non–payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience and vary by product type, policy duration and sales trends. An increase in lapse rates early in the life of the policy would tend to reduce profits of the Company, but later increases are broadly neutral in effect.

(ii) *Discount rate*

The company insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields published by the Nigerian Actuarial Society of highly rated sovereign securities in the currency of the life insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates, including sovereign debt and corporate debt rates.

(iii) *Risk adjustment for non-financial risk*

The risk adjustment for non-financial risk represents the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers insurance risk, lapse risk and expense risk. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the best estimate amount.

The Company has estimated the risk adjustment using a confidence level (value at risk) approach in which a full IFRS 17 liability distribution is generated across all non-financial risks and risk adjustment is calculated as the difference between the best estimate liability and the liability value at the chosen confidence level of 99.5%. The resulting risk adjustment corresponds to a confidence level of 75%-80%.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates, judgement and assumptions (cont'd)

(iv) *Amortisation of the Contractual Service Margin (CSM)*

The CSM is a component of the asset or liability for the group of insurance contracts that represents the unearned profit the Company will recognise as it provides services in the future. An amount of the CSM for a group of insurance contracts is recognised in profit or loss as insurance revenue in each period to reflect the insurance contract services provided under the group of insurance contracts in that period. The amount is determined by:

- Identifying the coverage units in the group
- Allocating the CSM at the end of the period (before recognising any amounts in profit or loss to reflect the insurance contract services provided in the period) equally to each coverage unit provided in the current period and expected to be provided in the future
- Recognising in profit or loss the amount allocated to coverage units provided in the period

The number of coverage units in a group is the quantity of insurance contract services provided by the contracts in the group, determined by considering the quantity of the benefits provided and the expected coverage period. For groups of the company's life insurance contracts, the quantity of benefits is the contractually agreed sum assured over the period of the contracts. The total coverage units of each group of insurance contracts are reassessed at the end of each reporting period to adjust for the reduction of remaining coverage for claims paid, expectations of lapses and cancellation of contracts in the period. They are then allocated based on probability-weighted average duration of each coverage unit provided in the current period and expected to be provided in the future.

Expected release of Contractual Service Margin for insurance contracts issued

CSM with positive sign

Expected release of Contractual Service Margin	Annuity	Protection	Investment Linked	Credit Life	Endowment	Total
Year 1	14,584,425	210,173,144	194,749,975	1,302,402,977	54,313	**1,721,964,834**
Year 2	40,774,644	258,334,554	149,108,550	604,184,381	210,612	**1,052,612,741**
Year 3	40,538,129	121,434,692	87,992,221	331,548,426	159,705	**581,673,171**
Year 4	40,192,704	64,506,281	32,276,913	641,114,841	99,365	**778,190,104**
Year 5	39,408,540	90,566,575	28,281,562	149,479,994	117,766	**307,854,437**
Year 6	40,114,242	106,895,995	27,279,438	31,527,581	140,806	**205,958,063**
Year 7	40,972,130	147,110,430	25,868,054	32,946,821	5,247,353	**252,144,788**
Year 8	41,271,485	81,069,141	23,554,281	36,345,853	0	**182,240,760**
Year 9	42,681,253	127,098,233	20,037,367	44,069,914	0	**233,886,767**
Year 10	42,187,972	160,455,886	21,718,489	57,207,012	0	**281,569,359**
Above Year 10	191,552,936	1,311,077,052	77,505,519	1,032,560,620	0	**2,612,696,127**
Total CSM	**574,278,460**	**2,678,721,981**	**688,372,369**	**4,263,388,421**	**6,029,919**	**8,210,791,150**

The reinsurance run-off profile is shown in he table below.

Expected release of Contractual Service Margin for reinsurance contracts held

CSM with positive sign

Expected release of Contractual Service Margin	Annuity	Protection	Investment Linked	Credit Life	Endowment	Total
Year 1	-	(9,189,795)	1,845,104	(185,486,354)	843,985	**(191,987,060)**
Year 2	-	(21,049,042)	-	(37,130,281)	-	**(58,179,323)**
Year 3	-	(2,503,979)	-	(41,969,446)	-	**(44,473,425)**
Year 4	-	(2,148,885)	-	(9,040,978)	-	**(11,189,863)**
Year 5	-	(1,419,865)	-	(34,006,736)	-	**(35,426,601)**
Year 6	-	(1,737,482)	-	(2,875,118)	-	**(4,612,600)**
Year 7	-	(1,726,644)	-	(1,359,999)	-	**(3,086,643)**
Year 8	-	(1,307,900)	-	(1,094,861)	-	**(2,402,761)**
Year 9	-	(1,374,075)	-	(1,393,170)	-	**(2,767,245)**
Year 10	-	(1,324,062)	-	(1,479,496)	-	**(2,803,558)**
Above Year 10	-	(13,473,440)	-	(15,007,934)	-	**(28,481,374)**
Total CSM	-	**(57,255,171)**	**1,845,104**	**(330,844,372)**	**843,985**	**(385,410,453)**

Notes to the consolidated and separate financial statements

4 Critical accounting estimates, judgement and assumptions (cont'd)

(v) *Assets for insurance acquisition cashflows*

The Company 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

(b) Insurance and reinsurance contracts- Non-Life Business

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

The Company applies the premium allocation approach (PAA) to simplify the measurement of insurance contracts.. For cashflows that are not expected to be settled more than one year after the claims is incurred, the company has elected not to discount such cashflows.

(i) *Claims payment pattern for liability for incurred claims*

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

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

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

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

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

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

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

For non-liability claims, the ultimate period is often within 7 - 10 year unless- tail factor is not required.

- Claim payment pattern will be derived for each reserving class or portfolio (portfolio if there is only one reserving class).
- Basically, the payment pattern provides probabilities to project the settlement of claims in future time periods
- For a given portfolio or reserving class, same payment pattern will be applied to project the payment of OCR (outstanding claim reserve), IBNR reserve and Risk Adjustment estimates over future time periods.
- Existing reserving models (primarily the Basic Chain Ladder) will be used to derive the payment probabilities from the link ratios obtained from paid triangles
- Pattern will be derived once a year, that is, at the year-end valuation. It is expected that same payment pattern will be used in the LIC cashflow modelling for interim valuation periods and roll forward.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates, judgement and assumptions (cont'd)

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

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

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

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

(ii) *Insurance acquisition cash flows*

For the company's PAA eligible contracts, the company is eligible to recognize insurance acquisition cashflows as an expense immediately as incurred or amortize it over the coverage period. The company will make this choice on a portfolio basis. Where the company has not recognized an expense immediately, the company allocates insurance acquisition cash flows to related groups of insurance contracts recognised in the statement of financial position (including those groups that will include insurance contracts expected to arise from renewals). An asset for insurance acquisition cash flows is recognised for acquisition cash flows incurred before the related group of insurance contracts has been recognised.

The effect of electing to recognise insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.

Onerous groups

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

(iii) N*on-performance risk for reinsurers (reinsurance contracts)*

In estimating the value of reinsurance contracts held, the company has considered the risk of non-performance by reinsurers. This includes assessing credit risk based on reinsurers' credit ratings, historical payment performance, and market conditions. As at the valuation date, the company applied the average probability of default (PD) for each reinsurer based on credit ratings, using data from Fitch's Global Corporate Finance Average Cumulative Default Rates (1990–2023), as Fitch rates most counterparties in Nigeria. These PDs were applied to each reinsurer's share of liabilities (EAD) to estimate potential default exposure. The expected loss (EL) was calculated as: EL = EAD × PD × LGD, where LGD (Loss Given Default) was based on management judgment and historical recovery rates by rating class.

(iv) *Risk adjustment for non-financial risk*

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company has estimated the risk adjustment using a confidence level (value at risk) approach in which a full IFRS 17 liability distribution is generated across all non-financial risks and risk adjustment is calculated as the difference between the best estimate liability and the liability value at the chosen confidence level of 99.5%. The resulting risk adjustment corresponds to a confidence level of 75%-80%.

The valuation of the long term insurance contract liabilities was done by Awunor Benjamin Ebube (FRC/2015/PRO/NAS/004/00000012946) of Becoda Consulting (FRC/2015/NAS/00000012946).

The Liability Adequacy Test (LAT) was carried out by Awunor Benjamin Ebube (FRC/2015/PRO/NAS/004/00000012946) of Becoda Consulting (FRC/2015/NAS/00000012946). The claims reserve was calculated using the Discounted Inflation Adjusted Basic Chain Ladder method.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates, judgement and assumptions (cont'd)

(c) Expense Allocation

The Group has split its expenses into attributable and non-attributable

- For Non-Life Business a split of the attributable costs using insurance contract liability weight (LIC & LRC) was recognised
- Expenses allocated to retail business are split among cohorts using policy counts.

(d) Fair value measurement

The Group measures fair values using the following hierarchy of methods:

Level 1: Quoted market price in an active market for an identical instrument

Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

Valuation of land and building

On a determined basis, the Group engages the services of external, independent and qualified valuers to determine the fair value of the land and buildings depending on the measurement model adopted by the entities within the Group. The Group's land and buildings were revalued by external, independent firms of estate surveyors and valuers, John Odiba & Partners with FRC number (FRC/2022/00000014211) and Funsho Oladimeji & Company with FRC number (FRC/2012/0000000000109). The principal valuers are Mr. Odiba John Malik with FRC number FRC/2022/PRO/NIESV/002/455450 and Oladimeji Funsho Peter with FRC number FRC/2013/NIESV/00000001304.

Valuation of investment properties

The Group's investment property is held for the purpose of capital appreciation and rental income generation. The Group's investment properties were revalued by an external, independent firm of estate surveyors and valuers, John Odiba & Partners with FRC number (FRC/2022/00000014211). The name of the principal valuer is Mr. Odiba John Malik (FRC/2022/PRO/NIESV/002/455450). Fair value gains have been recognized in the income statement in line with the fair value model of IAS 40.

(e) Income taxes

Non-life business

The current income tax charge is calculated on taxable income on the basis of the tax laws enacted or substantively enacted at the reporting date. The Company applies Section 16 of the Company Income Tax Act as amended by the Finance Act 2020. It states that an Insurance business shall be taxed as:

- an insurance company, whether proprietary or mutual, other than a life insurance company; or
- a Nigerian company whose profit accrued in part outside Nigeria

- The profit on which tax may be imposed, shall be ascertained by taking the gross premium, interest and other income receivable in Nigeria less reinsurance expenses. The following shall also be deducted from the balance so arrived at:

- a reserve fund for unexpired risks in the financial year computed on a time apportionment basis of the risks accepted during the financial year.

- claims and outgoings provided that any amount not utilised towards settlement of claims and outgoings shall be added to the total profits of the following year.

Life Business

The profits on which tax may be imposed in an insurance company is a life insurance company, whether proprietary or mutual, other than a Nigerian company which carries on business through a permanent establishment in Nigeria shall:

- be the investment income captured for tax purposes to income derived from the investment of shareholders' fund.

The Directors have adopted current tax practices in computing the tax liabilities. Actual results may differ from these estimates based on the interpretation by the tax authorities. The Directors acknowledge that changes in the application of the current tax practices can have a significant impact on the tax expense and tax liabilities recorded in the financial statements.

(f) Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be used

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

Notes to the consolidated and separate financial statements
For the year ended 31 December 2024

5 Segment Information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Executive Officer to allocate resources to the segments and to assess their performance.

The Group's reportable segments are identified as follows;

- Non-life insurance

  The Non-Life business segment comprises general insurance to individuals and businesses. Non-life insurance products offered include auto, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident

- Life insurance

  The life insurance segment offers pure risk, annuity, investment linked and protection products and other long-term contracts (both with and without insurance risk). It comprises a wide range of whole life, term assurance, guaranteed pensions, pure endowment pensions etc. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.

- Hilal Takaful Nigeria Limited

  Hilal Takaful undertakes the underwriting of Family Takaful and General Takaful, using a Hybrid Wakalah-Mudarabah model for its Takaful-Insurance operations.

- Fin Insurance Company Limited

  A seperate subsidiary in the Non-Life business segment comprises general insurance to individuals and businesses. Non-life insurance products offered include auto, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident

- Cornerstone Leasing and Investment Limited

The reportable segments are components of the Group for which discrete financial information is available.
No operating segments have been aggregated to form the above reportable operating segments.
The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of certain expenses, certain finance costs and income taxes which are managed on a group basis. This is the measure reported to the Group's Chief Executive for the purposes of resource allocation and assessment of segment performance.

5.1 Revenue from major products and services
The Group's revenue from major products and services is disclosed in the segment revenue tables (see note 5.4).

5.2 Geographical information
The Group's revenue and information about its segment net assets by geographical location are as follows:

	Revenue		Net assets	
In thousands of naira	**31-Dec-24**	**31-Dec-23**	**31-Dec-24**	**31-Dec-23**
Within Nigeria	38,669,485	25,914,108	60,496,724	33,918,772
	38,669,485	25,914,108	60,496,724	33,918,772

5.3 Information about major customers
The Group does not derive revenue from an individual policyholder or intermediary that represents 10% or more of the Group's total revenue.

Notes to the consolidated and separate financial statements

For the year ended 31 December

5.4 Segment statement of profit or loss as at 31 December 2024

In thousands of naira	Non-life Insurance	Life Insurance	Elimination of intra-business transactions	Company	Fin Insurance	Hilal Takaful Insurance	Cornerstone Leasing & Investment	Elimination of inter-segment transactions	Group
Gross premium written (see note (i))	**24,931,183**	**8,718,740**		**33,649,923**	**8,009,261**	**1,175,415**	**-**	**-**	**42,834,599**
Insurance revenue	22,746,096	7,619,292	-	30,365,388	7,004,393	1,299,704	-	-	38,669,485
Insurance service expense	(13,240,051)	(5,543,127)	-	(18,783,178)	(6,247,995)	(426,695)	-	-	(25,457,869)
Net expenses from reinsurance contracts held	(8,809,345)	(405,679)	-	(9,215,025)	(1,432,168)	(416,201)		-	(11,063,393)
Insurance service result	**696,700**	**1,670,486**	**-**	**2,367,186**	**(675,769)**	**456,807**	**-**	**-**	**2,148,223**
Investment and other investment revenue	9,462,178	13,744,805	-	23,206,983	12,769,019	136,844	-	(0)	36,112,846
Impairment losses on financial assets	(90,392)	(195,761)	-	(286,154)	(12,412)	-	-	-	(298,566)
Investment return	**9,371,786**	**13,549,043**	**-**	**22,920,829**	**12,756,606**	**136,844**	**-**	**(0)**	**35,814,280**
Net finance expenses from insurance contracts issued	153,940	(690,543)	-	(536,603)	55,303	-	-	-	(481,300)
Net finance income from reinsurance contracts held	(609,330)	(21,558)	-	(630,888)	(17,334)	-	-	-	(648,221)
Net insurance finance expenses	**(455,390)**	**(712,101)**	**-**	**(1,167,491)**	**37,970**	**-**	**-**	**-**	**(1,129,521)**
Net financial result	**8,916,396**	**12,836,942**	**-**	**21,753,338**	**12,794,576**	**136,844**	**-**	**(0)**	**34,684,759**
Other operating income	62,518	1,855	-	64,373	14,508	(4,730)	-	-	74,151
Share of profit in joint venture	-	-	-	-	-	-	-	-	-
Management expenses	(5,225,040)	(1,293,888)	-	(6,518,928)	(1,365,397)	(271,200)	-	(132,123)	(8,287,647)
Profit before minimum and income tax	**4,450,574**	**13,215,394**	**-**	**17,665,969**	**10,767,919**	**317,721**	**-**	**(132,123)**	**28,619,486**
Minimum tax	(172,865)	(62,725)	-	(235,590)	-	-	-	-	(461,076)
Income tax expense	(54,530)	(994,021)		(1,048,551)	(1,423,842)	(18,000)		-	(2,264,906)
Segment profit	**4,223,179**	**12,158,648**	**-**	**16,381,828**	**9,344,077**	**299,721**	**-**	**(132,123)**	**25,893,504**

(i) Hilal Takaful is a composite business with gross written premium of N50,578,000.00 for Family Takaful and N1,105,381,000.00 for General Takaful. Profit before tax for Family Takaful is N32,002,000.00, General Takaful is N142,816,000.00 and Operator is N142,904,000.00

5.4 Segment statement of profit or loss as at 31 December 2023

In thousands of naira	Non-life Insurance	Life Insurance	Elimination of intra-business transactions	Company	Fin Insurance	Hilal Takaful Insurance	Cornerstone Leasing & Investment	Elimination of inter-segment transactions	Group
Insurance revenue	14,724,745	5,282,237	-	20,006,981	5,358,349	548,777	-	-	25,914,108
Insurance service expense	(10,415,219)	(3,725,839)	-	(14,141,057)	(3,771,772)	(39,932)	-	-	(17,952,762)
Net expenses from reinsurance contracts held	(5,860,917)	(96,621)	-	(5,957,538)	(2,268,678)	(72,691)	-	-	(8,298,907)
Insurance service result	**(1,551,391)**	**1,459,777**	**-**	**(91,614)**	**(682,101)**	**436,154**	**-**	**-**	**(337,561)**
Investment and other investment revenue	7,616,577	8,557,606	-	16,174,184	8,214,321	177,549	-	-	24,566,054
Impairment writeback/(losses) on financial assets	20,588	(33,239)	-	(12,651)	(43,135)	-	-	-	(55,786)
Investment return	**7,637,165**	**8,524,367**		**16,161,533**	**8,171,186**	**177,549**	**-**	**-**	**24,510,268**
Net finance expenses from insurance contracts issued	-	(1,030,184)	-	(1,030,184)	-	-	-	-	(1,030,184)
Net finance income from reinsurance contracts held	-	11,684	-	11,684	-	-	-	-	11,684
Net insurance finance expenses	**-**	**(1,018,500)**	**-**	**(1,018,500)**	**-**	**-**	**-**	**-**	**(1,018,500)**
Net financial result	**7,637,165**	**7,505,867**	**-**	**15,143,032**	**8,171,186**	**177,549**	**-**	**-**	**23,491,768**
Other operating income	7,286	-	-	7,286	13,724	-	-	-	21,010
Share of profit in joint venture	-	-	-	-	361				361
Management expenses	(2,807,272)	(1,974,850)	-	(4,782,122)	(991,516)	(320,730)	-	122	(6,094,246)
Profit before minimum and income tax	**3,285,789**	**6,990,794**	**-**	**10,276,583**	**6,511,654**	**292,973**	**-**	**122**	**17,081,332**
Minimum tax	(107,611)	(35,471)	-	(143,082)	(69,240)		-	-	(212,322)
Income tax expense	(636,498)	(87,788)		(724,287)	(2,305,964)				(3,030,249)
Segment profit	**2,541,679**	**6,867,535**	**-**	**9,409,214**	**4,136,450**	**292,973**	**-**	**122**	**13,838,762**

Notes to the consolidated and separate financial statements

For the year ended 31 December

5.5 Segment Statement of Financial Position as at 31 December 2024

In thousands of naira	Non-life Insurance	Life Insurance	Elimination of intra-business transactions	Company	Fin Insurance	Hilal Takaful Insurance	Cornerstone Leasing & Investment	Elimination of inter-segment transactions	Group
Assets									
Reinsurance contract assets	8,462,196	674,260	(143,619)	9,280,075	3,252,140	301,927	-	1	12,834,142
Other segment assets	35,968,911	41,116,382	(283,693)	76,801,601	33,559,875	4,215,284	11,445	(5,921,343)	108,666,861
Total assets	**44,431,107**	**41,790,642**	**(427,311)**	**86,081,675**	**36,812,015**	**4,517,211**	**11,445**	**(5,921,342)**	**121,501,003**
Liabilities									
Insurance contract liabilities	19,954,821	17,882,256	-	37,837,078	6,779,119	527,848	-	-	45,144,044
Investment contract liabilities	-	730,382	-	730,382	-	323,044	-	-	1,053,426
Other segment liabilities	6,065,552	2,950,934	(140,073)	8,876,413	5,824,249	1,225,419	636,601	(1,755,873)	14,806,809
Total liabilities	**26,020,374**	**21,563,572**	**(140,073)**	**47,443,873**	**12,603,368**	**2,076,310**	**636,601**	**(1,755,873)**	**61,004,279**
Equity									
Shareholders' funds	**18,410,734**	**20,227,070**	**-**	**38,637,802**	**24,208,647**	**2,440,900**	**(625,156)**	**4,944,992**	**59,717,201**
Non-controlling interest	-	-		-	-			**779,523**	**779,523**
Total equity	**18,410,734**	**20,227,070**	**-**	**38,637,802**	**24,208,647**	**2,440,900**	**(625,156)**	**4,165,469**	**60,496,724**
Total liabilities and equity	**44,431,107**	**41,790,642**	**(140,073)**	**86,081,675**	**36,812,015**	**4,517,211**	**11,445**	**4,944,992**	**121,501,003**
	-	-							

5.5 Segment Statement of Financial Position as at 31 December 2023

In thousands of naira	Non-life Insurance	Life Insurance	Elimination of intra-business transactions	Company	Fin Insurance	Hilal Takaful Insurance	Cornerstone Leasing & Investment	Elimination of inter-segment transactions	Group
Assets									
Reinsurance contract assets	8,037,085	506,171	-	8,543,256	1,059,734	118,284	-	(762,591)	10,483,865
Other segment assets	28,720,734	25,254,148	(778,033)	53,196,849	11,620,288	1,535,908	-	(5,671,641)	72,024,686
Total assets	**36,757,819**	**25,760,319**	**(778,033)**	**61,740,105**	**12,680,022**	**1,654,192**	**11,445**	**(6,434,232)**	**82,508,551**
Liabilities									
Insurance contract liabilities	16,367,855	14,843,570	-	31,211,425	3,368,446	594,168	-	-	35,174,039
Investment contract liabilities	-	479,124	-	479,124	-	321,021	-	-	800,145
Other segment liabilities	4,003,044	4,938,602	(778,033)	8,163,613	3,769,598	2,091,854	636,601	2,046,070	12,615,595
Total liabilities	**20,370,899**	**20,261,295**	**(778,033)**	**39,854,162**	**7,138,044**	**3,007,043**	**636,601**	**2,046,070**	**48,589,779**
Equity									
Shareholders' funds	**16,386,920**	**5,499,024**	**-**	**21,885,943**	**5,541,979**	**(1,352,851)**	**(625,156)**	**(8,480,301)**	**33,918,772**
Non-controlling interest	-	-	-	-	-	-	-	-	-
Total equity	**16,386,920**	**5,499,024**	**-**	**21,885,943**	**5,541,979**	**(1,352,851)**	**(625,156)**	**(8,480,301)**	**33,918,772**
Total liabilities and equity	**36,757,819**	**25,760,319**	**(778,033)**	**61,740,105**	**12,680,022**	**1,654,192**	**11,445**	**(6,434,232)**	**82,508,551**

Notes to the consolidated and separate financial statements

6 Cash and cash equivalents

	Group		Company	
In thousands of naira	2024	2023	2024	2023
Cash	2,386	2,966	2,085	2,689
Balances with banks	7,202,181	5,881,709	4,272,977	4,520,762
Short-term deposits	16,893,334	13,373,871	3,097,457	4,753,252
Gross	**24,097,901**	**19,258,545**	**7,372,519**	**9,276,703**
ECL allowance	(36,678)	(41,093)	(30,576)	(10,904)
	24,061,223	**19,217,453**	**7,341,943**	**9,265,799**
Current	24,061,223	19,217,453	7,341,943	9,265,799
Non-current	-	-	-	-
	24,061,223	**19,217,453**	**7,341,943**	**9,265,799**

The short-term deposits are made for varying periods of between one day and ninety days, depending on the immediate cash requirements of the Group. The carrying amounts disclosed above reasonably approximate the fair value at the reporting date.

	Group		Company	
	2024	2023	2024	2023
(i) Movement in ECL allowance				
Balance, beginning of the year	41,093	8,583	10,904	8,583
Charge for the year (see note 33)	(4,415)	32,510	19,671	2,321
At 31 December	**36,678**	**41,093**	**30,576**	**10,904**

7 Financial assets

	Group		Company	
In thousands of naira	2024	2023	2024	2023
Financial assets - FVOCI	40,925,655	25,536,235	39,380,009	24,128,751
Financial assets - FVTPL	22,430,538	10,849,481	21,248,306	10,849,481
Financial assets - Amortised cost	13,015,608	8,077,587	148,737	133,998
	76,371,800	**44,463,303**	**60,777,051**	**35,112,230**
Current	2,848,512	12,193,439	1,226,972	12,193,439
Non-current	73,523,288	32,269,864	59,550,079	22,918,790
	76,371,800	**44,463,303**	**60,777,051**	**35,112,230**

7.1 Financial assets - FVOCI

	Group		Company	
In thousands of naira	2024	2023	2024	2023
Quoted equity securities	4,263,292	2,696,048	2,950,412	1,514,095
Unquoted investments	5,143,095	2,820,664	4,910,329	2,595,132
Bonds	31,519,267	20,019,523	31,519,267	20,019,523
	40,925,655	**25,536,235**	**39,380,009**	**24,128,751**
Impairment	-	-	-	-
	40,925,655	**25,536,235**	**39,380,009**	**24,128,751**

(i) Movement in FVOCI financial assets- Quoted Equities

	Group		Company	
In thousands of naira	2024	2023	2024	2023
Opening balance	2,696,048	1,501,395	1,514,095	726,380
Additions	391,637	93,348	391,637	79,781
Disposals	(182,679)	(60,799)	(182,011)	(33,665)
Reclassification (see (a) below)	(51,764)	-	(51,764)	-
Fair value gain	1,410,051	1,162,105	1,278,455	741,600
Balance, end of the year	4,263,292	2,696,048	2,950,412	1,514,095

(a) This represents investments in delisted equities reclassified to unquoted equities.

(ii) Movement in FVOCI financial assets- Unquoted Investments

	Group		Company	
In thousands of naira	2024	2023	2024	2023
Opening balance	2,820,664	1,947,910	2,595,132	1,713,895
Additions	655,101	63,498	720,205	63,498
Disposals	-	(33,953)	-	-
Reclassification (see note (i) above)	51,764	-	51,764	-
Fair value gain	1,615,566	843,210	1,543,228	817,740
	5,143,095	2,820,664	4,910,329	2,595,132
Impairment	-	-	-	-
	5,143,095	2,820,664	4,910,329	2,595,132

Unquoted investment is carried at norminal value except for investment in CAPIC and Value Alliance which were valued using net asset value

Notes to the consolidated and separate financial statements

(iv) Movement in FVOCI financial assets- Bonds

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Opening balance	20,019,523	7,967,492	20,019,523	7,967,492
Additions	-	4,094,268	-	4,094,268
Disposals/redemptions	(313,150)	(61,653)	(313,150)	(61,653)
Exchange gain	11,223,976	8,364,487	11,223,976	8,364,487
Interest income	2,821,956	1,599,916	2,821,956	1,599,916
Interest received	(2,068,114)	(1,324,738)	(2,068,114)	(1,324,738)
Fair value loss	(164,924)	(620,249)	(164,924)	(620,249)
Balance, end of the year	31,519,267	20,019,523	31,519,267	20,019,523

(v) Movement in ECL allowance- Bonds

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Balance, beginning of the year	90,698	23,738	90,698	23,738
Charge for the year	261,402	66,960	261,402	66,960
Balance, end of the year	352,100	90,698	352,100	90,698

7.2 Financial Assets - FVTPL

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Quoted equity securities	2,258,216	3,089,164	2,258,216	3,089,164
Treasury bills	484,114	-	484,114	-
Bonds	19,688,208	7,760,317	18,505,976	7,760,317
	22,430,538	**10,849,481**	**21,248,306**	**10,849,481**

(i) Movement in financial assets at fair value through profit or loss (FVTPL) - Quoted equity securities

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Opening balance	3,089,164	3,384,145	3,089,164	3,384,145
Additions	-	-	-	-
Disposals	(159,519)	-	(159,519)	-
Fair value loss	(671,429)	(294,982)	(671,429)	(294,982)
Balance, end of the year	**2,258,216**	**3,089,164**	**2,258,216**	**3,089,164**

Movement in financial assets at fair value through profit or loss (FVTPL) - Treasury bills

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Opening balance	-	-	-	-
Additions	403,542	-	403,542	-
Accrued interest	81,760	-	81,760	-
Fair value loss	(1,188)	-	(1,188)	-
Balance, end of the year	**484,114**	**-**	**484,114**	**-**

Movement in financial assets at fair value through profit or loss (FVTPL) - Bonds

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Opening balance	7,760,317	4,895,435	7,760,317	4,895,435
Additions	6,738,303	-	6,738,303	-
Disposals	-	(928,520)	-	(928,520)
Exchange gain	5,179,713	2,925,957	5,179,713	2,925,957
Interest income	1,124,836	627,651	919,615	627,651
Interest received	(1,735,612)	(373,378)	(1,163,452)	(373,378)
Fair value gain/(loss)	620,650	613,172	(928,521)	613,172
Balance, end of the year	**19,688,208**	**7,760,317**	**18,505,976**	**7,760,317**

Notes to the consolidated and separate financial statements

7.3 Financial Assets - Amortised cost

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Bonds	10,851,513	7,976,249	-	-
Loan to policy holders	206,620	186,799	206,620	186,799
Long term placements	1,560,130	-	-	-
Treasury bills	505,248	-	-	-
	13,123,511	**8,163,049**	**206,620**	**186,799**
ECL allowance on bonds (see (d)(ii))	(50,019)	(32,661)	-	-
ECL allowance loans (see (d)(ii))	(57,883)	(52,803)	(57,883)	(52,803)
	13,015,608	**8,077,587**	**148,737**	**133,998**

(ii) Bonds

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	7,976,249	3,975,893	-	-
Additions	-	856,658	-	-
Disposals	-	-	-	-
Exchange gain	4,524,207	3,122,462	-	-
Accrued interest on bonds	760,354	427,057	-	-
Interest received	(2,409,297)	(405,821)	-	-
Gross	10,851,513	7,976,249	-	-
ECL	(50,019)	(32,661)	-	-
Balance, end of the year	10,801,493	7,943,588	-	-

(iii) Loans to policy holders

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	186,800	295,712	186,800	295,712
Additions during the year	39,332	56,625	39,332	56,625
Accrued interest	2,580	3,436	2,580	3,436
Redemptions during the year	(22,092)	(168,974)	(22,092)	(168,974)
Gross	206,620	186,800	206,620	186,800
ECL	(57,883)	(52,803)	(57,883)	(52,803)
Balance, end of the year	148,737	133,997	148,737	133,997

(iv) Long term placements

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	-	-
Additions during the year	1,579,270			
Gross	1,579,270	-	-	-
ECL	(19,140)	-	-	-
Balance, end of the year	1,560,130	-	-	-

(v) Treasury bills

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	-	-
Additions during the year	482,921			
Accrued interest	38,079			
Gross	521,000	-	-	-
Unearned income	(15,752)			
Balance, end of the year	505,248	-	-	-

(vi) Movement in ECL allowance on bonds at amortised cost

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	32,660	15,526	-	-
Charge for the year	17,359	17,134	-	-
Balance, end of the year	50,019	32,660	-	-

Notes to the consolidated and separate financial statements

(vii) Movement in ECL allowance on loans to policy holders

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	52,802	52,802	52,802	52,802
Charge during the year	5,081	-	5,081	-
Balance, end of the year	57,883	52,802	57,883	52,802

(viii) Movement in ECL allowance on long term placement at amortised cost

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	-	-
Charge for the year	19,140	-	-	-
Balance, end of the year	19,140	-	-	-

Movement in unearned income on treasury bills at amortised cost

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	-	-
Charge for the year	15,752	-	-	-
Balance, end of the year	15,752	-	-	-

(vi) The Group grants cash loans to policyholders in line with the policy provisions (terms and conditions). The maximum loan amount that can be granted to policyholders is 70% of the policy cash value except for endowment policies where the policy holder can obtain a maximum of 90% of the policy cash surrender value. The cash value is the cash amount due to the policyholder upon surrender of the insurance contract as at the date of determination and it is used as collateral on policy cash loan granted.

The tenor of the loan is not beyond the policy duration and such policy must be in force and has acquired cash value before loan application can be considered. A pre-determined interest rate (compounded daily) is applied on the loan. The rate is currently within the range of 6-12% per annum depending on the type of policy and it is reviewed periodically.

The rate is determined after due consideration on the interest rate used by the Actuary for premium benefit calculation, allowance for documentation and other expenses on the policy, margin for contingencies and profit loadings. Policy loans are not impaired as balances are set-off against benefits accruable to the policyholder.

(iv) The Company reassessed the appropriateness of the classification of its bonds in financial asset classes vis-a-vis its business model and this led to the bonds being reclassified from the loan and receivables class of asset. The amounts reclassified as presented in note (iii) above are the opening balances of the bonds which differ from the closing balances in note (a) following purchases and disposals during the year.

(e) Gross reconciliation of Investment securities for cashflows

	Group		Company	
In thousands of naira	2024	2023	2024	2023
Balance, beginning of the year	44,463,301	23,672,930	35,112,229	18,688,076
Additions/Acquisitions	10,290,106	5,164,396	8,293,019	4,294,172
Disposals/maturities/redemptions	(677,441)	(1,253,898)	(676,621)	(1,192,811)
Exchange gain	20,927,896	14,412,906	16,403,689	11,290,444
Accrued interest	4,816,768	2,658,060	3,825,761	2,231,002
Interest received	(6,235,114)	(2,103,866)	(3,231,565)	(1,698,114)
Fair value gain	2,808,725	1,998,237	1,055,620	1,552,262
	76,394,241	44,548,764	60,782,132	35,165,032
Expected Credit Losses	(22,441)	(85,463)	(5,081)	(52,803)
	76,371,800	44,463,301	60,777,051	35,112,229

Notes to the consolidated and separate financial statements

8 Premium receivables

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	271,955	798,935	207,729	545,407
Gross premium written	42,834,599	31,709,425	33,649,923	25,904,644
Deposit for premium (see note 19(a)(i))	(1,123,212)	(1,185,024)	(1,353,267)	(998,959)
Insurance premium received (see note 14(a)(i))	(41,434,202)	(31,051,381)	(32,181,835)	(25,243,363)
Balance, end of the year	549,140	271,955	322,551	207,729
Trade receivables comprise:				
Due from brokers, agents and other insurance companies	549,140	271,955	322,551	207,729
Allowance for impairment (see note (c) below)	-	-	-	-
	549,140	271,955	322,551	207,729
Current	549,140	271,955	322,551	207,729
	549,140	271,955	322,551	207,729

(i) Trade receivables by insurance institutions:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Due from brokers	549,140	271,955	322,551	207,729
Due from other insurance companies	-	-	-	-
Total gross amount	549,140	271,955	322,551	207,729
Allowance for impairment (see note ('c) below)	-	-	-	-
	549,140	271,955	322,551	207,729

(b) The age analysis of gross insurance trade receivables as at year-end is as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Within 30 days	549,140	271,955	322,551	207,729
More than 30 days (see note (i) below)	-	-	-	-
	549,140	271,955	322,551	207,729

Age analysis of gross insurance trade receivables for Group is as follows:

In thousands of naira	2024	
Age of debt	No. of Policies	Amount
0- 14 Days	135	330,301
15-30 Days	133	218,839
31-90 Days	-	-
91-180 Days	-	-
Above 180 Days	-	-
	268	549,140

Age analysis of gross insurance trade receivables for Company is as follows:

In thousands of naira	2024	
Age of debt	No. of Policies	Amount
0- 14 Days	117	103,712
15-30 Days	88	218,839
31-90 Days	-	-
91-180 Days	-	-
Above 180 Days	-	-
	205	322,551

Age analysis of gross insurance trade receivables for Non-life business is as follows:

In thousands of naira	2024	
Age of debt	No. of Policies	Amount
0- 14 Days	117	103,712
15-30 Days	87	217,223
31-90 Days	-	-
91-180 Days	-	-
Above 180 Days	-	-
	204	320,935

Notes to the consolidated and separate financial statements

Age analysis of gross insurance trade receivables for life business is as follows:

In thousands of naira	2024	
Age of debt	No. of Policies	Amount
0- 14 Days	-	-
15-30 Days	1	1,616
31-90 Days	-	-
91-180 Days	-	-
Above 180 Days	-	-
	1	1,616

9 **Other receivables and prepayments**

	In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
	Non-financial				
	Prepaid rent (see note (h) below)	58,221	94,283	46,956	90,848
	Prepaid insurance	-	-	-	-
	Withholding tax receivable	63,539	46,185	1,347	537
	Stock of stationery	-	-	-	-
	VAT control	215,313	181,029	215,313	181,029
	Prepaid housing allowance	99,902	72,518	99,902	72,518
	Other prepaid balances (see note (a) below)	255,995	302,789	153,261	231,013
(1)	Reclassification of prepaid rent to right-of-use asset	-	-	-	-
		692,969	696,803	516,779	575,945
	Financial				
	Due from subsidiaries (see note (b) below)	-	-	46,284	1,439,926
	Dividend receivable	40,624	4,380	40,512	4,324
	Receivables from Meristem	-	5,804	-	5,804
	Insurance recoverable	3,221	3,221	3,221	3,221
	Due from Staff (see note (g) below)	30,405	23,890	28,104	21,572
(1)	Other receivables (see note (c) below)	556,291	821,386	354,603	122,198
		630,542	858,682	472,724	1,597,046
	Total other receivables and prepayments	1,323,510	1,555,485	989,503	2,172,990
	Allowance for impairment (see note (d) below)	(49,228)	(49,228)	(49,228)	(49,228)
		1,274,283	1,506,257	940,275	2,123,762
	Current	1,274,283	1,506,257	940,275	2,123,762
	Non-current	-	-	-	-
		1,274,283	1,506,257	940,275	2,123,762

(a) Other prepaid balances comprise email, software application and server protection license prepayments.

(b) **Due from subsidiaries**

Due from subsidiaries comprises receivable from its subsidiaries, Fin Insurance Company Limited and Hilal Takaful Nigeria Limited (note 37). Additional investment in subsidary during the year relates Hilal Takaful Nigeria Limited.

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	1,439,926	1,439,926
Transactions during the year	-	-	(5,642)	-
Investment in subsidary - Deposit for shares	-	-	(1,219,000)	-
Investment in subsidary - Intercompany account	-	-	(169,000)	-
Balance, end of the year	-	-	46,284	1,439,926

(c) Included as part of other receivables are risk funds recoverables from Operator, Julah and Mudarabah fee receivables of N549m from subsidiaries, receivables from CAML and other third parties as at 31 December 2024.

(d) The impairment allowance on, and the carrying amount of, other receivables are analysed as follows:

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Group - 2024

		Expected credit loss			
	Gross amount	**Opening balance**	**Addition**	**Closing balance**	**Carrying amount**
Prepaid rent	58,221	-		-	58,221
Withholding tax receivable	63,539	-	-	-	63,539
VAT control	215,313	-	-	-	215,313
Prepaid housing allowance	99,902	-	-	-	99,902
Other prepaid balances	255,995	-	-	-	255,995
Dividend receivable	40,624	-		-	40,624
Insurance recoverable	3,221	-	-	-	3,221
Due from Staff	30,405	-	-	-	30,405
Other receivables	556,291	49,228	-	49,228	507,063
	1,323,510	49,228	-	49,228	1,274,283

Company - 2024

		Expected credit loss			
	Gross amount	**Opening balance**	**Addition**	**Closing balance**	**Carrying amount**
Prepaid rent	46,956	-	-	-	46,956
Withholding tax receivable	1,347	-	-	-	1,347
VAT control	215,313	-	-	-	215,313
Prepaid housing allowance	99,902	-	-	-	99,902
Other prepaid balances	153,261	-	-	-	153,261
Due from subsidiaries	46,284	-	-	-	46,284
Dividend receivable	40,512	-	-	-	40,512
Insurance recoverable	3,221	-	-	-	3,221
Due from Staff	28,104	-	-	-	28,104
Other receivables	354,603	49,228	-	49,228	305,375
	989,503	49,228	-	49,228	940,275

Group - 2023

		Expected credit loss			
	Gross amount	**Opening balance**	**Addition**	**Closing balance**	**Carrying amount**
Prepaid rent	94,284	-	-	-	94,284
Withholding tax receivable	46,184		-	-	46,184
Insurance recoverable	3,221		-	-	3,221
Receivables from Meristem	5,804		-	-	5,804
Dividend receivable	4,380		-	-	4,380
Due from Staff	23,890		-	-	23,890
Prepaid housing allowance	72,518		-	-	72,518
Other prepaid balances	302,788		-	-	302,788
VAT control	181,029		-	-	181,029
Other receivables	821,387	37,323	11,905	49,228	772,159
	1,555,485	37,323	11,905	49,228	1,506,257
	1,555,485				

Company - 2023

		Expected credit loss			
	Gross amount	**Opening balance**	**Addition**	**Closing balance**	**Carrying amount**
Prepaid rent	90,848	-	-	-	90,848
Withholding tax receivable	537	-	-	-	537
VAT control	181,029	-	-	-	181,029
Prepaid housing allowance	72,518	-	-	-	72,518
Other prepaid balances	231,013	-	-	-	231,013
Due from subsidiaries	1,439,926	-	-	-	1,439,926
Dividend receivable	4,324	-	-	-	4,324
Receivables from Meristem	5,804	-	-	-	5,804
Insurance recoverable	3,221	-	-	-	3,221
Due from Staff	21,572	-	-	-	21,572
Other receivables	122,198	-	49,228	49,228	72,970
	2,172,990	-	49,228	49,228	2,123,762

Notes to the consolidated and separate financial statements

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Balance, beginning of the year	49,228	37,323	49,228	-
Charge	-	11,905	-	-
Balance, end of the year	49,228	49,228	49,228	49,228

(f) Due from Mingol Properties Ltd comprises receivables from disposed Joint Venture arrangement.

	Group		Company	
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Balance, beginning of the year	-	46,778	-	21,080
Settled	-	(46,778)	-	(21,080)
Balance, end of the year	-	-	-	-

(g) Due from staff comprises staff advances and other advance payments.

10 Investment in joint venture

This represent the Company's investment in joint venture, Mingol Properties Ltd after the liquidation of CAP Phoenix Limited.

(a) The movement in the investment in joint venture is as follows:

	Group	Group	Company	Company
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Balance, beginning of the year	-	510	-	280
Received from Mingol Properties/liquidation	-	(510)	-	(280)
Balance, end of the year	-	-	-	-

(b) The analysis of the carrying amount of the investment in joint venture is as follows:

	Group	Group	Company	Company
In thousands of naira	**2024**	**2023**	**2024**	**2023**
At 1 January	-	510	-	280
Current year share of profit of the joint venture (see note (iii) below)	-	361	-	-
Receivable from Mingol Properties Ltd	-	(361)	-	-
Received from Mingol Properties/liquidation	-	(510)	-	(280)
	-	-	-	-
Current	-	-	-	-
Non-current	-	-	-	-
	-	-	-	-

(iii) The analysis of the gain from investment in joint venture is as follows:

	Group	Group	Company	Company
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Receivable from Mingol Properties Ltd	-	-	-	-
Received from Mingol Properties/liquidation	-	510	-	280
	-	510	-	280

11 Investment in subsidiaries

	Group	Group	Company	Company
In thousands of naira	**2024**	**2023**	**2024**	**2023**
Fin Insurance Company Limited (see note (a)(i) below)	-	-	3,154,748	3,154,748
Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria Limited (see note (a)(ii) below)	-	-	1,854,099	466,099
	-	-	5,008,847	3,620,847
Impairment allowance (see note (a) below)			-	-
	-	-	5,008,847	3,620,847
Current	-	-	-	-
Non-current	-	-	5,008,847	3,620,847
	-	-	5,008,847	3,620,847

Notes to the consolidated and separate financial statements

(a)(i) Fin Insurance Company Limited

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	3,154,748	3,154,748
Addition during the year	-	-	-	-
	-	-	3,154,748	3,154,748

(a)(ii) In the year 2020, the Company discontinued its Takaful Insurance business segment following the approval and license to operate Takaful Insurance as a separate stand alone Company. Consequently, the net asset of NGN466.09million for Takaful Insurance on the date of discontinuation were derecognised against investment in the newly formed Takaful Company which is a wholly owned subsidiary of Cornerstone Insurance Plc.

During financial year, deposit for shares in the sum of N1.219billion and intercompany balance in the sum of N169million were aloted in Hilal Takaful Ltd in line with the Board approval of 4 December 2024.

Hilal Takaful Nigeria Ltd

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	-	-	466,099	466,099
Addition	-	-	1,388,000	-
Balance, end of the year	-	-	1,854,099	466,099

(b) Principal subsidiary undertakings

The Group is controlled by Cornerstone Insurance Plc ("the Parent Company") which is incorporated in Nigeria. The controlling interests of Cornerstone Insurance Plc in the group entities are as follows:

Company name	Country of incorporation	Nature of business	% equity holdings
Fin Insurance Company Limited	Nigeria	Non-life insurance busin	96.68%
Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria	Nigeria	Takaful Insurance	100.00%

(c) Other information on subsidiaries

(ii) Fin Insurance Company Limited is a private limited liability company incorporated in Nigeria and its primary activity is the provision of Non-life insurance business. Cornerstone Insurance Plc acquired 96.68% equity interest in Fin Insurance Company Limited in 2015. The acquisition was made in a bid to increase the market share of the Non-life Insurance business of the entity. The Company's primary place of business is Lagos, Nigeria. The proportion of the equity interest of the Company owned by the non-controlling interest is 3.32%.

(d) Significant restrictions

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the regulatory frameworks under which the insurance business operates. The regulatory frameworks require all insurance companies to maintain certain levels of regulatory capital and liquid assets and comply with other ratios such as the solvency margin.

(e) Condensed results of consolidated entities

The condensed financial data of the consolidated entities are as follows:

31 December 2024

Condensed statement of profit or loss

In thousands of naira	Cornerstone Insurance Plc	Hilal Takaful Nigeria	Fin Insurance Company Limited	Elimination entries	Group balances
Total income	53,636,744	1,431,818	19,787,920	298,566	74,557,916
Total expenses	(35,970,775)	(1,114,097)	(9,020,002)	(166,443)	(45,938,431)
Profit before tax	17,665,969	317,721	10,767,919	132,123	28,619,486
Tax expense	(1,284,140)	(18,000)	(1,423,842)	-	(2,725,982)
Profit after tax	16,381,828	299,721	9,344,077	132,123	25,893,504

Condensed statement of financial position

In thousands of naira	Cornerstone Insurance Plc	Hilal Takaful Nigeria	Fin Insurance Company Limited	Elimination entries	Group balances
Total assets	86,081,675	4,517,211	36,812,015	(5,921,342)	121,501,003
Total liabilities	47,443,873	2,076,310	12,603,368	(1,755,873)	61,004,279
Shareholders' funds	38,637,802	2,440,900	24,208,647	(4,165,469)	60,496,724

Notes to the consolidated and separate financial statements

31 December 2023

Condensed statement of profit or loss

In thousands of naira	Cornerstone Insurance Plc	Hilal Takaful Nigeria	Fin Insurance Company Limited	Elimination entries	Group balances
Total income	36,175,800	726,326	13,543,260	(1)	50,445,386
Total expenses	(25,899,218)	(433,353)	(7,031,967)	(121)	(33,364,416)
Profit before tax	10,276,583	292,973	6,511,293	(122)	17,080,971
Tax expense	(867,368)	-	(2,375,204)	-	(3,242,572)
Profit for the year	9,409,214	292,973	4,136,089	(122)	13,838,398

Condensed statement of financial position

In thousands of naira	Cornerstone Insurance Plc	Hilal Takaful Nigeria	Fin Insurance Company Limited	Elimination entries	Group balances
Total assets	61,740,105	4,517,211	12,680,022	3,559,768	82,508,551
Total liabilities	39,854,162	3,007,043	7,138,044	(2,046,070)	48,589,779
Shareholders' funds	21,885,943	(1,352,851)	5,541,979	8,468,857	33,918,772

12 Investment properties

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	765,000	680,000	-	-
Fair value gains	107,000	85,000	-	-
Balance, end of the year	872,000	765,000	-	-
Current	-	-	-	-
Non-current	872,000	765,000	-	-
	872,000	765,000	-	-

The balance in this account can be analysed as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Cost	765,000	292,000	-	-
Fair value gain	107,000	473,000	-	-
	872,000	765,000	-	-

Notes to the consolidated and separate financial statements

(a) The details of the investment properties of the Group are presented in the table below:

The investment properties are being carried in the name of Yankari Insurance Limited, which is Fin Insurance former business name.

Details of the property	Documentation	aken for perfection	Owner	Carrying amount
Land and Twin Duplex, Plot 667 (A&B) Umozi Street, off Ladoke Akintola Boulevant, Garki II, Abuja	C of O DD 02.08.2005	The Group has a certified true copy of C of O, though its in the name of Yankari Insurance Co. Ltd.	Fin Insurance Company Limited	620,000
Land and Two Blocks Flats, House no 16&18, 2nd Avenue, 21(D) Road by Babangida market, beside Dominion Chapel, FHA Estate, Lugbe, Abuja	FHA allocation letter FHA/ES/FCT/lg/nhp/33 DD 09.11.2001	The Group has a certified true copy of letter of allocation in the name of Yankari Insurance Co. Ltd.	Fin Insurance Company Limited	252,000
				872,000

(b) **Measurement of fair values**

(i) ***Fair value hierarchy***

The fair value of investment properties was determined by an external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer, John Odibah & Partners with FRC number FRC/2022/00000014211 valued the properties on the basis of open market value as at 31 December 2023. The principal valuer is Mr. Odiba John Malik with FRC number FRC/2022/PRO/NIESV/002/455450.

The fair value measurement for the investment properties of ₦872 million (2023: ₦765 million) has been categorised as a Level 3 fair value based on the inputs into the valuation technique used.

(ii) ***Valuation technique and significant unobservable inputs***

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The fair values are determined by applying the direct market evidence comparative method of valuation to derive the open market value. This valuation model reflects the current price on actual transaction for similar properties in the neighbourhood in recent time. References were made to prices of land and comparable properties in the neighbourhood. The data obtained were analysed and adjustment was made to reflect differences in site area and the actual location, quality of construction and off-site facilities.	-Prices per square meter '-Rate of development in the area '-Quality of the building '-Influx of people and/or business to the area	The estimated fair value would increase/(decrease) if the rate of development in the area increases/(decreases), quality of the building increases/(decreases), influx of people and/or business to the area increases/(decreases).

13 Reinsurance contracts measured under General measurement model and Premium allocation approach (GMM and PAA)

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Assets for remaining coverage (Note 13a)	6,887,889	5,805,514	5,403,717	4,801,093
Amount recoverable for incurred claims (Note 13a)	5,946,253	4,678,351	3,876,358	3,742,163
	12,834,142	**10,483,865**	**9,280,075**	**8,543,256**
Current	6,887,889	5,805,514	5,403,717	4,801,093
Non-current	5,946,253	4,678,351	3,876,358	3,742,163
	12,834,142	**10,483,865**	**9,280,075**	**8,543,256**

- -

13a Reconciliation of the re-insurance contract balances measured under PAA and GMM for the Group as at 31 December 2024

	Assets for Remaining Coverage (ARC)		Assets for incurred claims		
	Non-onerous ₦'000	**Onerous ₦'000**	**Estimates of present value of future cashflows ₦'000**	**Risk Adjustment ₦'000**	**Total ₦'000**
Opening assets	5,805,514	-	4,176,096	502,255	10,483,865
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(16,020,714)	-	-	-	(16,020,714)
Transfer to reinsurance contract Liabilities (13)(a)(ii)	237,285		(8,154)		229,131
Recoveries of incurred claims and other attributable income (Note 25)	-	-	3,969,730	338,294	4,308,024
Changes related to past service					
changes in BEL related to reinsurance AIC (Note 25)	-	-	129,969	-	129,969
changes in RA related to reinsurance AIC (Note 25)	-	-	-	189,107	189,107
Net expenses from reinsurance contracts	**(15,783,429)**	**-**	**4,091,545**	**527,401**	**(11,164,483)**
Net finance income/(expense) from reinsurance contracts	-	-	(597,492)	(44,866)	(642,358)
Total changes in the statement of profit or loss and OCI	**(15,783,429)**	**-**	**3,494,053**	**482,535**	**(11,806,841)**
Cashflows for the period					
Reinsurance premiums paid (Note 44(iv))	16,865,804	-	-	-	**16,865,804**
Amounts received under reinsurance contracts held	-	-	(2,708,685)	-	**(2,708,685)**
Commission income	-	-	-	-	**-**
Total cash flows	**16,865,804**	**-**	**(2,708,685)**	**-**	**14,157,119**
Closing assets	**6,887,889**	**-**	**4,961,464**	**984,790**	**12,834,142**

13a Reconciliation of the re-insurance contract balances measured under PAA and GMM for the Group as at 31 December 2023

	Assets for Remaining Coverage (ARC)		Assets for incurred claims		
	Non-onerous ₦'000	**Onerous ₦'000**	**Estimates of present value of future cashflows ₦'000**	**Risk Adjustment ₦'000**	**Total ₦'000**
Opening assets	4,422,347	-	3,442,046	172,600	8,036,993
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(11,464,882)	-	-	-	(11,464,882)
Recoveries of incurred claims and other attributable income (Note 25)	-	-	1,714,128	329,655	2,043,782
Effects of changes related to past service	-	-	-	-	-
changes in BEL related to reinsurance AIC (Note 25)	-	-	899,904	-	899,904
changes in RA related to reinsurance AIC (Note 25)	-	-	224,592	-	224,592
Net expenses from reinsurance contracts	**(11,464,882)**	**-**	**2,838,624**	**329,655**	**(8,296,603)**

Net finance income from reinsurance contracts	11,684	-	-		11,684
Total changes in the statement of profit or loss and OCI	**(11,453,198)**	**-**	**2,838,624**	**329,655**	**(8,284,919)**
Cashflows for the period					
Reinsurance premiums paid (Note 44(iv))	12,707,767	-	-	-	**12,707,767**
Amounts received under reinsurance contracts held	-	-	(2,104,573)	-	**(2,104,573)**
Commission income	128,598	-	-	-	**128,598**
Total cash flows	**12,836,365**	**-**	**(2,104,573)**	**-**	**10,731,791**
Closing assets	**5,805,514**	**-**	**4,176,096**	**502,255**	**10,483,865**

13a Reconciliation of the re-insurance contract balances measured under PAA and GMM for the Company as at 31 December 2024

	Assets for Remaining Coverage (ARC)		Assets for incurred claims		
	Non-onerous ₦'000	Onerous ₦'000	Estimates of present value of future cashflows ₦'000	Risk Adjustment ₦'000	Total ₦'000
Opening assets	4,801,093	-	3,139,884	602,279	8,543,257
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(12,277,539)	-	-	-	(12,277,539)
Transfer to reinsurance contract Liabilities (13)(a)(ii)	237,285		(8,154)		229,131
Reinsurance service expenses	-	-	-	-	-
Recoveries of incurred claims and other attributable income (Note 25)	-	-	2,344,724	185,811	2,530,535
Effects of changes related to past service (Note 25)	-	-	-	-	-
changes in BEL related to reinsurance AIC (Note 25)	-	-	-	110,227	110,227
changes in RA related to reinsurance AIC (Note 25)	-	-	91,532	-	91,532
Net expenses from reinsurance contracts	**(12,040,254)**	**-**	**2,428,102**	**296,038**	**(9,316,114)**
Net finance income from reinsurance contracts	-	-	(580,159)	(44,866)	(625,025)
Total changes in the statement of profit or loss and OCI	**(12,040,254)**	**-**	**1,847,943**	**251,172**	**(9,941,138)**
Cashflows for the period					
Reinsurance premiums paid	12,642,878	-	-	-	**12,642,878**
Amounts received under reinsurance contracts held	-	-	(1,964,919)	-	**(1,964,919)**
Commission income	(0)	-	-	-	**(0)**
Total cash flows	**12,642,878**	**-**	**(1,964,919)**	**-**	**10,677,958**
Closing assets	**5,403,717**	**-**	**3,022,908**	**853,451**	**9,280,075**

13a Reconciliation of the re-insurance contract balances measured under PAA and GMM for the Company as at 31 December 2023

	Assets for Remaining Coverage (ARC)		Assets for incurred claims		
	Non-onerous ₦'000	Onerous ₦'000	incurred claims ₦'000	Risk Adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	3,669,296	-	2,902,927	289,050	6,861,272
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(8,341,217)	-	-	-	(8,341,217)
Reinsurance service expenses	-	-	-	-	-
Recoveries of incurred claims and other attributable income (Note 25)	-	-	1,684,132	313,230	1,997,361
Effects of changes related to past service (Note 25)	-	-	-	-	-
changes in BEL related to reinsurance AIC (Note 25)	-	-	229,702	-	229,702
changes in RA related to reinsurance AIC (Note 25)	-	-	156,615	-	156,615
Net expenses from reinsurance contracts	**(8,341,217)**	**-**	**2,070,449**	**313,230**	**(5,957,538)**
Net finance income from reinsurance contracts	11,684	-	-		11,684
Total changes in the statement of profit or loss and OCI	**(8,329,533)**	**-**	**2,070,449**	**313,230**	**(5,945,854)**
Cashflows for the period					
Reinsurance premiums paid (Note 44(iv))	9,332,731	-	-	-	**9,332,731**
Amounts received under reinsurance contracts held	-	-	(1,833,491)	-	**(1,833,491)**
Commission income	128,598	-	-	-	**128,598**
Total cash flows	**9,461,329**	**-**	**(1,833,491)**	**-**	**7,627,838**
Closing assets	**4,801,093**	**-**	**3,139,884**	**602,279**	**8,543,256**

(i) Impact of reinsurance contracts recognized in the year

In thousands of naira	December 2024 Non-onerous contracts originated	December 2024 Onerous contracts orignated	December 2024 Total	December 2023 Non-onerous contracts originated	December 2023 Onerous contracts orignated	December 2023 Total
Estimates of future cash inflows	2,427	-	2,427	-	253,733	253,733
Estimates of future cash outflows	4,622	40,040	44,662	-	289,290	289,290
	(2,195)	**(40,040)**	**(42,235)**	**-**	**(35,557)**	**(35,557)**
Risk adjustment for non-financial risk	85	801	886	-	4,674	4,674
Contractual service margin	(2,110)	(39,239)	(41,350)	-	(30,883)	(30,883)
Total reinsurance contract assets	-	-	-	-	-	-

Expected recognition contractual service margin for reinsurance contracts held
December 2024
CSM with positive sign

In thousands of naira	Annuity	Protection	Investment Linked	Credit Life	Endowment	Total
Year 1	-	(9,190)	1,845	(185,486)	844	(191,987)
Year 2	-	(21,049)	-	(37,130)	-	(58,179)
Year 3	-	(2,504)	-	(41,969)	-	(44,473)
Year 4	-	(2,149)	-	(9,041)	-	(11,190)
Year 5	-	(1,420)	-	(34,007)	-	(35,427)
Year 6	-	(1,737)	-	(2,875)	-	(4,613)
Year 7	-	(1,727)	-	(1,360)	-	(3,087)
Year 8	-	(1,308)	-	(1,095)	-	(2,403)
Year 9	-	(1,374)	-	(1,393)	-	(2,767)
Year 10	-	(1,324)	-	(1,479)	-	(2,804)
Above Year 10	-	(13,473)	-	(15,008)	-	(28,481)
Total CSM	**-**	**(57,255)**	**1,845**	**(330,844)**	**844**	**(385,410)**

13(ii) Reinsurance contracts liabilities measured under General measurement model (GMM)

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Liabilities for remaining coverage (Note 13b(i))	167,897	-	167,897	-
Amount recoverable for incurred claims (Note 13b(i))	(24,278)	-	(24,278)	-
	143,619	**-**	**143,619**	**-**
Current	167,897	-	167,897	-
Non-current	(24,278)	-	(24,278)	-
	143,619	**-**	**143,619**	**-**

Reconciliation of the re-insurance contract liabilities measured under GMM for the Group and Company as at 31 December 2024

	(ARC)		Liabilities for incurred claims		
	Non-onerous ₦'000	**Onerous ₦'000**	**Estimates of present value of future cashflows ₦'000**	**Risk Adjustment ₦'000**	**Total ₦'000**
Opening liabilities	-	-	-	-	-
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(118,746)	-	-	-	(118,746)
Transfer from reinsurance contract assets (Note (13)(a))	237,285		(8,154)		229,130
Insurance service expenses	-	-	-	-	-
Recoveries of incurred claims and other attributable income (Note 25)	-	-	(182,220)	-	(182,220)
Amortisation of commission income	-	-	(29,255)	-	(29,255)
Net expenses from reinsurance contracts	**118,539**	**-**	**(219,629)**	**-**	**(101,090)**
Investment components	-	-	-		-
	118,539	**-**	**(219,629)**	**-**	**(101,090)**
Net finance income/(expense) from reinsurance contracts	5,863	-	-	-	5,863
Total changes in the statement of profit or loss and OCI	**124,402**	**-**	**(219,629)**	**-**	**(95,227)**
Cashflows for the period					
Reinsurance premiums paid	64,339	-	-	-	**64,339**
Amounts received under reinsurance contracts held	-	-	195,351	-	**195,351**
Commission income	(20,844)	-	-	-	**(20,844)**
Total cash flows	**43,495**	**-**	**195,351**	**-**	**238,846**
Closing liabilities	**167,897**	**-**	**(24,278)**	**-**	**143,619**

Notes to the consolidated and separate financial statements

13b Reinsurance contracts
Movements in reinsurance contract balances

Reconciliation of the measurement components of reinsurance contract balances by Product for the Group

Portfolios measured using the GMM Model

Group

2024 | **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

	2024 Assets for Remaining Coverage (ARC)		Assets for incurred claims	Reinsurance Contract Assets (RCA)	2023 Assets for Remaining Coverage (ARC)		Recoverable for incurred Claims	Reinsurance Contract Assets (RCA)
Reconciliation of carrying amounts by ARC/AIC: reinsurance	**Non-onerous**	**Onerous**			**Non-onerous**	**Onerous**		
Opening assets	2,336	-	-	**2,336**	14,704	-	-	**14,704**
				-				**-**
Changes in the statement of profit or loss and OCI				-				-
Allocation of reinsurance premiums paid	(2,691)	-	-	**(2,691)**	(4,505)	-	-	**(4,505)**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	-	**-**	-	-	-	**-**
Commission income	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**(2,691)**	**-**	**-**	**(2,691)**	**(4,505)**	**-**	**-**	**(4,505)**
Net finance income from reinsurance contracts	355	-	-	**355**	1,918	-	-	**1,918**
Total changes in the statement of profit or loss and O(	**(2,336)**	**-**	**-**	**(2,336)**	**(2,586)**	**-**	**-**	**(2,586)**
Cashflows for the period								
Reinsurance premiums paid	-	-	-	**-**	(12,227)	-	-	**-**
Amounts received under reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Commission income	-	-	-	**-**	2,445	-	-	**-**
Total cash flows	**-**	**-**	**-**	**-**	**(9,782)**	**-**	**-**	**-**
Closing assets	**()**	**-**	**-**	**()**	**2,336**	**-**	**-**	**2,336**

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	**2024 Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**	**2023 Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**
Opening assets	10		744	755	(631)	26	1,791	1,186
Effects of changes related to current services								
CSM recognised for services received	-	-	(844)	(844)	-	-	(484)	(484)
Change in risk adjustment for non-financial risk for ris	-	-	-	-	-	(4)	-	(4)
Experience adjustments	(2)	-	-	(2)	(236)	-	-	(236)
Total changes related to current services	**(2)**	**-**	**(844)**	**(846)**	**(236)**	**(4)**	**(484)**	**(724)**
Effects of changes related to future services								
New contracts recognised	-	-	-	-	-	-	-	-
Changes in estimates reflected in CSM	(10)	-	10		801	(22)	(780)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(10)**	**-**	**10**		**801**	**(22)**	**(780)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(12)**	**-**	**(834)**	**(846)**	**565**	**(26)**	**(1,264)**	**(724)**
Net finance income from reinsurance contracts	1	-	90	91	76	-	217	292
Total changes in the statement of profit or loss and O(	**(10)**	**-**	**(744)**	**(754)**	**641**	**(26)**	**(1,047)**	**(432)**
Total cash flows	**-**	**-**	**-**	-	**-**	**-**	**-**	**-**
Closing assets	**-**		**-**		**10**		**744**	**755**

Endowment portfolio

2024 | **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

	2024 Assets for Remaining Coverage (ARC)		Assets for incurred claims	Total	2023 Assets for Remaining Coverage (ARC)		Recoverable for incurred Claims	Total
Reconciliation of carrying amounts by ARC/AIC: reinsurance	**Non-onerous**	**Onerous**			**Non-onerous**	**Onerous**		
Opening assets	755	-	-	**755**	1,186	-	-	**1,186**
				-				
Changes in the statement of profit or loss and OCI				**-**				
Allocation of reinsurance premiums paid	(846)	-	-	**(846)**	(724)	-	-	**(724)**
Recoveries of incurred claims and other attributable income (Note 25)				**-**				
Commission income	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**(846)**	**-**	**-**	**(846)**	**(724)**	**-**	**-**	**(724)**
Net finance income from reinsurance contracts	91	-	-	**91**	292	-	-	**292**
Total changes in the statement of profit or loss and O(	**(755)**	**-**	**-**	**(755)**	**(432)**	**-**	**-**	**(432)**
Cashflows for the period								
Reinsurance premiums paid	-	-	-	**-**	-	-	-	**-**
Amounts received under reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Commission income	-	-	-	**-**	-	-	-	**-**
Total cash flows	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing assets	**-**	**-**	**-**	**-**	**755**	**-**	**-**	**755**

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	10		744	755	(631)	26	1,791	1,186
Effects of changes related to current services								
CSM recognised for services received	-	-	(844)	(844)	-	-	(484)	(484)
Change in risk adjustment for non-financial risk for ris	-	-	-	-	-	(4)	-	(4)
Experience adjustments	(2)	-	-	(2)	(236)	-	-	(236)
Total changes related to current services	**(2)**	**-**	**(844)**	**(846)**	**(236)**	**(4)**	**(484)**	**(724)**
Effects of changes related to future services								
New contracts recognised	-	-	-	-	-	-	-	-
Changes in estimates reflected in CSM	(10)	-	10		801	(22)	(780)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(10)**	**-**	**10**		**801**	**(22)**	**(780)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(12)**	**-**	**(834)**	**(846)**	**565**	**(26)**	**(1,264)**	**(724)**
Net finance income from reinsurance contracts	1	-	90	91	76	-	217	292
Total changes in the statement of profit or loss and O(	**(10)**	**-**	**(744)**	**(754)**	**641**	**(26)**	**(1,047)**	**(432)**
Total cash flows	**-**	**-**	**-**	-	**-**	**-**	**-**	**-**
Closing assets	**-**		**-**		**10**		**744**	**755**

Investment Linked
2024 **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Assets for Remaining Coverage (ARC) Non-onerous	Onerous	Assets for incurred claims	Total	Assets for Remaining Coverage (ARC) Non-onerous	Onerous	Recoverable for incurred Claims	Total
Opening assets	1,581	-	-	**1,581**	13,517	-	-	**13,517**
Changes in the statement of profit or loss and OCI								
Allocation of reinsurance premiums paid	(1,845)	-	-	**(1,845)**	(3,781)	-	-	**(3,781)**
Recoveries of incurred claims and other attributable income (Note 25)				**-**				
Commission income	-	-	-	-	-	-	-	**-**
Total reinsurance service expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investment components	-	-	-	-	-	-	-	**-**
Net expenses from reinsurance contracts	**(1,845)**	**-**	**-**	**(1,845)**	**(3,781)**	**-**	**-**	**(3,781)**
Net finance income from reinsurance contracts	264	-	-	264	1,626	-	-	**1,626**
Total changes in the statement of profit or loss and O(	**(1,581)**	**-**	**-**	**(1,581)**	**(2,155)**	**-**	**-**	**(2,155)**
Cashflows for the period								
Reinsurance premiums paid	-	-	-	**-**	(12,227)	-	-	**(12,227)**
Amounts received under reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Commission income	-	-	-	-	2,445	-	-	**2,445**
Total cash flows	**-**	**-**	**-**	**-**	**(9,782)**	**-**	**-**	**(9,782)**
Closing assets		**-**	**-**		**1,581**	**-**	**-**	**1,581**

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	-	-	1,581	1,581	-	-	13,517	13,517
Effects of changes related to current services								
CSM recognised for services received	-	-	(1,845)	(1,845)	-	-	(3,781)	(3,781)
Change in risk adjustment for non-financial risk for ris	-	-	-	-	-	-	-	-
Experience adjustments	-	-	-	-	-	-	-	-
Total changes related to current services	**-**	**-**	**(1,845)**	**(1,845)**	**-**	**-**	**(3,781)**	**(3,781)**
Effects of changes related to future services								
New contracts recognised	-	-	-	-	-	-	-	-
Changes in estimates reflected in CSM	-	-	-	-	9,782	-	(9,782)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**-**	**-**	**-**	**-**	**9,782**	**-**	**(9,782)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**-**	**-**	**(1,845)**	**(1,845)**	**(9,782)**	**-**	**13,562**	**3,781**
Net finance income from reinsurance contracts	-	-	264	264	-	-	1,626	1,626
Total changes in the statement of profit or loss and O(	**-**	**-**	**(1,581)**	**(1,581)**	**(9,782)**	**-**	**11,936**	**2,155**
Total cash flows	**-**	**-**	**-**	-	**(9,782)**	**-**	**-**	**(9,782)**
Closing assets	**-**	**-**	**-**	**-**	**-**	**-**	**1,581**	**1,581**

Notes to the consolidated and separate financial statements

Portfolios measured using the PAA Model

Reconciliation of the components of reinsurance contract assets

Assets with positive sign, liabilities with negative sign

2024

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Assets for Remaining Coverage (ARC) Non-onerous	Onerous	Assets for incurred claims Estimates of present value of future cashflows	Risk Adjustment	Reinsurance Contract Assets (RCA)
Opening assets	6,042,799	-	3,981,397	343,482	**10,367,678**
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(16,020,714)	-	-	-	**(16,020,714)**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	4,197,796	110,227	**4,308,023**
Commission income	-	-	-		**-**
Adjustments to Assets for incurred claims	-	-	240,197	78,880	**319,077**
Total Reinsurance service expenses	**(16,020,714)**	**-**	**4,437,993**	**189,107**	**(11,393,614)**
Investment components	-	-	-		**-**
Net expenses from reinsurance contracts	**(16,020,714)**	**-**	**4,437,993**	**189,107**	**(11,393,614)**
Net finance income from reinsurance contracts	-	-	(655,586)	-	(655,586)
Total changes in the statement of profit or loss and O(	**(16,020,714)**	**-**	**3,782,407**	**189,107**	**(12,049,200)**
Cashflows for the period					
Reinsurance premiums paid	16,479,766	-	-	-	**16,479,766**
Amounts received under reinsurance contracts held	-	-	(2,708,685)	-	**(2,708,685)**
Commission income	-	-	-	-	-
Total cash flows	**16,479,766**	**-**	**(2,708,685)**	**-**	**13,771,081**
Closing assets	**6,501,851**	**-**	**5,055,119**	**532,589**	**12,089,559**

2023

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Assets for Remaining Coverage (ARC) Non-onerous	Onerous	Assets for incurred claims Estimates of present value of future cashflows	Risk Adjustment	Reinsurance Contract Assets (RCA)
Opening assets	4,408,710	-	3,311,083	244,735	**7,964,528**
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(11,341,100)	-	-		**(11,341,100)**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	1,930,188		**1,930,188**
Commission income	-	-	-		**-**
Adjustments to Assets for incurred claims	-	-	901,507	98,747	**1,000,254**
Total Reinsurance service expenses	**(11,341,100)**	**-**	**2,831,695**	**98,747**	**(8,410,659)**
Investment components	-	-	-		**-**
Net expenses from reinsurance contracts	**(11,341,100)**	**-**	**2,831,695**	**98,747**	**(8,410,659)**
Net finance income from reinsurance contracts	-	-	-		-
Total changes in the statement of profit or loss and O(	**(11,341,100)**	**-**	**2,831,695**	**98,747**	**(8,410,659)**
Cashflows for the period					
Reinsurance premiums paid	12,975,189	-	-		**12,975,189**
Amounts received under reinsurance contracts held	-	-	(2,161,381)		**(2,161,381)**
Commission income	-	-	-		-
Total cash flows	**12,975,189**	**-**	**(2,161,381)**	**-**	**10,813,808**
Closing assets	**6,042,799**	**-**	**3,981,397**	**343,482**	**10,367,678**

Notes to the consolidated and separate financial statements

Reconciliation of the measurement components of reinsurance contract liabilities balances by Product for the Company

Portfolios measured using the GMM Model

Company

2024 | **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

reinsurance	2024 Liabilities for Remaining Coverage (LRC) Non-onerous	Onerous	Liabilities for incurred claims	Reinsurance Contract Liabilities (RCL)	2023 Liabilities for Remaining Coverage (LRC) Non-onerous	Onerous	Liabilities for incurred Claims	Reinsurance Contract Liabilities (RCL)
Opening Liabilities	(239,621)	-	8,154	**(231,466)**	(1,066)	-	2,304	**1,238**
				-				
Changes in the statement of profit or loss and OCI				-				
Allocation of reinsurance premiums paid	121,436	-	-	**121,436**	4,966	-	-	**4,966**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	182,220	**182,220**	-	-	111,290	**111,290**
Commission income	-	-	29,255	**29,255**	-	-	-	-
Effects of changes related to current service	-	-	-	-	-	-	-	-
Effects of changes related to future service	-	-	-	-	-	-	-	-
Effects of changes related to past service	-	-	-	-	-	-	-	-
Total reinsurance service expenses	-	-	-	-	-	-	-	-
Investment components	-	-	-	-	-	-	-	-
Net expenses from reinsurance contracts	**121,436**	-	**211,475**	**332,911**	**4,966**	-	**111,290**	**116,257**
Net finance income from reinsurance contracts	(6,218)	-	-	**(6,218)**	9,766	-	-	**9,766**
Total changes in the statement of profit or loss and O(	**115,218**	-	**211,475**	**326,693**	**14,732**	-	**111,290**	**126,022**
Cashflows for the period								
Reinsurance premiums paid	(64,339)	-	-	**(64,339)**	(379,438)	-	-	**(379,438)**
Amounts received under reinsurance contracts held	-	-	(195,351)	**(195,351)**	-	-	(105,440)	**(105,440)**
Commission income	20,844	-	-	**20,844**	126,152	-	-	**126,152**
Total cash flows	**(43,495)**	-	**(195,351)**	**(238,846)**	**(253,286)**	-	**(105,440)**	**(358,726)**
Closing assets	**(167,897)**	-	**24,278**	**(143,619)**	**(239,621)**	-	**8,154**	**(231,466)**

Reconciliation of the components of reinsurance contract assets

Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	2024 Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	2023 Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening Liabilities	293,671	5,710	(530,847)	(231,466)	11,760	529	(11,052)	1,238
Effects of changes related to current services								
CSM recognised for services received	-	-	194,676	194,676	-	-	70,176	70,176
Change in risk adjustment for non-financial risk for ris	-	(2,169)	-	(2,169)	-	(670)	-	(670)
Experience adjustments	124,280	-	-	124,280	40,901	-	-	40,901
Total changes related to current services	**124,280**	**(2,169)**	**194,676**	**316,787**	**40,901**	**(670)**	**70,176**	**110,407**
Effects of changes related to future services								
New contracts recognised	(42,235)	886	41,350	-	(35,557)	4,674	30,883	-
Changes in estimates reflected in CSM	(143,565)	(3,052)	146,618	-	619,267	1,177	(620,444)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(185,801)**	**(2,167)**	**187,967**	-	**583,710**	**5,851**	**(589,561)**	-
Changes that relate to past service	-	-	-		-	-	-	
Adjustments to liabilities for incurred claims	29,255	-	-	29,255	-	-	-	-
Total changes that relate to past service	**29,255**	-	-	**29,255**	-	-	-	-
Net income/(expenses) from reinsurance contracts held	**(32,266)**	**(4,335)**	**382,643**	**346,042**	**624,611**	**5,181**	**(519,385)**	**110,407**
Net finance income from reinsurance contracts	39,001	-	(45,220)	(6,218)	10,176	-	(410)	9,766
Total changes in the statement of profit or loss and O(	**6,735**	**(4,335)**	**337,424**	**339,824**	**634,787**	**5,181**	**(519,795)**	**120,172**
Total cash flows	**(251,976)**	-	-	**(251,976)**	**(352,876)**	-	-	**(352,876)**
Closing assets	**48,429**	**1,375**	**(193,423)**	**(143,619)**	**293,671**	**5,710**	**(530,847)**	**(231,466)**

Notes to the consolidated and separate financial statements

Protection
2024 **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	2024 Liabilities for Remaining Coverage (LRC)		Liabilities for incurred claims	Total	2023 Liabilities for Remaining Coverage (ARC)		Liabilities for incurred Claims	Total
	Non-onerous	Onerous			Non-onerous	Onerous		
Opening assets	(51,152)	-	-	**(51,152)**	(23,184)	-	-	**(23,184)**
Changes in the statement of profit or loss and OCI								
Allocation of reinsurance premiums paid	7,805	-	-	**7,805**	10,532	-	-	**10,532**
Recoveries of incurred claims and other attributable income (Note 25)				**-**				
Commission income	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**7,805**	**-**	**-**	**7,805**	**10,532**	**-**	**-**	**10,532**
Net finance income from reinsurance contracts	(5,364)	-	-	**(5,364)**	(3,027)	-	-	**(3,027)**
Total changes in the statement of profit or loss and O(	**2,440**	**-**	**-**	**2,440**	**7,505**	**-**	**-**	**7,505**
Cashflows for the period								
Reinsurance premiums paid	(11,329)	-	-	**(11,329)**	(44,341)	-	-	**(44,341)**
Amounts received under reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Commission income	2,266	-	-	**2,266**	8,868	-	-	**8,868**
Total cash flows	**(9,063)**	**-**	**-**	**(9,063)**	**(35,473)**	**-**	**-**	**(35,473)**
Closing assets	**(57,774)**	**-**	**-**	**(57,774)**	**(51,152)**	**-**	**-**	**(51,152)**

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	-	-	(51,152)	(51,152)	7,226	485	(30,894)	(23,184)
Effects of changes related to current services								
CSM recognised for services received	-	-	9,190	9,190	-	-	17,693	17,693
Change in risk adjustment for non-financial risk for ris	-	(36)	-	(36)	-	(179)	-	(179)
Experience adjustments	(1,349)	-	-	(1,349)	(6,982)	-	-	(6,982)
Total changes related to current services	**(1,349)**	**(36)**	**9,190**	**7,805**	**(6,982)**	**(179)**	**17,693**	**10,532**
Effects of changes related to future services								
New contracts recognised	(2,195)	85	2,110	-	-	-	-	-
Changes in estimates reflected in CSM	2,038	534	(2,572)	-	34,338	(305)	(34,033)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(157)**	**619**	**(462)**	**-**	**34,338**	**(305)**	**(34,033)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(1,506)**	**583**	**8,728**	**7,805**	**(27,356)**	**485**	**16,340**	**(10,532)**
Net finance income from reinsurance contracts	277	-	(5,641)	(5,364)	891	-	(3,918)	(3,027)
Total changes in the statement of profit or loss and O(	**(1,229)**	**583**	**3,086**	**2,440**	**(28,247)**	**485**	**20,258**	**(7,505)**
Total cash flows	**(9,063)**	**-**	**-**	(9,063)	**(35,473)**	**-**	**-**	(35,473)
Closing assets	**(10,292)**	**583**	**(48,065)**	**(57,774)**	**-**	**-**	**(51,152)**	**(51,152)**

Credit Life
2024 **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	2024 Liabilities for Remaining Coverage (ARC)		Liabilities for incurred claims	Total	2023 Liabilities for Remaining Coverage (ARC)		Liabilities for incurred Claims	Total
	Non-onerous	Onerous			Non-onerous	Onerous		
Opening assets	(188,469)	-	8,154	**(180,315)**	22,117	-	2,304	**24,421**
Changes in the statement of profit or loss and OCI								
Allocation of reinsurance premiums paid	113,632	-	-	**113,632**	(5,565)	-	-	**(5,565)**
Recoveries of incurred claims and other attributable income (Note 25)			182,220	**182,220**	-	-	111,290	**111,290**
Adjustments to Assets for incurred claims	-	-	29,255	**-**	-	-	-	**-**
Total Reinsurance service expenses	**113,632**	**-**	**211,475**	**295,852**	**-**	**-**	**111,290**	**111,290**
Investment components	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**113,632**	**-**	**211,475**	**325,107**	**(5,565)**	**-**	**111,290**	**105,725**
Net finance income from reinsurance contracts	(854)	-	-	(854)	12,793	-	-	**12,793**
Total changes in the statement of profit or loss and O(	**112,778**	**-**	**211,475**	**324,253**	**7,227**	**-**	**111,290**	**118,518**
Cashflows for the period								
Reinsurance premiums paid	(53,010)	-	-	**(53,010)**	(335,098)	-	-	**(335,098)**
Amounts received under reinsurance contracts held	-	-	(195,351)	**(195,351)**	-	-	(105,440)	**(105,440)**
Commission income	18,578	-	-	18,578	117,284	-	-	**117,284**
Total cash flows	**(34,432)**	**-**	**(195,351)**	**(229,783)**	**(217,813)**	**-**	**(105,440)**	**(323,254)**
Closing assets	**(110,123)**	**-**	**24,278**	**(85,845)**	**(188,469)**	**-**	**8,154**	**(180,315)**

Notes to the consolidated and separate financial statements

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**
Opening assets	293,671	5,710	(479,696)	(180,315)	4,535	45	19,842	24,421
Effects of changes related to current services								
CSM recognised for services received	-	-	185,486	185,486	-	-	52,483	52,483
Change in risk adjustment for non-financial risk for ris	-	(2,132)	-	(2,132)	-	(491)	-	(491)
Experience adjustments	125,629	-	-	125,629	47,883	-	-	47,883
Total changes related to current services	**125,629**	**(2,132)**	**185,486**	**308,983**	**47,883**	**(491)**	**52,483**	**99,875**
Effects of changes related to future services								
New contracts recognised	(40,040)	801	39,239	-	(35,557)	4,674	30,883	-
Changes in estimates reflected in CSM	(145,603)	(3,587)	149,190	-	584,929	1,482	(586,411)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(185,644)**	**(2,786)**	**188,429**	**-**	**549,372**	**6,157**	**(555,528)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	29,255	-	-	29,255	-	-	-	-
Total changes that relate to past service	**29,255**	**-**	**-**	**29,255**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(30,761)**	**(4,918)**	**373,916**	**338,237**	**(597,255)**	**(5,666)**	**503,046**	**(99,875)**
Net finance income from reinsurance contracts	38,724	-	(39,578)	(854)	9,285	-	3,508	12,793
Total changes in the statement of profit or loss and O(	**7,964**	**(4,918)**	**334,338**	**337,383**	**(606,540)**	**(5,666)**	**499,538**	**(112,668)**
Total cash flows	**(242,914)**	**-**	**-**	(242,914)	**(317,404)**	**-**	**-**	**(317,404)**
Closing assets	**58,721**	**792**	**(145,358)**	**(85,845)**	**293,671**	**5,710**	**(479,696)**	**(180,315)**

Notes to the consolidated and separate financial statements

13c Reinsurance contracts
Movements in reinsurance contract balances

Reconciliation of the measurement components of reinsurance contract balances by Product for the Company

Portfolios measured using the GMM Model

Company

2024 / **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by ARC/AIC: reinsurance	2024 Assets for Remaining Coverage (ARC) Non-onerous	2024 ARC Onerous	2024 Assets for incurred claims	2024 Reinsurance Contract Assets (RCA)	2023 Assets for Remaining Coverage (ARC) Non-onerous	2023 ARC Onerous	2023 Recoverable for incurred Claims	2023 Reinsurance Contract Assets (RCA)
Opening assets	2,336	-	-	**2,336**	14,704	-	-	**14,704**
				-				
Changes in the statement of profit or loss and OCI				-				
Allocation of reinsurance premiums paid	(2,691)	-	-	**(2,691)**	(4,505)	-	-	**(4,505)**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	-	-	-	-	-	-
Commission income	-	-	-	-	-	-	-	-
Net expenses from reinsurance contracts	**(2,691)**	**-**	**-**	**(2,691)**	**(4,505)**	**-**	**-**	**(4,505)**
Net finance income from reinsurance contracts	355	-	-	**355**	1,918	-	-	**1,918**
Total changes in the statement of profit or loss and O(	**(2,336)**	**-**	**-**	**(2,336)**	**(2,586)**	**-**	**-**	**(2,586)**
Cashflows for the period								
Reinsurance premiums paid	-	-	-	-	(12,227)	-	-	**(12,227)**
Amounts received under reinsurance contracts held	-	-	-	-	-	-	-	-
Commission income	-	-	-	-	2,445	-	-	**2,445**
Total cash flows	**-**	**-**	**-**	**-**	**(9,782)**	**-**	**-**	**(9,782)**
Closing assets	**-**	**-**	**-**	**-**	**2,336**	**-**	**-**	**2,336**

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	2024 Estimates of present value of future cashflows	2024 Risk Adjustment	2024 CSM	2024 Total	2023 Estimates of present value of future cashflows	2023 Risk Adjustment	2023 CSM	2023 Total
Opening assets	10		2,325	2,336	(631)	26	15,308	14,704
Effects of changes related to current services								
CSM recognised for services received	-	-	(844)	(844)	-	-	(484)	(484)
Change in risk adjustment for non-financial risk for ris	-	-	(1,845)	(1,845)	-	(4)	(3,781)	(3,785)
Experience adjustments	(2)	-	-	(2)	(236)	-	-	(236)
Total changes related to current services	**(2)**	**-**	**(2,689)**	**(2,691)**	**(236)**	**(4)**	**(4,265)**	**(4,505)**
Effects of changes related to future services								
New contracts recognised	-	-	-	-	-	-	-	-
Changes in estimates reflected in CSM	(143,575)	(3,052)	146,628		10,583	(22)	(10,561)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(143,575)**	**(3,052)**	**146,628**		**10,583**	**(22)**	**(10,561)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(143,577)**	**(3,052)**	**143,939**	**(2,691)**	**10,347**	**(26)**	**(14,826)**	**(4,505)**
Net finance income from reinsurance contracts	1	-	354	355	76	-	1,843	1,918
Total changes in the statement of profit or loss and O(	**(143,576)**	**(3,052)**	**144,292**	**(2,336)**	**10,423**	**(26)**	**(12,983)**	**(2,586)**
Total cash flows	**-**	**-**	**-**	**-**	**(9,782)**	**-**	**-**	**(9,782)**
Closing assets	**(143,565)**	**(3,052)**	**146,618**		**10**		**2,325**	**2,336**

Endowment portfolio

2024 / **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by ARC/AIC: reinsurance	2024 Assets for Remaining Coverage (ARC) Non-onerous	2024 ARC Onerous	2024 Assets for incurred claims	2024 Total	2023 Assets for Remaining Coverage (ARC) Non-onerous	2023 ARC Onerous	2023 Recoverable for incurred Claims	2023 Total
Opening assets	755	-	-	**755**	1,186	-	-	**1,186**
				-				
Changes in the statement of profit or loss and OCI				-				
Allocation of reinsurance premiums paid	(846)	-	-	**(846)**	(724)	-	-	**(724)**
Recoveries of incurred claims and other attributable income (Note 25)				-				
Commission income	-	-	-	-	-	-	-	-
Net expenses from reinsurance contracts	**(846)**	**-**	**-**	**(846)**	**(724)**	**-**	**-**	**(724)**
Net finance income from reinsurance contracts	91	-	-	**91**	292	-	-	**292**
Total changes in the statement of profit or loss and O(	**(755)**	**-**	**-**	**(755)**	**(432)**	**-**	**-**	**(432)**
Cashflows for the period								
Reinsurance premiums paid	-	-	-	-	-	-	-	-
Amounts received under reinsurance contracts held	-	-	-	-	-	-	-	-
Commission income	-	-	-	-	-	-	-	-
Total cash flows	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing assets	**-**	**-**	**-**	**-**	**755**	**-**	**-**	**755**

Notes to the consolidated and separate financial statements

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	10		744	755	(631)	26	1,791	1,186
Effects of changes related to current services								
CSM recognised for services received	-	-	(844)	(844)	-	-	(484)	(484)
Change in risk adjustment for non-financial risk for ris	-	-	-	-	-	(4)	-	(4)
Experience adjustments	(2)	-	-	(2)	(236)	-	-	(236)
Total changes related to current services	**(2)**	**-**	**(844)**	**(846)**	**(236)**	**(4)**	**(484)**	**(724)**
Effects of changes related to future services								
New contracts recognised	-	-	-	-	-	-	-	-
Changes in estimates reflected in CSM	(10)	-	10		801	(22)	(780)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(10)**	**-**	**10**		**801**	**(22)**	**(780)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(12)**	**-**	**(834)**	**(846)**	**565**	**(26)**	**(1,264)**	**(724)**
Net finance income from reinsurance contracts	1	-	90	91	76	-	217	292
Total changes in the statement of profit or loss and O(	**(10)**	**-**	**(744)**	**(754)**	**641**	**(26)**	**(1,047)**	**(432)**
Total cash flows	**-**	**-**	**-**	-	**-**	**-**	**-**	**-**
Closing assets	**-**		**-**		**10**		**744**	**755**

Investment Linked
2024 **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Assets for Remaining Coverage (ARC)		Assets for incurred claims	Total	Assets for Remaining Coverage (ARC)		Recoverable for incurred Claims	Total
	Non-onerous	Onerous			Non-onerous	Onerous		
Opening assets	1,581	-	-	**1,581**	13,517	-	-	**13,517**
Changes in the statement of profit or loss and OCI								
Allocation of reinsurance premiums paid	(1,845)	-	-	**(1,845)**	(3,781)	-	-	**(3,781)**
Recoveries of incurred claims and other attributable income (Note 25)				**-**				
Commission income	-	-	-	**-**	-	-	-	**-**
Total reinsurance service expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investment components	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**(1,845)**	**-**	**-**	**(1,845)**	**(3,781)**	**-**	**-**	**(3,781)**
Net finance income from reinsurance contracts	264	-	-	264	1,626	-	-	**1,626**
Total changes in the statement of profit or loss and O(	**(1,581)**	**-**	**-**	**(1,581)**	**(2,155)**	**-**	**-**	**(2,155)**
Cashflows for the period								
Reinsurance premiums paid	-	-	-	**-**	(12,227)	-	-	**(12,227)**
Amounts received under reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Commission income	-	-	-	-	2,445	-	-	**2,445**
Total cash flows	**-**	**-**	**-**	**-**	**(9,782)**	**-**	**-**	**(9,782)**
Closing assets		**-**	**-**		**1,581**	**-**	**-**	**1,581**

Notes to the consolidated and separate financial statements

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	-	-	1,581	1,581	-	-	13,517	13,517
Effects of changes related to current services								
CSM recognised for services received	-	-	(1,845)	(1,845)	-	-	(3,781)	(3,781)
Change in risk adjustment for non-financial risk for ris	-	-	-	-	-	-	-	-
Experience adjustments	-	-	-	-	-	-	-	-
Total changes related to current services	**-**	**-**	**(1,845)**	**(1,845)**	**-**	**-**	**(3,781)**	**(3,781)**
Effects of changes related to future services								
New contracts recognised	-	-	-	-	-	-	-	-
Changes in estimates reflected in CSM	-	-	-	-	9,782	-	(9,782)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**-**	**-**	**-**	**-**	**9,782**	**-**	**(9,782)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**-**	**-**	**(1,845)**	**(1,845)**	**(9,782)**	**-**	**13,562**	**3,781**
Net finance income from reinsurance contracts	-	-	264	264	-	-	1,626	1,626
Total changes in the statement of profit or loss and OC	**-**	**-**	**(1,581)**	**(1,581)**	**(9,782)**	**-**	**11,936**	**2,155**
Total cash flows	**-**	**-**	**-**	**-**	**(9,782)**	**-**	**-**	**(9,782)**
Closing assets	**-**	**-**	**-**	**-**	**-**	**-**	**1,581**	**1,581**

Portfolios measured using the PAA Model

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

2024

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Assets for Remaining Coverage (ARC)		Assets for incurred claims		Reinsurance Contract Assets (RCA)
	Non-onerous	Onerous	Estimates of present value of future cashflows	Risk Adjustment	
Opening assets	5,028,422	-	3,432,869	311,095	**8,772,386**
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(12,277,539)	-	-	-	**(12,277,539)**
Recoveries of incurred claims and other attributable inco	-	-	2,420,307	110,227	**2,530,535**
Commission income	-	-	-	-	**-**
Effects of changes related to current service	-	-	-	-	**-**
Effects of changes related to future service	-	-	-	-	**-**
Adjustments to Assets for incurred claims	-	-	201,759	-	**201,759**
Total Reinsurance service expenses	**(12,277,539)**	**-**	**2,622,067**	**110,227**	**(9,545,245)**
Investment components	-	-	-	-	**-**
Net expenses from reinsurance contracts	**(12,277,539)**	**-**	**2,622,067**	**110,227**	**(9,545,245)**
Net finance income from reinsurance contracts	-	-	(638,252)	13,228	(625,025)
Total changes in the statement of profit or loss and OC	**(12,277,539)**	**-**	**1,983,814**	**123,455**	**(10,170,269)**
Cashflows for the period					
Reinsurance premiums paid	12,642,878	-	-	-	**12,642,878**
Amounts received under reinsurance contracts held	-	-	(1,964,919)	-	**(1,964,919)**
Commission income	-	-	-	-	-
Total cash flows	**12,642,878**	**-**	**(1,964,919)**	**-**	**10,677,958**
Closing assets	**5,393,760**	**-**	**3,451,764**	**434,550**	**9,280,075**

2023

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Assets for Remaining Coverage (ARC)		Assets for incurred claims		Reinsurance Contract Assets (RCA)
	Non-onerous	Onerous	Estimates of present value of future cashflows	Risk Adjustment	
Opening assets	3,645,703	-	3,043,544	156,084	**6,845,331**
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(8,341,678)	-	-	-	**(8,341,678)**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	1,886,072	-	**1,886,072**
Commission income	-	-	-	-	**-**
Adjustments to Assets for incurred claims	-	-	231,305	155,012	**386,317**
Total Reinsurance service expenses	**(8,341,678)**	**-**	**2,117,376**	**155,012**	**(6,069,290)**
Investment components	-	-	-	-	**-**
Net expenses from reinsurance contracts	**(8,341,678)**	**-**	**2,117,376**	**155,012**	**(6,069,290)**
Net finance income from reinsurance contracts	-	-	-	-	-
Total changes in the statement of profit or loss and OC	**(8,341,678)**	**-**	**2,117,376**	**155,012**	**(6,069,290)**
Cashflows for the period					
Reinsurance premiums paid	9,724,397	-	-	-	**9,724,397**
Amounts received under reinsurance contracts held	-	-	(1,728,051)	-	**(1,728,051)**
Commission income	-	-	-	-	-
Total cash flows	**9,724,397**	**-**	**(1,728,051)**	**-**	**7,996,346**
Closing assets	**5,028,422**	**-**	**3,432,869**	**311,095**	**8,772,386**

Reconciliation of the measurement components of reinsurance contract liabilities balances by Product for the Company

Portfolios measured using the GMM Model

Company

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

	2024 Liabilities for Remaining Coverage (LRC)		Liabilities for incurred claims	Reinsurance Contract Liabilities (RCL)	**2023** Liabilities for Remaining Coverage (LRC)		Liabilities for incurred claims	Reinsurance Contract Liabilities (RCL)
reinsurance	**Non-onerous**	**Onerous**			**Non-onerous**	**Onerous**		
Opening Liabilities	(239,621)	-	8,154	**(231,466)**	(1,066)	-	2,304	**1,238**
				-				
Changes in the statement of profit or loss and OCI				-				
Allocation of reinsurance premiums paid	121,436	-	-	**121,436**	4,966	-	-	**4,966**
Recoveries of incurred claims and other attributable income (Note 25)	-	-	182,220	**182,220**	-	-	111,290	**111,290**
Commission income	-	-	29,255	**29,255**	-	-	-	**-**
Total reinsurance service expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investment components	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**121,436**	**-**	**211,475**	**332,911**	**4,966**	**-**	**111,290**	**116,257**
Net finance income from reinsurance contracts	(6,218)	-	-	**(6,218)**	9,766	-	-	**9,766**
Total changes in the statement of profit or loss and O(	**115,218**	**-**	**211,475**	**326,693**	**14,732**	**-**	**111,290**	**126,022**
Cashflows for the period								
Reinsurance premiums paid	(64,339)	-	-	**(64,339)**	(379,438)	-	-	**(379,438)**
Amounts received under reinsurance contracts held	-	-	(195,351)	**(195,351)**	-	-	(105,440)	**(105,440)**
Commission income	20,844	-	-	**20,844**	126,152	-	-	**126,152**
Total cash flows	**(43,495)**	**-**	**(195,351)**	**(238,846)**	**(253,286)**	**-**	**(105,440)**	**(358,726)**
Closing assets	**(167,897)**	**-**	**24,278**	**(143,619)**	**(239,621)**	**-**	**8,154**	**(231,466)**

Reconciliation of the components of reinsurance contract assets

Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	**2024** Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	**2023** Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening Liabilities	293,671	5,710	(530,847)	(231,466)	11,760	529	(11,052)	1,238
Effects of changes related to current services								
CSM recognised for services received	-	-	194,676	194,676	-	-	70,176	70,176
Change in risk adjustment for non-financial risk for ris	-	(2,169)	-	(2,169)	-	(670)	-	(670)
Experience adjustments	124,280	-	-	124,280	40,901	-	-	40,901
Total changes related to current services	**124,280**	**(2,169)**	**194,676**	**316,787**	**40,901**	**(670)**	**70,176**	**110,407**
Effects of changes related to future services								
New contracts recognised	(42,235)	886	41,350	-	(35,557)	4,674	30,883	-
Changes in estimates reflected in CSM	(143,565)	(3,052)	146,618	-	619,267	1,177	(620,444)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(185,801)**	**(2,167)**	**187,967**	**-**	**583,710**	**5,851**	**(589,561)**	**-**
Changes that relate to past service	-	-	-		-	-	-	
Adjustments to liabilities for incurred claims	29,255	-	-	29,255	-	-	-	-
Total changes that relate to past service	**29,255**	**-**	**-**	**29,255**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(32,266)**	**(4,335)**	**382,643**	**346,042**	**624,611**	**5,181**	**(519,385)**	**110,407**
Net finance income from reinsurance contracts	39,001	-	(45,220)	(6,218)	10,176	-	(410)	9,766
Total changes in the statement of profit or loss and O(	**6,735**	**(4,335)**	**337,424**	**339,824**	**634,787**	**5,181**	**(519,795)**	**120,172**
Total cash flows	**(251,976)**	**-**	**-**	**(251,976)**	**(352,876)**	**-**	**-**	**(352,876)**
Closing assets	**48,429**	**1,375**	**(193,423)**	**(143,619)**	**293,671**	**5,710**	**(530,847)**	**(231,466)**

Protection

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

	2024 Liabilities for Remaining Coverage (ARC)		Liabilities for incurred claims	Total	**2023** Liabilities for Remaining Coverage (ARC)		Liabilities for incurred Claims	Total
Reconciliation of carrying amounts by LRC/LIC: reinsurance	**Non-onerous**	**Onerous**			**Non-onerous**	**Onerous**		
Opening assets	(51,152)	-	-	**(51,152)**	(23,184)	-	-	**(23,184)**
Changes in the statement of profit or loss and OCI								
Allocation of reinsurance premiums paid	7,805	-	-	**7,805**	10,532	-	-	**10,532**
Recoveries of incurred claims and other attributable income (Note 25)				**-**				
Commission income	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**7,805**	**-**	**-**	**7,805**	**10,532**	**-**	**-**	**10,532**
Net finance income from reinsurance contracts	(5,364)	-	-	**(5,364)**	(3,027)	-	-	**(3,027)**
Total changes in the statement of profit or loss and O(	**2,440**	**-**	**-**	**2,440**	**7,505**	**-**	**-**	**7,505**
Cashflows for the period								
Reinsurance premiums paid	(11,329)	-	-	**(11,329)**	(44,341)	-	-	**(44,341)**
Amounts received under reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Commission income	2,266	-	-	**2,266**	8,868	-	-	**8,868**
Total cash flows	**(9,063)**	**-**	**-**	**(9,063)**	**(35,473)**	**-**	**-**	**(35,473)**
Closing assets	**(57,774)**	**-**	**-**	**(57,774)**	**(51,152)**	**-**	**-**	**(51,152)**

Notes to the consolidated and separate financial statements

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	-	-	(51,152)	(51,152)	7,226	485	(30,894)	(23,184)
Effects of changes related to current services								
CSM recognised for services received	-	-	9,190	9,190	-	-	17,693	17,693
Change in risk adjustment for non-financial risk for ris	-	(36)	-	(36)	-	(179)	-	(179)
Experience adjustments	(1,349)	-	-	(1,349)	(6,982)	-	-	(6,982)
Total changes related to current services	**(1,349)**	**(36)**	**9,190**	**7,805**	**(6,982)**	**(179)**	**17,693**	**10,532**
Effects of changes related to future services								
New contracts recognised	(2,195)	85	2,110	-	-	-	-	-
Changes in estimates reflected in CSM	2,038	534	(2,572)	-	34,338	(305)	(34,033)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(157)**	**619**	**(462)**	**-**	**34,338**	**(305)**	**(34,033)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(1,506)**	**583**	**8,728**	**7,805**	**(27,356)**	**485**	**16,340**	**(10,532)**
Net finance income from reinsurance contracts	277	-	(5,641)	(5,364)	891	-	(3,918)	(3,027)
Total changes in the statement of profit or loss and O(	**(1,229)**	**583**	**3,086**	**2,440**	**(28,247)**	**485**	**20,258**	**(7,505)**
Total cash flows	**(9,063)**	**-**	**-**	(9,063)	**(35,473)**	**-**	**-**	**(35,473)**
Closing assets	**(10,292)**	**583**	**(48,065)**	**(57,774)**	**-**	**-**	**(51,152)**	**(51,152)**

Credit Life
2024 **2023**

Reconciliation of the assets for remaining coverage and the assets for incurred claims for reinsurance contracts

Reconciliation of carrying amounts by LRC/LIC: reinsurance	Liabilities for Remaining Coverage (ARC)		Liabilities for incurred claims	Total	Liabilities for Remaining Coverage (ARC)		Liabilities for incurred Claims	Total
	Non-onerous	Onerous			Non-onerous	Onerous		
Opening assets	(188,469)	-	8,154	**(180,315)**	22,117	-	2,304	**24,421**
Changes in the statement of profit or loss and OCI								
Allocation of reinsurance premiums paid	113,632	-	-	**113,632**	(5,565)	-	-	**(5,565)**
Recoveries of incurred claims and other attributable income (Note 25)			182,220	**182,220**	-	-	111,290	**111,290**
Adjustments to Assets for incurred claims	-	-	29,255	**29,255**	-	-	-	**-**
Total Reinsurance service expenses	**113,632**	**-**	**211,475**	**325,107**	**-**	**-**	**111,290**	**111,290**
Investment components	-	-	-	**-**	-	-	-	**-**
Net expenses from reinsurance contracts	**113,632**	**-**	**211,475**	**325,107**	**(5,565)**	**-**	**111,290**	**105,725**
Net finance income from reinsurance contracts	(854)	-	-	(854)	12,793	-	-	**12,793**
Total changes in the statement of profit or loss and O(	**112,778**	**-**	**211,475**	**324,253**	**7,227**	**-**	**111,290**	**118,518**
Cashflows for the period								
Reinsurance premiums paid	(53,010)	-	-	**(53,010)**	(335,098)	-	-	**(335,098)**
Amounts received under reinsurance contracts held	-	-	(195,351)	**(195,351)**	-	-	(105,440)	**(105,440)**
Commission income	18,578	-	-	18,578	117,284	-	-	**117,284**
Total cash flows	**(34,432)**	**-**	**(195,351)**	**(229,783)**	**(217,813)**	**-**	**(105,440)**	**(323,254)**
Closing assets	**(110,123)**	**-**	**24,278**	**(85,845)**	**(188,469)**	**-**	**8,154**	**(180,315)**

Reconciliation of the components of reinsurance contract assets
Assets with positive sign, liabilities with negative sign

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening assets	293,671	5,710	(479,696)	(180,315)	4,535	45	19,842	24,421
Effects of changes related to current services								
CSM recognised for services received	-	-	185,486	185,486	-	-	52,483	52,483
Change in risk adjustment for non-financial risk for ris	-	(2,132)	-	(2,132)	-	(491)	-	(491)
Experience adjustments	125,629	-	-	125,629	47,883	-	-	47,883
Total changes related to current services	**125,629**	**(2,132)**	**185,486**	**308,983**	**47,883**	**(491)**	**52,483**	**99,875**
Effects of changes related to future services								
New contracts recognised	(40,040)	801	39,239	-	(35,557)	4,674	30,883	-
Changes in estimates reflected in CSM	(145,603)	(3,587)	149,190	-	584,929	1,482	(586,411)	-
Changes in estimates resulting in contract losses	-	-	-	-	-	-	-	-
Total changes related to future services	**(185,644)**	**(2,786)**	**188,429**	**-**	**549,372**	**6,157**	**(555,528)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	29,255	-	-	29,255	-	-	-	-
Total changes that relate to past service	**29,255**	**-**	**-**	**29,255**	**-**	**-**	**-**	**-**
Net income/(expenses) from reinsurance contracts held	**(30,761)**	**(4,918)**	**373,916**	**338,237**	**(597,255)**	**(5,666)**	**503,046**	**(99,875)**
Net finance income from reinsurance contracts	38,724	-	(39,578)	(854)	9,285	-	3,508	12,793
Total changes in the statement of profit or loss and O(	**7,964**	**(4,918)**	**334,338**	**337,383**	**(606,540)**	**(5,666)**	**499,538**	**(112,668)**
Total cash flows	**(242,914)**	**-**	**-**	(242,914)	**(317,404)**	**-**	**-**	**(317,404)**
Closing assets	**58,721**	**792**	**(145,358)**	**(85,845)**	**293,671**	**5,710**	**(479,696)**	**(180,315)**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Liability for remaining coverage (Note 14a)	25,043,570	22,294,933	23,675,950	20,645,767
Liability for incurred claims (Note 14a)	20,100,475	12,879,106	14,161,128	10,565,658
	45,144,044	**35,174,039**	**37,837,078**	**31,211,425**
Current	25,043,570	22,294,933	23,675,950	20,645,767
Non-current	20,100,475	12,879,106	14,161,128	10,565,658
	45,144,044	**35,174,039**	**37,837,078**	**31,211,425**

14a (i) Reconciliation of the insurance contract balances under PAA and GMM for the Group as at 31 December 2024

	Liability for Remaining Coverage (LRC)			**Liability for incurred claims (LIC)**				**Grand Total**
					LIC for contract measured under PAA			
	Excluding Loss Component	**Loss Component**	**Total**	**LIC for contract not measured under PAA**	**Estimates of present value of future cashflows**	**Risk Adjustment**	**Total**	
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Opening Insurance contract liabilities - 1 Jan 2024	21,848,755	446,179	22,294,933	184,803	11,700,526	993,777	12,879,106	35,174,039
Insurance revenue	(38,669,485)	-	(38,669,485)		-	-	-	(38,669,485)
Insurance service expenses	-	-	-		-	-	-	-
Incurred claims and other attributable expense (Note 24(b))	-		-	1,372,079	14,434,637	-	15,806,716	15,806,716
Amortisation of insurance acquisition cash flows (Note 24(b))	5,015,181	-	5,015,181		-	-	-	5,015,181
Changes related to future service- Loss Component: losses and reversal of losses on Loss Component contracts (Note 24(b))	-	1,472,190	1,472,190		-	-	-	1,472,190
Changes related to past service: Changes in RA and BEL related ti LIC (Note 24(b))	-	-	-	(75,260)	2,623,204	615,838	3,163,782	3,163,782
Total insurance service expenses	**5,015,181**	**1,472,190**	**6,487,371**	**1,296,819**	**17,057,841**	**615,838**	**18,970,498**	**25,457,869**
Investment components	(1,094,106)		(1,094,106)	1,094,106			1,094,106	0
Insurance finance expenses	(258,453)	-	(258,453)		739,753	-	739,753	481,300
Total change in comprehensive income	**(35,006,862)**	**1,472,190**	**(33,534,673)**	**2,390,925**	**17,797,594**	**615,838**	**20,804,356**	**(12,730,316)**
Cashflows for the period			-				-	-
Premiums received	41,434,202	-	41,434,202		-	-	-	41,434,202
Claims and expenses paid	-	-	-	(2,466,185)	(11,116,803)	-	(13,582,988)	(13,582,988)
Insurance acquisition costs paid (Note 44(v))	(5,150,893)	-	(5,150,893)		-	-	-	(5,150,893)
Total cash flows	**36,283,309**	**-**	**36,283,309**	**(2,466,185)**	**(11,116,803)**	**-**	**(13,582,988)**	**22,700,322**
			-				-	
			-				-	
Closing insurance contract liabilities- 31 Dec 2024	**23,125,201**	**1,918,368**	**25,043,570**	**109,543**	**18,381,317**	**1,609,615**	**20,100,475**	**45,144,044**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

14a (i) Reconciliation of the insurance contract balances under PAA and GMM for the Group as at 31 December 2023

	Liability for Remaining Coverage (LRC)			Liability for incurred claims (LIC)				Grand Total
					LIC for contract measured under PAA			
	Excluding Loss Component	Loss Component	Total	LIC for contract not measured under PAA	Estimates of present value of future cashflows	Risk Adjustment	Total	
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening Insurance contract liabilities - 1 Jan 2023	16,894,106	484,843	17,378,950	413,083	7,901,743	543,093	8,857,919	26,236,868
Insurance revenue	(25,914,108)	-	(25,914,108)		-	-	-	(25,914,108)
Insurance service expenses	-	-	-		-	-	-	-
Incurred claims and other attributable expense (Note 24(b))	-		-	946,846	8,297,509	-	9,244,355	9,244,355
Amortisation of insurance acquisition cash flows (Note 24(b))	4,277,890	-	4,277,890		-	-	-	4,277,890
Changes related to future service- Loss Component: losses and reversal of losses on Loss Component contracts (Note 24(b))	-	(38,665)	(38,665)				-	(38,665)
Changes related to past service: Changes in RA and BEL related ti LIC (Note 24(b))	-	-	-		4,018,497	450,685	4,469,182	4,469,182
Total insurance service expenses	**4,277,890**	**(38,665)**	**4,239,225**	**946,846**	**12,316,006**	**450,685**	**13,713,537**	**17,952,762**
Investment components	(1,761,586)	-		1,761,586	0		**1,761,586**	**1,761,586**
	2,516,304	**(38,665)**	**2,477,639**	**2,708,432**	**12,316,006**	**450,685**	**15,475,123**	**17,952,762**
Insurance finance expenses	1,030,184	-	1,030,184		-		-	1,030,184
Total change in comprehensive income	**(21,818,843)**	**(38,665)**	**(21,857,508)**	**2,708,432**	**12,316,006**	**450,685**	**15,475,123**	**(6,382,385)**
Cashflows for the period			-				-	-
Premiums received	31,051,381	-	31,051,381		-	-	-	31,051,381
Claims and expenses paid	-	-	-	(2,936,712)	(8,517,223)	-	(11,453,935)	(11,453,935)
Insurance acquisition costs paid (Note 44(v))	(4,277,890)	-	(4,277,890)		-	-	-	(4,277,890)
Total cash flows	**26,773,491**	**-**	**26,773,491**	**(2,936,712)**	**(8,517,223)**	**-**	**(11,453,935)**	**15,319,556**
			-				-	
			-				-	
Closing insurance contract liabilities- 31 Dec 2023	**21,848,755**	**446,179**	**22,294,933**	**184,803**	**11,700,526**	**993,777**	**12,879,106**	**35,174,039**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

14a (ii) Reconciliation of the insurance contract balances under PAA and GMM for the Company as at 31 December 2024

	Liability for Remaining Coverage (LRC)			Liability for incurred claims (LIC)				Grand Total
					LIC for contract measured under PAA			
	Excluding Loss Component	Loss Component	Total	LIC for contract not measured under PAA	Estimates of present value of future cashflows	Risk Adjustment	Total	
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening Insurance contract liabilities - 1 Jan 2024	20,199,588	446,179	20,645,767	184,803	9,608,471	772,384	10,565,658	31,211,425
Insurance revenue	(30,365,388)	-	(30,365,388)		-	-	-	(30,365,388)
Insurance service expenses	-	-	-		-	-	-	-
Incurred claims and other attributable expense (Note 24(b))	-		-	1,372,079	9,968,328	-	11,340,407	11,340,407
Amortisation of insurance acquisition cash flows (Note 24(b))	3,383,119	-	3,383,119		-	-	-	3,383,119
Changes related to future service- Loss Component: losses and reversal of losses on Loss Component contracts (Note 24(b))	-	1,472,190	1,472,190		-	-	-	1,472,190
Changes related to past service: Changes in RA and BEL related ti LIC (Note 24(b))	-	-	-	(75,260)	2,227,932	434,791	2,587,462	2,587,462
Total insurance service expenses	**3,383,119**	**1,472,190**	**4,855,309**	**1,296,819**	**12,196,259**	**434,791**	**13,927,869**	**18,783,178**
Investment components	(1,094,106)	-	(1,094,106)	1,094,106	(0)	-	1,094,106	-
	(28,076,375)	**1,472,190**	**(26,604,185)**	**2,390,925**	**12,196,259**	**434,791**	**15,021,975**	**(11,582,211)**
Insurance finance expenses	835,653	-	835,653		(299,050)	-	(299,050)	536,603
Total change in comprehensive income	**(27,240,722)**	**1,472,190**	**(25,768,533)**	**2,390,925**	**11,897,210**	**434,791**	**14,722,925**	**(11,045,607)**
Cashflows for the period			-				-	-
Premiums received	32,181,835	-	32,181,835		-	-	-	32,181,835
Claims and expenses paid	-	-	-	(2,466,185)	(8,661,270)	-	(11,127,455)	(11,127,455)
Insurance acquisition costs paid (Note 44(v))	(3,383,119)	-	(3,383,119)		-	-	-	(3,383,119)
Total cash flows	**28,798,716**	**-**	**28,798,716**	**(2,466,185)**	**(8,661,270)**	**-**	**(11,127,455)**	**17,671,260**
			-				-	-
			-				-	-
Closing insurance contract liabilities- 31 Dec 2024	**21,757,582**	**1,918,368**	**23,675,950**	**109,543**	**12,844,410**	**1,207,175**	**14,161,128**	**37,837,078**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

14a (ii) Reconciliation of the insurance contract balances under PAA and GMM for the Company as at 31 December 2023

	Liability for Remaining Coverage (LRC)			Liability for incurred claims (LIC)				Grand Total
					LIC for contract measured under PAA			
	Excluding Loss Component	Loss Component	Total	LIC for contract not measured under PAA	Estimates of present value of future cashflows	Risk Adjustment	Total	
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	
Opening Insurance contract liabilities - 1 Jan 2023	15,694,609	484,843	16,179,453	413,083	6,838,921	386,920	7,638,924	23,818,377
Insurance revenue	(20,006,981)	-	(20,006,981)		-	-	-	(20,006,981)
Insurance service expenses	-	-	-		-	-	-	-
Incurred claims and other attributable expense (Note 24(b))	-		-	946,846	7,075,654	-	8,022,500	8,022,500
Amortisation of insurance acquisition cash flows (Note 24(b))	3,233,400	-	3,233,400		-	-	-	3,233,400
Changes related to future service- Loss Component: losses and reversal of losses on Loss Component contracts (Note 24(b))	-	(38,665)	(38,665)				-	(38,665)
Changes related to past service: Changes in RA and BEL related ti LIC (Note 24(b))	-	-	-	-	2,538,358	385,464	2,923,822	2,923,822
Total insurance service expenses	**3,233,400**	**(38,665)**	**3,194,735**	**946,846**	**9,614,012**	**385,464**	**10,946,322**	**14,141,057**
Investment components	(1,761,586)	-	(1,761,586)	1,761,586	0		**1,761,586**	**-**
	1,471,814	**(38,665)**	**1,433,149**	**2,708,432**	**9,614,012**	**385,464**	**12,707,908**	**14,141,057**
Insurance finance expenses	1,030,184	-	1,030,184	-	-		-	1,030,184
Total change in comprehensive income	**2,501,998**	**(38,665)**	**2,463,333**	**2,708,432**	**9,614,012**	**-**	**12,322,444**	**14,785,777**
Cashflows for the period			-				-	-
Premiums received	25,243,363	-	25,243,363		-	-	-	25,243,363
Claims and expenses paid	-	-	-	(2,936,712)	(6,844,462)	-	(9,781,174)	(9,781,174)
Insurance acquisition costs paid (Note 44(v))	(3,233,400)	-	(3,233,400)		-	-	-	(3,233,400)
Total cash flows	**22,009,963**	**-**	**22,009,963**	**(2,936,712)**	**(6,844,462)**	**-**	**(9,781,174)**	**12,228,788**
			-				-	
			-				-	
Closing insurance contract liabilities- 31 Dec 2023	**20,199,588**	**446,179**	**20,645,767**	**184,803**	**9,608,471**	**772,384**	**10,565,658**	**31,211,425**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

14c The Age Analysis of Liability for incurred Claims (excluding IBNR) as at 31 December 2024 is as follows:

Outstanding claims

In thousands of naira	Group		Company	
Days	**Count**	**Amount**	**Count**	**Amount**
0-90 days	726	1,560,982	607	1,344,597
91-180 days	365	2,434,844	273	675,769
181-270 days	242	512,218	195	454,154
271-365 days	240	474,469	178	365,629
Above 365 days	2,897	5,662,147	2,506	4,967,293
Total	**4,470**	**10,644,659**	**3,759**	**7,807,441**

The Age Analysis of Liability for incurred Claims (excluding IBNR) as at 31 December 2023 is as follows:

Outstanding claims

In thousands of naira	Group		Company	
Days	**Count**	**Amount**	**Count**	**Amount**
0-90 days	954	799,199	847	703,604
91-180 days	168	636,395	85	590,880
181-270 days	232	588,430	190	529,782
271-365 days	425	215,355	369	141,649
Above 365 days	2,985	4,599,975	2,634	4,102,876
Total	**4,764**	**6,839,355**	**4,125**	**6,068,791**

The Age Analysis and reasons of Liability for incurred Claims (excluding IBNR) as at 31 December 2024 is as follows:

	Group	**0-90 days**		**91-180 days**		**181-270 days**		**271-365 days**		**Above 365 days**		**Total**	
		Count	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**
1	Discharged voucher signed and returned to policyholders (insurer)	37	76,107	-	-	6	87,194	1	2,700	1	560	45	166,561
2	Discharge vouchers not yet signed	44	44,343	-	-	-	-	1	1,200	2	1,349	47	46,892
3	Claims reported but incomplete documentation	518	713,278	277	2,016,613	164	144,137	182	161,553	2,499	1,602,295	3,640	4,637,875
4	Claims reported but being adjusted	76	667,495	55	135,876	59	135,356	43	280,095	285	1,267,756	518	2,486,578
5	Claims repudiated	2	2,544	-	-	-	-	-	-	40	16,491	42	19,034
6	Awaiting adjusters final report	2	13,408	2	140,846	3	130,099	2	15,300	8	2,560,252	17	2,859,905
7	Litigation awarded	-	-	1	118,000	-	-	-	-	13	177,100	14	295,100
8	Awaiting lead Insurer's instruction	-	-	1	88	-	-	-	-		-	1	88
9	Third party liability outstanding	47	43,808	29	23,420	10	15,432	11	13,620	49	36,345	146	132,625
10	Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
		726	**1,560,982**	**365**	**2,434,844**	**242**	**512,218**	**240**	**474,469**	**2,897**	**5,662,147**	**4,470**	**10,644,659**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

Company	**0-90 days**		**91-180 days**		**181-270 days**		**271-365 days**		**Above 365 days**		**Total**	
	Count	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**
1 Discharged voucher signed and returned to policyholders (insurer)	37	76,107	-	-	5	85,194	-	-	1	560	43	161,861
2 Discharge vouchers not yet signed	44	44,343	-	-	-	-	1	1,200	2	-	47	45,543
3 Claims reported but incomplete documentation	402	510,800	192	260,802	125	96,559	127	73,713	2,108	907,441	2,954	1,849,315
4 Claims reported but being adjusted	75	666,995	50	133,200	54	130,850	40	278,595	285	1,267,756	504	2,478,745
5 Claims repudiated	2	2,544	-	-	-	-	-	-	40	16,491	42	19,034
6 Awaiting adjusters final report	-	-	1	140,346	1	126,119		-	8	2,560,252	10	2,826,717
7 Litigation awarded	-	-	1	118,000	-	-	-	-	13	177,100	14	295,100
8 Awaiting lead Insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
9 Third party liability outstanding	47	43,808	29	23,420	10	15,432	10	12,120	49	36,345	145	131,125
10 Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
	607	**1,344,597**	**273**	**675,769**	**195**	**454,154**	**178**	**365,629**	**2,506**	**4,965,944**	**3,759**	**7,807,441**

The Age Analysis and reasons of Liability for incurred Claims (excluding IBNR) as at 31 December 2023 is as follows:

Group	**0-90 days**		**91-180 days**		**181-270 days**		**271-365 days**		**Above 365 days**		**Total**	
	Count	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**	**Count**	**₦'000**
1 Discharged voucher signed and returned to policyholders (insurer)	5	4,252	2	48,785	3	19,939	2	498	4	31,645	16	105,118
2 Discharge vouchers not yet signed	8	7,349	-	-	9	11,879	30	19,234	1	127,251	48	165,713
3 Claims reported but incomplete documentation	406	711,097	215	319,566	191	546,992	207	160,731	3,396	3,025,815	4,415	4,764,202
4 Claims reported but being adjusted	38	55,719	6	221,714	2	866	6	24,157	32	110,987	84	413,444
5 Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
6 Awaiting adjusters final report	10	11,471	6	45,681	7	7,331	8	9,213	101	1,172,436	132	1,246,133
7 Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
8 Awaiting lead Insurer's instruction	-	-	-	-	-	-	-	-	1	93,034	1	93,034
9 Third party liability outstanding	10	8,679	1	500	4	1,423	4	1,522	46	38,806	65	50,930
10 Adjusters fee payable	2	631	1	150	-	-	-	-	-	-	3	781
	479	**799,199**	**231**	**636,395**	**216**	**588,430**	**257**	**215,355**	**3,581**	**4,599,975**	**4,764**	**6,839,355**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

	Company	0-90 days		91-180 days		181-270 days		271-365 days		Above 365 days		Total	
		Count	₦'000	Count	₦'000	Count	₦'000	Count	₦'000	Count	₦'000	Count	₦'000
1	Discharged voucher signed and returned to policyholders (insurer)	5	4,252	2	48,785	3	19,939	2	498	4	31,645	16	105,118
2	Discharge vouchers not yet signed	8	7,349	-	-	9	11,879	30	19,234	1	127,251	48	165,713
3	Claims reported but incomplete documentation	337	626,974	183	279,512	150	495,675	154	96,238	3,077	2,642,429	3,901	4,140,828
4	Claims reported but being adjusted	38	55,719	6	221,714	2	866	6	24,157	32	110,987	84	413,444
5	Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
6	Awaiting adjusters final report	-	-	1	40,219	-	-	-	-	6	1,058,724	7	1,098,943
7	Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
8	Awaiting lead Insurer's instruction	-	-	-	-	-	-	-	-	1	93,034	1	93,034
9	Third party liability outstanding	10	8,679	1	500	4	1,423	4	1,522	46	38,806	65	50,930
10	Adjusters fee payable	2	631	1	150	-	-	-	-	-	-	3	781
		400	**703,604**	**194**	**590,880**	**168**	**529,782**	**196**	**141,649**	**3,167**	**4,102,876**	**4,125**	**6,068,791**

(i) **Impact of insurance contracts recognized in the year**
December

Life risk	**2024**			**2023**		
In thousands of naira	**Non-onerous contracts originated**	**Onerous contracts orignated**	**Total**	**Non-onerous contracts originated**	**Onerous contracts orignated**	**Total**
Estimated of the present value of future cash outflows						
Insurance acquisiton cash flows	43,615	69,869	113,484	156,881	102,155	259,036
Claims and other directly attributable expenses	869,962	859,999	1,729,961	1,141,011	1,063,636	2,204,647
Estimated of the present value of future cash outflows	**913,577**	**929,868**	**1,843,445**	**1,297,892**	**1,165,791**	**2,463,683**
Estimated of the present value of future cash inflows	1,101,402	929,559	2,030,961	1,547,937	1,161,151	2,709,089
Risk adjustment for non-financial riak	5,803	3,324	9,127	6,693	6,964	13,657
Contractual service margin	182,022	-	182,022	254,030	-	254,030
Increase in insurance contract liabilities from contracts recognised in the period	**-**	**3,633**	**3,633**	**10,677**	**11,604**	**22,281**

Notes to the consolidated and separate financial statements

14 Insurance contract liabilities

(ii) **Expected recognition contractual service margin for insurance contracts issued**
December 2024
CSM with positive sign

In thousands of naira	Annuity	Protection	Investment Linked	Credit Life	Endowment	Total
Year 1	14,584	210,173	194,750	1,302,403	54	1,721,965
Year 2	40,775	258,335	149,109	604,184	211	1,052,613
Year 3	40,538	121,435	87,992	331,548	160	581,673
Year 4	40,193	64,506	32,277	641,115	99	778,190
Year 5	39,409	90,567	28,282	149,480	118	307,854
Year 6	40,114	106,896	27,279	31,528	141	205,958
Year 7	40,972	147,110	25,868	32,947	5,247	252,145
Year 8	41,271	81,069	23,554	36,346	-	182,241
Year 9	42,681	127,098	20,037	44,070	-	233,887
Year 10	42,188	160,456	21,718	57,207	-	281,569
Above Year 10	191,553	1,311,077	77,506	1,032,561	-	2,612,696
Total CSM	**574,278**	**2,678,722**	**688,372**	**4,263,388**	**6,030**	**8,210,791**

Notes to the consolidated and separate financial statements

14d Insurance contracts

Reconciliation of the measurement components of insurance contract balances by Product for the Group

Portfolios measured using the GMM Model

Group

	2024				2023			
	Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Insurance Contract Liabilities (ICL)	Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Insurance Contract Liabilities (ICL)
Reconciliation of carrying amounts by LRC/LIC: insurance	**Non-onerous**	**Onerous**	**LIC**		**Non-onerous**	**Onerous**	**LIC**	
Opening insurance contract liabilities	11,342,311	446,179	184,803	**11,973,293**	9,632,797	484,843	413,083	**10,530,723**
Insurance revenue	(3,256,420)	-	-	**(3,256,420)**	(2,080,446)	-	-	**(2,080,446)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(278,993)	1,372,079	**1,093,087**	-	(76,547)	946,846	**870,299**
Acquisition expenses	(19,679)	-	-	**(19,679)**	224,051	-	-	**224,051**
Changes related to Liability for remaining converage	**-**	**1,751,182**	**(75,260)**	**1,675,922**	**-**	**37,882**	**-**	**37,882**
Total Insurance service expenses	**(19,679)**	**1,472,190**	**1,296,819**	**2,749,330**	**224,051**	**(38,665)**	**946,846**	**1,132,233**
Investment components	(1,094,106)	-	1,094,106	-	(1,761,586)	-	1,761,586	**-**
Insurance service result	**(4,370,204)**	**1,472,190**	**2,390,925**	**(23,265)**	**(3,617,981)**	**(38,665)**	**2,708,432**	**(23,265)**
Insurance finance expenses	835,653	-	-	**835,653**	1,030,184	-	-	**1,030,184**
Total change in comprehensive income	**(3,534,552)**	**1,472,190**	**2,390,925**	**(18,393)**	**(2,587,797)**	**(38,665)**	**2,708,432**	**(18,393)**
premiums received	4,030,036	-	-	**4,030,036**	4,521,362	-	-	**4,521,362**
Claims and expenses paid	-	-	(2,466,185)	**(2,466,185)**	-	-	(2,936,712)	**(2,936,712)**
Acquisition costs paid	19,679	-	-	**19,679**	(224,051)	-	-	**(224,051)**
Total cash flows	**4,049,715**	**-**	**(2,466,185)**	**1,583,530**	**4,297,311**	**-**	**(2,936,712)**	**1,360,599**
Closing insurance contract liabilities	**11,857,475**	**1,918,368**	**109,542**	**13,885,385**	**11,342,311**	**446,179**	**184,803**	**11,973,293**

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**
Opening insurance contract liabilities	**9,688,945**	**121,443**	**2,162,905**	**11,973,293**	**8,859,007**	**108,105**	**1,563,611**	**10,530,723**
Changes related to current services								
CSM for service provided	-	-	(1,721,965)	(1,721,965)	-	-	(534,883)	(534,883)
Risk Adjustment release for expired risks	-	(5,863)	-	(5,863)	-	4,160	-	4,160
Experience adjustments	(455,184)	-	-	(455,184)	(455,373)	-	-	(455,373)
Total changes related to current services	**(455,184)**	**(5,863)**	**(1,721,965)**	**(2,183,012)**	**(455,373)**	**4,160**	**(534,883)**	**(986,096)**
Changes related to future services								
New contracts recognised	(187,518)	9,127	182,024	3,633	(245,493)	13,657	254,117	22,281
Changes in estimates reflected in CSM	(2,328,472)	(3,878)	2,332,350	-	(668,907)	(2,564)	671,471	-
Changes in estimates resulting in contract losses	1,724,879	22,671	-	1,747,550	17,516	(1,915)	-	15,602
Total changes related to future services	**(791,111)**	**27,919**	**2,514,374**	**1,751,182**	**(896,884)**	**9,178**	**925,588**	**37,882**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	(75,260)	-	-	(75,260)	-	-	-	-
Total changes that relate to past service	**(75,260)**	**-**	**-**	**(75,260)**	**-**	**-**	**-**	**-**
Insurance service result	**(1,321,556)**	**22,056**	**792,409**	**(507,090)**	**(1,352,257)**	**13,338**	**390,705**	**(948,214)**
Insurance finance expenses	536,390	-	299,262	835,653	821,595	-	208,589	1,030,184
Total change in comprehensive income	**(785,165)**	**22,056**	**1,091,671**	**328,563**	**(530,662)**	**13,338**	**599,294**	**81,971**
Total cash flows	**1,583,530**	**-**	**-**	**1,583,530**	**1,360,599**	**-**	**-**	**1,360,599**
Closing insurance contract liabilities	**10,487,309**	**143,500**	**3,254,577**	**13,885,385**	**9,688,945**	**121,443**	**2,162,905**	**11,973,293**

Notes to the consolidated and separate financial statements

Endowment

Reconciliation of carrying amounts by LRC/LIC: insurance	2024 Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total	2023 Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total
	Non-onerous	Onerous	LIC		Non-onerous	Onerous	LIC	
Opening insurance contract liabilities	41,402	-	-	**41,402**	52,942	-	-	**52,942**
Insurance revenue	253	-	-	**253**	(24,852)	-	-	**(24,852)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(1,691)	58	**(1,633)**	-	-	55	**55**
Acquisition expenses	813	-	-	**813**	1,532	-	-	**1,532**
Changes related to Liability for remaining converage	-	27,665	-	**27,665**	-	-	-	-
Total Insurance service expenses	**813**	**25,974**	**58**	**26,846**	**1,532**	**-**	**55**	**1,587**
Investment components	(15,000)	-	15,000	**-**	(6,800)	-	6,800	**-**
Insurance service result	**(13,934)**	**25,974**	**15,058**	**(23,265)**	**(30,120)**	**-**	**6,855**	**(23,265)**
Insurance finance expenses	2,754	-	-	**2,754**	4,872	-	-	**4,872**
Total change in comprehensive income	**(11,180)**	**25,974**	**15,058**	**(18,393)**	**(25,248)**	**-**	**6,855**	**(18,393)**
premiums received	8,918	-	-	**8,918**	15,240	-	-	**15,240**
Claims and expenses paid	-	-	(15,058)	**(15,058)**	-	-	(6,855)	**(6,855)**
Acquisition costs paid	(813)	-	-	**(813)**	(1,532)	-	-	**(1,532)**
Total cash flows	**8,104**	**-**	**(15,058)**	**(6,954)**	**13,708**	**-**	**(6,855)**	**6,853**
Closing insurance contract liabilities	**38,326**	**25,974**	**-**	**64,301**	**41,402**	**-**	**-**	**41,402**

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	**6,840**	**137**	**34,426**	**41,402**	**42,087**	**842**	**10,014**	**52,942**
Changes related to current services								
CSM for service provided	-	-	(54)	(54)	-	-	(22,396)	(22,396)
Risk Adjustment release for expired risks	-	(67)	-	(67)	-	(313)	-	(313)
Experience adjustments	(445)	-	-	(445)	(556)	-	-	(556)
Total changes related to current services	**(445)**	**(67)**	**(54)**	**(566)**	**(556)**	**(313)**	**(22,396)**	**(23,265)**
Changes related to future services								
New contracts recognised	(2,239)	45	2,194	-	-	-	-	-
Changes in estimates reflected in CSM	38,274	746	(39,020)	-	(45,206)	(392)	45,598	-
Changes in estimates resulting in contract losses	27,130	535	-	27,665	-	-	-	-
Total changes related to future services	**63,166**	**1,325**	**(36,826)**	**27,665**	**(45,206)**	**(392)**	**45,598**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Insurance service result	**62,721**	**1,258**	**(36,880)**	**27,099**	**(45,762)**	**705**	**(23,202)**	**23,265**
Insurance finance expenses	(1,955)	-	4,708	2,754	3,662	-	1,210	4,872
Total change in comprehensive income	**60,766**	**1,258**	**(32,172)**	**29,853**	**42,100**	**705**	**(24,412)**	**18,393**
Total cash flows	**(6,954)**	**-**	**-**	**(6,954)**	**6,853**	**-**	**-**	**6,853**
Closing insurance contract liabilities	**60,652**	**1,395**	**2,254**	**64,301**	**6,840**	**137**	**34,426**	**41,402**

Protection

Reconciliation of carrying amounts by LRC/LIC: insurance	2024 Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total	2023 Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total
	Non-onerous	Onerous	LIC		Non-onerous	Onerous	LIC	
Opening insurance contract liabilities	1,424,430		7,592	**1,432,022**	1,166,600	175,042	77,862	**1,419,504**
Insurance revenue	(102,214)	-	-	**(102,214)**	(353,450)	-	-	**(353,450)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(35,103)	64,306	**29,203**	-	-	39,116	**39,116**
Acquisition expenses	(126,062)	-	-	**(126,062)**	41,577	-	-	**41,577**
Loss Component: losses and reversal of losses on onerou	-	184,993	-	**184,993**	-	(175,042)	-	**(175,042)**
Changes related to Liability for incurred claims	-	-	24,342	**24,342**	-	-	-	-
Total Insurance service expenses	**(126,062)**	**149,889**	**88,648**	**112,475**	**41,577**	**(175,042)**	**39,116**	**(94,349)**
Investment components	-	-	-	-	-	-	-	-
Insurance service result	**(228,277)**	**149,889**	**88,648**	**(23,265)**	**(311,873)**	**(175,042)**	**39,116**	**(447,799)**
Insurance finance expenses	52,622	-	-	**52,622**	162,400	-	-	**162,400**
Total change in comprehensive income	**(175,655)**	**149,889**	**88,648**	**(18,393)**	**(149,473)**	**(175,042)**	**39,116**	**(285,399)**
premiums received	316,305	-	-	**316,305**	448,880	-	-	**448,880**
Claims and expenses paid	-	-	(64,306)	**(64,306)**	-	-	(109,387)	**(109,387)**
Acquisition costs paid	126,062	-	-	**126,062**	(41,577)	-	-	**(41,577)**
Total cash flows	**442,367**	**-**	**(64,306)**	**378,062**	**407,303**	**-**	**(109,387)**	**297,916**
Closing insurance contract liabilities	**1,691,143**	**149,889**	**31,934**	**1,872,966**	**1,424,430**		**7,592**	**1,432,022**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	**23,733**	**323**	**1,407,966**	**1,432,022**	**58,717**	**1,052**	**51,380**	**111,150**
Changes related to current services								
CSM for service provided	-	-	(210,173)	(210,173)	-	-	(163,005)	(163,005)
Risk Adjustment release for expired risks	-	(176)	-	(176)	-	(3,268)	-	(3,268)
Experience adjustments	11,275	-	-	11,275	(106,484)	-	-	(106,484)
Total changes related to current services	**11,275**	**(176)**	**(210,173)**	**(199,074)**	**(106,484)**	**(3,268)**	**(163,005)**	**(272,757)**
Changes related to future services								
New contracts recognised	(38,963)	2,235	36,728	-	10,227	450	-	10,677
Changes in estimates reflected in CSM	356,198	11,975	(368,173)	-	(827,913)	(7,560)	835,473	-
Changes in estimates resulting in contract losses	181,350	3,642	-	184,993	(182,979)	(2,739)	-	(185,719)
Total changes related to future services	**498,586**	**17,852**	**(331,445)**	**184,993**	**(1,000,665)**	**(9,850)**	**835,473**	**(175,042)**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	24,342	-	-	24,342	-	-	-	-
Total changes that relate to past service	**24,342**	**-**	**-**	**24,342**	**-**	**-**	**-**	**-**
Insurance service result	**534,203**	**17,676**	**(541,618)**	**10,261**	**1,107,150**	**13,118**	**(672,468)**	**447,799**
Insurance finance expenses	(121,506)	-	174,128	52,622	83,082	-	79,318	162,400
Total change in comprehensive income	**412,698**	**17,676**	**(367,491)**	**62,883**	**1,024,068**	**13,118**	**(751,786)**	**285,399**
Total cash flows	**378,062**	**-**	**-**	**378,062**	**297,916**	**-**	**-**	**297,916**
Closing insurance contract liabilities	**814,492**	**17,999**	**1,040,475**	**1,872,966**	**23,733**	**323**	**1,407,966**	**1,432,022**

Investment Linked

	2024				**2023**			
	Liability for Remaining Coverage (LRC)		**Liability for incurred Claims**	**Total**	**Liability for Remaining Coverage (LRC)**		**Liability for incurred Claims**	**Total**
Reconciliation of carrying amounts by LRC/LIC: insurance	**Non-onerous**	**Onerous**	**LIC**		**Non-onerous**	**Onerous**	**LIC**	
Opening insurance contract liabilities	3,272,959	408,816	38,109	**3,719,884**	3,351,341	-	36,223	**3,387,564**
Insurance revenue	(208,702)	-	-	**(208,702)**	(247,133)	-	-	**(247,133)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(84,965)	8,683	**(76,282)**	-	(50,979)	11,581	**(39,398)**
Acquisition expenses	27,146	-	-	**27,146**	68,744	-	-	**68,744**
Loss Component: losses and reversal of losses on onerou	-	(87,572)	-	**(87,572)**	-	459,795	-	**459,795**
Changes related to Liability for incurred claims	-	-	(33,891)	**(33,891)**	-	-	-	**-**
Total Insurance service expenses	**27,146**	**(172,537)**	**(25,209)**	**(170,600)**	**68,744**	**408,816**	**11,581**	**489,141**
Investment components	(1,079,106)	-	1,079,106	**-**	(1,754,786)	-	1,754,786	**-**
Insurance service result	**(1,260,661)**	**(172,537)**	**1,053,897**	**(23,265)**	**(1,933,175)**	**408,816**	**1,766,368**	**242,008**
Insurance finance expenses	640,770	-	-	**640,770**	575,360	-	-	**575,360**
Total change in comprehensive income	**(619,891)**	**(172,537)**	**1,053,897**	**(18,393)**	**(1,357,815)**	**408,816**	**1,766,368**	**817,368**
premiums received	1,662,491	-	-	**1,662,491**	1,348,177	-	-	**1,348,177**
Claims and expenses paid	-	-	(1,087,788)	**(1,087,788)**	-	-	(1,764,481)	**(1,764,481)**
Acquisition costs paid	(27,146)	-	-	**(27,146)**	(68,744)	-	-	**(68,744)**
Total cash flows	**1,635,345**	**-**	**(1,087,788)**	**547,557**	**1,279,433**	**-**	**(1,764,481)**	**(485,048)**
Closing insurance contract liabilities	**4,288,413**	**236,279**	**4,218**	**4,528,910**	**3,272,959**	**408,816**	**38,109**	**3,719,884**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	3,470,520	8	249,355	3,719,884	3,098,750	437	288,377	3,387,564
Changes related to current services								
CSM for service provided	-	-	(194,750)	(194,750)	-	-	(148,784)	(148,784)
Risk Adjustment release for expired risks	-	(1,237)	-	(1,237)	-	(3,327)	-	(3,327)
Experience adjustments	(61,851)	-	-	(61,851)	(65,676)	-	-	(65,676)
Total changes related to current services	**(61,851)**	**(1,237)**	**(194,750)**	**(257,838)**	**(65,676)**	**(3,327)**	**(148,784)**	**(217,787)**
Changes related to future services								
New contracts recognised	(44,615)	1,469	43,146	-	(107,996)	3,189	104,807	-
Changes in estimates reflected in CSM	(178,989)	726	178,264	-	38,151	(216)	(37,935)	-
Changes in estimates resulting in contract losses	(88,161)	588	-	(87,572)	459,870	(75)	-	459,795
Total changes related to future services	**(311,765)**	**2,783**	**221,410**	**(87,572)**	**390,025**	**2,898**	**66,872**	**459,795**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	(33,891)	-	-	(33,891)	-	-	-	-
Total changes that relate to past service	**(345,656)**	**2,783**	**221,410**	**(121,464)**	**-**	**-**	**-**	**-**
Insurance service result	**(407,507)**	**1,546**	**26,660**	**(379,301)**	**(324,349)**	**429**	**81,912**	**(242,008)**
Insurance finance expenses	599,873	-	40,897	640,770	532,470	-	42,890	575,360
Total change in comprehensive income	**192,366**	**1,546**	**67,557**	**261,469**	**(856,818)**	**429**	**39,022**	**(817,368)**
Total cash flows	**547,557**	**-**	**-**	**547,557**	**(485,048)**	**-**	**-**	**(485,048)**
Closing insurance contract liabilities	**4,210,443**	**1,554**	**316,912**	**4,528,910**	**3,470,520**	**8**	**249,355**	**3,719,884**

Credit Life
2024 / **2023**

	Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total	Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total
Reconciliation of carrying amounts by LRC/LIC: insurance	**Non-onerous**	**Onerous**	**LIC**		**Non-onerous**	**Onerous**	**LIC**	
Opening insurance contract liabilities	2,351,249	37,363	139,102	**2,527,714**	1,688,063	309,802	281,199	**2,279,064**
Insurance revenue	(2,249,583)	-	-	**(2,249,583)**	(847,904)	-	-	**(847,904)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(60,880)	556,814	**495,933**	-	(25,568)	319,847	**294,278**
Acquisition expenses	43,978	-	-	**43,978**	72,118	-	-	**72,118**
Loss Component: losses and reversal of losses on onerou	-	1,036,955	-	**1,036,955**	-	(246,870)	-	**(246,870)**
Changes related to Liability for incurred claims	-	-	(65,711)	**(65,711)**	-	-	-	**-**
Total Insurance service expenses	**43,978**	**976,075**	**491,102**	**1,511,155**	**72,118**	**(272,439)**	**319,847**	**119,526**
Investment components	-	-	-	**-**	-	-	-	**-**
Insurance service result	**(2,205,605)**	**976,075**	**491,102**	**(23,265)**	**(775,786)**	**(272,439)**	**319,847**	**(728,378)**
Insurance finance expenses	247,112	-	-	**247,112**	167,522	-	-	**167,522**
Total change in comprehensive income	**(1,958,493)**	**976,075**	**491,102**	**(18,393)**	**(608,264)**	**(272,439)**	**319,847**	**(560,855)**
premiums received	1,152,236	-	-	**1,152,236**	1,343,568	-	-	**1,343,568**
Claims and expenses paid	-	-	(556,814)	**(556,814)**	-	-	(461,944)	**(461,944)**
Acquisition costs paid	(43,978)	-	-	**(43,978)**	(72,118)	-	-	**(72,118)**
Total cash flows	**1,108,258**	**-**	**(556,814)**	**551,445**	**1,271,449**	**-**	**(461,944)**	**809,506**
Closing insurance contract liabilities	**1,501,014**	**1,013,438**	**73,391**	**2,587,843**	**2,351,249**	**37,363**	**139,102**	**2,527,714**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	2,190,762	41,033	295,919	2,527,714	1,826,586	30,908	421,570	2,279,064
Changes related to current services								
CSM for service provided	-	-	(1,302,403)	(1,302,403)	-	-	(193,033)	(193,033)
Risk Adjustment release for expired risks	-	(3,251)	-	(3,251)	-	1,894	-	1,894
Experience adjustments	(404,019)	-	-	(404,019)	(290,369)	-	-	(290,369)
Total changes related to current services	**(404,019)**	**(3,251)**	**(1,302,403)**	**(1,709,672)**	**(290,369)**	**1,894**	**(193,033)**	**(481,508)**
Changes related to future services								
New contracts recognised	309	3,324	-	3,633	4,640	6,964	-	11,604
Changes in estimates reflected in CSM	(2,625,303)	(26,527)	2,651,829	-	(16,790)	367	16,423	-
Changes in estimates resulting in contract losses	1,029,166	4,156	-	1,033,323	(259,374)	900	-	(258,474)
Total changes related to future services	**(1,595,828)**	**(19,047)**	**2,651,829**	**1,036,955**	**(271,525)**	**8,231**	**16,423**	**(246,870)**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	(65,711)	-	-	(65,711)	-	-	-	-
Total changes that relate to past service	**(1,661,539)**	**(19,047)**	**2,651,829**	**971,244**	**-**	**-**	**-**	**-**
Insurance service result	**(2,065,557)**	**(22,297)**	**1,349,426**	**(738,428)**	**561,893**	**(10,125)**	**176,610**	**728,378**
Insurance finance expenses	211,342	-	35,770	247,112	116,563	-	50,959	167,522
Total change in comprehensive income	**(1,854,215)**	**(22,297)**	**1,385,197**	**(491,316)**	**445,330**	**(10,125)**	**125,651**	**560,855**
Total cash flows	**551,445**	**-**	**-**	**551,445**	**809,506**	**-**	**-**	**809,506**
Closing insurance contract liabilities	**887,991**	**18,736**	**1,681,116**	**2,587,843**	**2,190,762**	**41,033**	**295,919**	**2,527,714**

Annuity
2024 / **2023**

	Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total	Liability for Remaining Coverage (LRC)		Liability for incurred Claims	Total
Reconciliation of carrying amounts by LRC/LIC: insurance	**Non-onerous**	**Onerous**	**LIC**		**Non-onerous**	**Onerous**	**LIC**	
Opening insurance contract liabilities	4,252,271	-	-	**4,252,271**	3,373,850	-	17,798	**3,391,649**
Insurance revenue	(696,174)	-	-	**(696,174)**	(607,106)	-	-	**(607,106)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(96,354)	742,219	**645,865**	-	-	576,247	**576,247**
Acquisition expenses	34,447	-	-	**34,447**	40,080	-	-	**40,080**
Loss Component: losses and reversal of losses on onerou	-	589,142	-	**589,142**	-	-	-	**-**
Changes related to Liability for incurred claims	-	-	-	-	-	-	-	-
Total Insurance service expenses	**34,447**	**492,788**	**742,219**	**1,269,454**	**40,080**	**-**	**576,247**	**616,328**
Investment components	-	-	-	-	-	-	-	-
Insurance service result	**(661,727)**	**492,788**	**742,219**	**(23,265)**	**(567,026)**	**-**	**576,247**	**9,221**
Insurance finance expenses	(107,605)	-	-	**(107,605)**	120,029	-	-	**120,029**
Total change in comprehensive income	**(769,333)**	**492,788**	**742,219**	**(18,393)**	**(446,997)**	**-**	**576,247**	**129,250**
premiums received	890,087	-	-	**890,087**	1,365,498	-	-	**1,365,498**
Claims and expenses paid	-	-	(742,219)	**(742,219)**	-	-	(594,046)	**(594,046)**
Acquisition costs paid	(34,447)	-	-	**(34,447)**	(40,080)	-	-	**(40,080)**
Total cash flows	**855,640**	**-**	**(742,219)**	**113,421**	**1,325,418**	**-**	**(594,046)**	**731,372**
Closing insurance contract liabilities	**4,338,578**	**492,788**	**-**	**4,831,367**	**4,252,271**	**-**	**-**	**4,252,271**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	3,997,090	79,942	175,240	4,252,271	3,141,700	62,478	187,471	3,391,649
Changes related to current services								
CSM for service provided	-	-	(14,584)	(14,584)	-	-	(7,664)	(7,664)
Risk Adjustment release for expired risks	-	(1,132)	-	(1,132)	-	9,174	-	9,174
Experience adjustments	(146)	-	-	(146)	7,712	-	-	7,712
Total changes related to current services	**(146)**	**(1,132)**	**(14,584)**	**(15,862)**	**7,712**	**9,174**	**(7,664)**	**9,221**
Changes related to future services								
New contracts recognised	(102,010)	2,054	99,956	-	(152,364)	3,054	149,310	-
Changes in estimates reflected in CSM	81,348	9,202	(90,550)	-	182,852	5,236	(188,088)	-
Changes in estimates resulting in contract losses	575,393	13,749	-	589,142	-	-	-	-
Total changes related to future services	**554,730**	**25,006**	**9,406**	**589,142**	**30,488**	**8,290**	**(38,778)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**554,730**	**25,006**	**9,406**	**589,142**	**-**	**-**	**-**	**-**
Insurance service result	**554,584**	**23,874**	**(5,179)**	**573,280**	**(38,199)**	**(17,464)**	**46,442**	**(9,221)**
Insurance finance expenses	(151,364)	-	43,759	(107,605)	85,818	-	34,211	120,029
Total change in comprehensive income	**403,220**	**23,874**	**38,580**	**465,675**	**(124,018)**	**(17,464)**	**12,231**	**(129,250)**
Total cash flows	**113,421**	**-**	**-**	**113,421**	**731,372**	**-**	**-**	**731,372**
Closing insurance contract liabilities	**4,513,731**	**103,816**	**213,820**	**4,831,367**	**3,997,090**	**79,942**	**175,240**	**4,252,271**

Portfolios measured using the PAA Model

2024

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for incurred claims (LIC)		Insurance Contract Liabilities (ICL)
	Non-onerous	Onerous	Estimates of present value of future	Risk Adjustment	
Opening insurance contract liabilities	10,510,003	-	9,608,470	772,384	**20,890,858**
Insurance revenue	(34,113,362)	-	-	-	**(34,113,362)**
Insurance service expenses	-	-	-	-	**-**
incurred claims and other expenses	-	-	14,007,941	-	**14,007,941**
Acquisition expenses	5,034,860	-	-	-	**5,034,860**
Changes related to future service	-	-	-	-	**-**
Changes related to past service	-	-	2,623,204	**615,838**	**3,239,042**
Total Insurance service expenses	**5,034,860**	**-**	**16,631,146**	**615,838**	**22,281,843**
Investment components	-	-	-		**-**
Insurance service result	**(29,078,502)**	**-**	**16,631,146**	**615,838**	**(11,831,519)**
Insurance finance expenses	-	-	(354,353)	-	(354,353)
Total change in comprehensive income	**(29,078,502)**	**-**	**16,276,793**	**615,838**	**(12,185,871)**
Premiums received	36,231,488	-	-	-	**36,231,488**
Claims and expenses paid	-	-	(10,886,524)	-	**(10,886,524)**
Acquisition costs paid	(5,034,860)	-	-	-	**(5,034,860)**
Total cash flows	**31,196,628**	**-**	**(10,886,524)**	**-**	**20,310,105**
Closing insurance contract liabilities	**12,628,130**	**-**	**14,998,739**	**1,388,222**	**29,015,091**

2023

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for incurred claims (LIC)		Insurance Contract Liabilities (ICL)
	Non-onerous	Onerous	Estimates of present value of future cashflows	Risk Adjustment	
Opening insurance contract liabilities	7,264,869	-	7,798,323	335,038	**15,398,229**
Insurance revenue	(23,284,885)	-	-		**(23,284,885)**
Insurance service expenses	-	-	-		**-**
incurred claims and other expenses	-	-	8,266,385		**8,266,385**
Acquisition expenses	4,053,839	-	-		**4,053,839**
Changes related to future service	-	-	-		**-**
Changes related to past service	-	-	4,023,027	437,347	**4,460,374**
Total Insurance service expenses	**4,053,839**	**-**	**12,289,412**	**437,347**	**16,780,597**
Investment components	-	-	-		**-**
Insurance service result	**(19,231,046)**	**-**	**12,289,412**	**437,347**	**(6,504,288)**
Insurance finance expenses	-	-	-		**-**
Total change in comprehensive income	**(19,231,046)**	**-**	**12,289,412**	**437,347**	**(6,504,288)**
Premiums received	26,530,019	-	-		**26,530,019**
Claims and expenses paid	-	-	(8,763,545)		**(8,763,545)**
Acquisition costs paid	(4,053,839)	-	-		**(4,053,839)**
Total cash flows	**22,476,180**	**-**	**(8,763,545)**	**-**	**13,712,636**
Closing insurance contract liabilities	**10,510,003**	**-**	**11,324,190**	**772,384**	**22,606,577**

Notes to the consolidated and separate financial statements

14e Insurance contracts

Reconciliation of the measurement components of insurance contract balances by Product for the Company

Portfolios measured using the GMM Model

Company

	2024				2023			
	Liability for Remaining Coverage (LRC)		**Liability for incurred Claims**	**Insurance Contract Liabilities (ICL)**	**Liability for Remaining Coverage (LRC)**		**Liability for incurred Claims**	**Insurance Contract Liabilities (ICL)**
Reconciliation of carrying amounts by LRC/LIC: insurance	**Non-onerous**	**Onerous**	**LIC**		**Non-onerous**	**Onerous**	**LIC**	
Opening insurance contract liabilities	11,342,311	446,179	184,803	**11,973,293**	9,632,797	484,843	413,083	**10,530,723**
Insurance revenue	(3,256,420)	-	-	**(3,256,420)**	(2,080,446)	-	-	**(2,080,446)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(278,993)	1,372,079	**1,093,087**	-	(76,547)	946,846	**870,299**
Amortisation of insurance acquisition cash flows		-	-	**-**	224,051	-	-	**224,051**
Changes related to future service: Loss Component: losses and reversal of losses on Loss Component contracts	-	1,751,182		**1,751,182**	**-**	**37,882**	**-**	**37,882**
Changes related to past service: Changes in RA and BEI	(19,679)		**(75,260)**	**(94,939)**				
Total Insurance service expenses	**(19,679)**	**1,472,190**	**1,296,819**	**2,749,330**	**224,051**	**(38,665)**	**946,846**	**1,132,233**
Investment components	(1,094,106)	-	1,094,106	-	(1,761,586)	-	1,761,586	**-**
Insurance service result	**(4,370,204)**	**1,472,190**	**2,390,925**	**(23,265)**	**(3,617,981)**	**(38,665)**	**2,708,432**	**(23,265)**
Insurance finance expenses	835,653	-	-	**835,653**	1,030,184	-	-	**1,030,184**
Total change in comprehensive income	**(3,534,552)**	**1,472,190**	**2,390,925**	**(18,393)**	**(2,587,797)**	**(38,665)**	**2,708,432**	**(18,393)**
premiums received	4,030,036	-	-	**4,030,036**	4,521,362	-	-	**4,521,362**
Claims and expenses paid	-	-	(2,466,185)	**(2,466,185)**	-	-	(2,936,712)	**(2,936,712)**
Acquisition costs paid	19,679	-	-	**19,679**	(224,051)	-	-	**(224,051)**
Total cash flows	**4,049,715**	**-**	**(2,466,185)**	**1,583,530**	**4,297,311**	**-**	**(2,936,712)**	**1,360,599**
Closing insurance contract liabilities	**11,857,475**	**1,918,368**	**109,542**	**13,885,385**	**11,342,311**	**446,179**	**184,803**	**11,973,293**

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**
Opening insurance contract liabilities	**9,688,945**	**121,443**	**2,162,905**	**11,973,293**	**8,859,007**	**108,105**	**1,563,611**	**10,530,723**
Changes related to current services								
CSM for service provided	-	-	(1,721,965)	(1,721,965)	-	-	(534,883)	(534,883)
Risk Adjustment release for expired risks	-	(5,863)	-	(5,863)	-	4,160	-	4,160
Experience adjustments	(455,184)	-	-	(455,184)	(455,373)	-	-	(455,373)
Total changes related to current services	**(455,184)**	**(5,863)**	**(1,721,965)**	**(2,183,012)**	**(455,373)**	**4,160**	**(534,883)**	**(986,096)**
Changes related to future services								
New contracts recognised	(187,518)	9,127	182,024	3,633	(245,493)	13,657	254,117	22,281
Changes in estimates reflected in CSM	(2,328,472)	(3,878)	2,332,350	-	(668,907)	(2,564)	671,471	-
Changes in estimates resulting in contract losses	1,724,879	22,671	-	1,747,550	17,516	(1,915)	-	15,602
Total changes related to future services	**(791,111)**	**27,919**	**2,514,374**	**1,751,182**	**(896,884)**	**9,178**	**925,588**	**37,882**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	(75,260)	-	-	(75,260)	-	-	-	-
Total changes that relate to past service	**(75,260)**	**-**	**-**	**(75,260)**	**-**	**-**	**-**	**-**
Insurance service result	**(1,321,556)**	**22,056**	**792,409**	**(507,090)**	**(1,352,257)**	**13,338**	**390,705**	**(948,214)**
Insurance finance expenses	536,390	-	299,262	835,653	821,595	-	208,589	1,030,184
Total change in comprehensive income	**(785,165)**	**22,056**	**1,091,671**	**328,563**	**(530,662)**	**13,338**	**599,294**	**81,971**
Total cash flows	**1,583,530**	**-**	**-**	**1,583,530**	**1,360,599**	**-**	**-**	**1,360,599**
Closing insurance contract liabilities	**10,487,309**	**143,500**	**3,254,577**	**13,885,385**	**9,688,945**	**121,443**	**2,162,905**	**11,973,293**

Notes to the consolidated and separate financial statements

Endowment

Reconciliation of carrying amounts by LRC/LIC: insurance	2024 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total	2023 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total
Opening insurance contract liabilities	41,402	-	-	**41,402**	52,942	-	-	**52,942**
Insurance revenue	253	-	-	**253**	(24,852)	-	-	**(24,852)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(1,691)	58	**(1,633)**	-	-	55	**55**
Acquisition expenses	813	-	-	**813**	1,532	-	-	**1,532**
Changes related to future service- Loss Component: loss	-	27,665	-	**27,665**	-	-	-	-
Total Insurance service expenses	**813**	**25,974**	**58**	**26,846**	**1,532**	**-**	**55**	**1,587**
Investment components	(15,000)	-	15,000	-	(6,800)	-	6,800	-
Insurance service result	**(13,934)**	**25,974**	**15,058**	**(23,265)**	**(30,120)**	**-**	**6,855**	**(23,265)**
Insurance finance expenses	2,754	-	-	**2,754**	4,872	-	-	**4,872**
Total change in comprehensive income	**(11,180)**	**25,974**	**15,058**	**(18,393)**	**(25,248)**	**-**	**6,855**	**(18,393)**
premiums received	8,918	-	-	**8,918**	15,240	-	-	**15,240**
Claims and expenses paid	-	-	(15,058)	**(15,058)**	-	-	(6,855)	**(6,855)**
Acquisition costs paid	(813)	-	-	**(813)**	(1,532)	-	-	**(1,532)**
Total cash flows	**8,104**	**-**	**(15,058)**	**(6,954)**	**13,708**	**-**	**(6,855)**	**6,853**
Closing insurance contract liabilities	**38,326**	**25,974**	**-**	**64,301**	**41,402**	**-**	**-**	**41,402**

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	2024 Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	2023 Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	**6,840**	**137**	**34,426**	**41,402**	**42,087**	**842**	**10,014**	**52,942**
Changes related to current services								
CSM for service provided	-	-	(54)	(54)	-	-	(22,396)	(22,396)
Risk Adjustment release for expired risks	-	(67)	-	(67)	-	(313)	-	(313)
Experience adjustments	(445)	-	-	(445)	(556)	-	-	(556)
Total changes related to current services	**(445)**	**(67)**	**(54)**	**(566)**	**(556)**	**(313)**	**(22,396)**	**(23,265)**
Changes related to future services								
New contracts recognised	(2,239)	45	2,194	-	-	-	-	-
Changes in estimates reflected in CSM	38,274	746	(39,020)	-	(45,206)	(392)	45,598	-
Changes in estimates resulting in contract losses	27,130	535	-	27,665	-	-	-	-
Total changes related to future services	**63,166**	**1,325**	**(36,826)**	**27,665**	**(45,206)**	**(392)**	**45,598**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Insurance service result	**62,721**	**1,258**	**(36,880)**	**27,099**	**(45,762)**	**705**	**(23,202)**	**23,265**
Insurance finance expenses	(1,955)	-	4,708	2,754	3,662	-	1,210	4,872
Total change in comprehensive income	**60,766**	**1,258**	**(32,172)**	**29,853**	**42,100**	**705**	**(24,412)**	**18,393**
Total cash flows	**(6,954)**	**-**	**-**	**(6,954)**	**6,853**	**-**	**-**	**6,853**
Closing insurance contract liabilities	**60,652**	**1,395**	**2,254**	**64,301**	**6,840**	**137**	**34,426**	**41,402**

Protection

Reconciliation of carrying amounts by LRC/LIC: insurance	2024 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total	2023 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total
Opening insurance contract liabilities	1,424,430		7,592	**1,432,022**	1,166,600	175,042	77,862	**1,419,504**
Insurance revenue	(102,214)	-	-	**(102,214)**	(353,450)	-	-	**(353,450)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(35,103)	64,306	**29,203**	-	-	39,116	**39,116**
Acquisition expenses	(126,062)	-	-	**(126,062)**	41,577	-	-	**41,577**
Loss Component: losses and reversal of losses on onerou	-	184,993	-	**184,993**	-	(175,042)	-	**(175,042)**
Changes related to Liability for incurred claims	-	-	24,342	**24,342**	-	-	-	-
Total Insurance service expenses	**(126,062)**	**149,889**	**88,648**	**112,475**	**41,577**	**(175,042)**	**39,116**	**(94,349)**
Investment components	-	-	-	-	-	-	-	-
Insurance service result	**(228,277)**	**149,889**	**88,648**	**(23,265)**	**(311,873)**	**(175,042)**	**39,116**	**(447,799)**
Insurance finance expenses	52,622	-	-	**52,622**	162,400	-	-	**162,400**
Total change in comprehensive income	**(175,655)**	**149,889**	**88,648**	**(18,393)**	**(149,473)**	**(175,042)**	**39,116**	**(285,399)**
premiums received	316,305	-	-	**316,305**	448,880	-	-	**448,880**
Claims and expenses paid	-	-	(64,306)	**(64,306)**	-	-	(109,387)	**(109,387)**
Acquisition costs paid	126,062	-	-	**126,062**	(41,577)	-	-	**(41,577)**
Total cash flows	**442,367**	**-**	**(64,306)**	**378,062**	**407,303**	**-**	**(109,387)**	**297,916**
Closing insurance contract liabilities	**1,691,143**	**149,889**	**31,934**	**1,872,966**	**1,424,430**		**7,592**	**1,432,022**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	**23,733**	**323**	**1,407,966**	**1,432,022**	**749,884**	**13,440**	**656,179**	**1,419,504**
Changes related to current services								
CSM for service provided	-	-	(210,173)	(210,173)	-	-	(163,005)	(163,005)
Risk Adjustment release for expired risks	-	(176)	-	(176)	-	(3,268)	-	(3,268)
Experience adjustments	11,275	-	-	11,275	(106,484)	-	-	(106,484)
Total changes related to current services	**11,275**	**(176)**	**(210,173)**	**(199,074)**	**(106,484)**	**(3,268)**	**(163,005)**	**(272,757)**
Changes related to future services								
New contracts recognised	(38,963)	2,235	36,728	-	10,227	450	-	10,677
Changes in estimates reflected in CSM	356,198	11,975	(368,173)	-	(827,913)	(7,560)	835,473	-
Changes in estimates resulting in contract losses	181,350	3,642	-	184,993	(182,979)	(2,739)	-	(185,719)
Total changes related to future services	**498,586**	**17,852**	**(331,445)**	**184,993**	**(1,000,665)**	**(9,850)**	**835,473**	**(175,042)**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	24,342	-	-	24,342	-	-	-	-
Total changes that relate to past service	**24,342**	**-**	**-**	**24,342**	**-**	**-**	**-**	**-**
Insurance service result	**534,203**	**17,676**	**(541,618)**	**10,261**	**1,107,150**	**13,118**	**(672,468)**	**447,799**
Insurance finance expenses	(121,506)	-	174,128	52,622	83,082	-	79,318	162,400
Total change in comprehensive income	**412,698**	**17,676**	**(367,491)**	**62,883**	**1,024,068**	**13,118**	**(751,786)**	**285,399**
Total cash flows	**378,062**	**-**	**-**	**378,062**	**297,916**	**-**	**-**	**297,916**
Closing insurance contract liabilities	**814,492**	**17,999**	**1,040,475**	**1,872,966**	**23,733**	**323**	**1,407,966**	**1,432,022**

Investment Linked
2024 / **2023**

	2024: Liability for Remaining Coverage (LRC)		2024: Liability for incurred Claims	2024: Total	2023: Liability for Remaining Coverage (LRC)		2023: Liability for incurred Claims	2023: Total
Reconciliation of carrying amounts by LRC/LIC: insurance	**Non-onerous**	**Onerous**	**LIC**		**Non-onerous**	**Onerous**	**LIC**	
Opening insurance contract liabilities	3,272,959	408,816	38,109	**3,719,884**	3,351,341	-	36,223	**3,387,564**
Insurance revenue	(208,702)	-	-	**(208,702)**	(247,133)	-	-	**(247,133)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(84,965)	8,683	**(76,282)**	-	(50,979)	11,581	**(39,398)**
Acquisition expenses	27,146	-	-	**27,146**	68,744	-	-	**68,744**
Loss Component: losses and reversal of losses on onerou	-	(87,572)	-	**(87,572)**	-	459,795	-	**459,795**
Changes related to Liability for incurred claims	-	-	(33,891)	**(33,891)**	-	-	-	**-**
Total Insurance service expenses	**27,146**	**(172,537)**	**(25,209)**	**(170,600)**	**68,744**	**408,816**	**11,581**	**489,141**
Investment components	(1,079,106)	-	1,079,106	**-**	(1,754,786)	-	1,754,786	**-**
Insurance service result	**(1,260,661)**	**(172,537)**	**1,053,897**	**(23,265)**	**(1,933,175)**	**408,816**	**1,766,368**	**242,008**
Insurance finance expenses	640,770	-	-	**640,770**	575,360	-	-	**575,360**
Total change in comprehensive income	**(619,891)**	**(172,537)**	**1,053,897**	**(18,393)**	**(1,357,815)**	**408,816**	**1,766,368**	**817,368**
premiums received	1,662,491	-	-	**1,662,491**	1,348,177	-	-	**1,348,177**
Claims and expenses paid	-	-	(1,087,788)	**(1,087,788)**	-	-	(1,764,481)	**(1,764,481)**
Acquisition costs paid	(27,146)	-	-	**(27,146)**	(68,744)	-	-	**(68,744)**
Total cash flows	**1,635,345**	**-**	**(1,087,788)**	**547,557**	**1,279,433**	**-**	**(1,764,481)**	**(485,048)**
Closing insurance contract liabilities	**4,288,413**	**236,279**	**4,218**	**4,528,910**	**3,272,959**	**408,816**	**38,109**	**3,719,884**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	3,470,520	8	249,355	3,719,884	3,098,750	437	288,377	3,387,564
Changes related to current services								
CSM for service provided	-	-	(194,750)	(194,750)	-	-	(148,784)	(148,784)
Risk Adjustment release for expired risks	-	(1,237)	-	(1,237)	-	(3,327)	-	(3,327)
Experience adjustments	(61,851)	-	-	(61,851)	(65,676)	-	-	(65,676)
Total changes related to current services	**(61,851)**	**(1,237)**	**(194,750)**	**(257,838)**	**(65,676)**	**(3,327)**	**(148,784)**	**(217,787)**
Changes related to future services								
New contracts recognised	(44,615)	1,469	43,146	-	(107,996)	3,189	104,807	-
Changes in estimates reflected in CSM	(178,989)	726	178,264	-	38,151	(216)	(37,935)	-
Changes in estimates resulting in contract losses	(88,161)	588	-	(87,572)	459,870	(75)	-	459,795
Total changes related to future services	**(311,765)**	**2,783**	**221,410**	**(87,572)**	**390,025**	**2,898**	**66,872**	**459,795**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	(33,891)	-	-	(33,891)	-	-	-	-
Total changes that relate to past service	**(345,656)**	**2,783**	**221,410**	**(121,464)**	**-**	**-**	**-**	**-**
Insurance service result	**(407,507)**	**1,546**	**26,660**	**(379,301)**	**(324,349)**	**429**	**81,912**	**(242,008)**
Insurance finance expenses	599,873	-	40,897	640,770	532,470	-	42,890	575,360
Total change in comprehensive income	**192,366**	**1,546**	**67,557**	**261,469**	**(856,818)**	**429**	**39,022**	**(817,368)**
Total cash flows	**547,557**	**-**	**-**	**547,557**	**(485,048)**	**-**	**-**	**(485,048)**
Closing insurance contract liabilities	**4,210,443**	**1,554**	**316,912**	**4,528,910**	**3,470,520**	**8**	**249,355**	**3,719,884**

Credit Life

2024 / **2023**

Reconciliation of carrying amounts by LRC/LIC: insurance	2024 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total	2023 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total
Opening insurance contract liabilities	2,351,249	37,363	139,102	**2,527,714**	1,688,063	309,802	281,199	**2,279,064**
Insurance revenue	(2,249,583)	-	-	**(2,249,583)**	(847,904)	-	-	**(847,904)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(60,880)	556,814	**495,933**	-	(25,568)	319,847	**294,278**
Acquisition expenses	43,978	-	-	**43,978**	72,118	-	-	**72,118**
Loss Component: losses and reversal of losses on onerou	-	1,036,955	-	**1,036,955**	-	(246,870)	-	**(246,870)**
Changes related to Liability for incurred claims	-	-	(65,711)	**(65,711)**	-	-	-	**-**
Total Insurance service expenses	**43,978**	**976,075**	**491,102**	**1,511,155**	**72,118**	**(272,439)**	**319,847**	**119,526**
Investment components	-	-	-	**-**	-	-	-	**-**
Insurance service result	**(2,205,605)**	**976,075**	**491,102**	**(23,265)**	**(775,786)**	**(272,439)**	**319,847**	**(728,378)**
Insurance finance expenses	247,112	-	-	**247,112**	167,522	-	-	**167,522**
Total change in comprehensive income	**(1,958,493)**	**976,075**	**491,102**	**(18,393)**	**(608,264)**	**(272,439)**	**319,847**	**(560,855)**
premiums received	1,152,236	-	-	**1,152,236**	1,343,568	-	-	**1,343,568**
Claims and expenses paid	-	-	(556,814)	**(556,814)**	-	-	(461,944)	**(461,944)**
Acquisition costs paid	(43,978)	-	-	**(43,978)**	(72,118)	-	-	**(72,118)**
Total cash flows	**1,108,258**	**-**	**(556,814)**	**551,445**	**1,271,449**	**-**	**(461,944)**	**809,506**
Closing insurance contract liabilities	**1,501,014**	**1,013,438**	**73,391**	**2,587,843**	**2,351,249**	**37,363**	**139,102**	**2,527,714**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	2,190,762	41,033	295,919	2,527,714	1,826,586	30,908	421,570	2,279,064
Changes related to current services								
CSM for service provided	-	-	(1,302,403)	(1,302,403)	-	-	(193,033)	(193,033)
Risk Adjustment release for expired risks	-	(3,251)	-	(3,251)	-	1,894	-	1,894
Experience adjustments	(404,019)	-	-	(404,019)	(290,369)	-	-	(290,369)
Total changes related to current services	**(404,019)**	**(3,251)**	**(1,302,403)**	**(1,709,672)**	**(290,369)**	**1,894**	**(193,033)**	**(481,508)**
Changes related to future services								
New contracts recognised	309	3,324	-	3,633	4,640	6,964	-	11,604
Changes in estimates reflected in CSM	(2,625,303)	(26,527)	2,651,829	-	(16,790)	367	16,423	-
Changes in estimates resulting in contract losses	1,029,166	4,156	-	1,033,323	(259,374)	900	-	(258,474)
Total changes related to future services	**(1,595,828)**	**(19,047)**	**2,651,829**	**1,036,955**	**(271,525)**	**8,231**	**16,423**	**(246,870)**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	(65,711)	-	-	(65,711)	-	-	-	-
Total changes that relate to past service	**(1,661,539)**	**(19,047)**	**2,651,829**	**971,244**	**-**	**-**	**-**	**-**
Insurance service result	**(2,065,557)**	**(22,297)**	**1,349,426**	**(738,428)**	**561,893**	**(10,125)**	**176,610**	**728,378**
Insurance finance expenses	211,342	-	35,770	247,112	116,563	-	50,959	167,522
Total change in comprehensive income	**(1,854,215)**	**(22,297)**	**1,385,197**	**(491,316)**	**445,330**	**(10,125)**	**125,651**	**560,855**
Total cash flows	**551,445**	**-**	**-**	**551,445**	**809,506**	**-**	**-**	**809,506**
Closing insurance contract liabilities	**887,991**	**18,736**	**1,681,116**	**2,587,843**	**2,190,762**	**41,033**	**295,919**	**2,527,714**

Annuity
2024 / **2023**

Reconciliation of carrying amounts by LRC/LIC: insurance	2024 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total	2023 Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for incurred Claims LIC	Total
Opening insurance contract liabilities	4,252,271	-	-	**4,252,271**	3,373,850	-	17,798	**3,391,649**
Insurance revenue	(696,174)	-	-	**(696,174)**	(607,106)	-	-	**(607,106)**
Insurance service expenses	-	-	-		-	-	-	
incurred claims and other expenses	-	(96,354)	742,219	**645,865**	-	-	576,247	**576,247**
Acquisition expenses	34,447	-	-	**34,447**	40,080	-	-	**40,080**
Loss Component: losses and reversal of losses on onerou	-	589,142	-	**589,142**	-	-	-	**-**
Changes related to Liability for incurred claims	-	-	-	**-**	-	-	-	**-**
Total Insurance service expenses	**34,447**	**492,788**	**742,219**	**1,269,454**	**40,080**	**-**	**576,247**	**616,328**
Investment components	-	-	-	**-**	-	-	-	**-**
Insurance service result	**(661,727)**	**492,788**	**742,219**	**(23,265)**	**(567,026)**	**-**	**576,247**	**9,221**
Insurance finance expenses	(107,605)	-	-	**(107,605)**	120,029	-	-	**120,029**
Total change in comprehensive income	**(769,333)**	**492,788**	**742,219**	**(18,393)**	**(446,997)**	**-**	**576,247**	**129,250**
premiums received	890,087	-	-	**890,087**	1,365,498	-	-	**1,365,498**
Claims and expenses paid	-	-	(742,219)	**(742,219)**	-	-	(594,046)	**(594,046)**
Acquisition costs paid	(34,447)	-	-	**(34,447)**	(40,080)	-	-	**(40,080)**
Total cash flows	**855,640**	**-**	**(742,219)**	**113,421**	**1,325,418**	**-**	**(594,046)**	**731,372**
Closing insurance contract liabilities	**4,338,578**	**492,788**	**-**	**4,831,367**	**4,252,271**	**-**	**-**	**4,252,271**

Notes to the consolidated and separate financial statements

Reconciliation of the components of insurance contract liabilities

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening insurance contract liabilities	3,997,090	79,942	175,240	4,252,271	3,141,700	62,478	187,471	3,391,649
Changes related to current services								
CSM for service provided	-	-	(14,584)	(14,584)	-	-	(7,664)	(7,664)
Risk Adjustment release for expired risks	-	(1,132)	-	(1,132)	-	9,174	-	9,174
Experience adjustments	(146)	-	-	(146)	7,712	-	-	7,712
Total changes related to current services	**(146)**	**(1,132)**	**(14,584)**	**(15,862)**	**7,712**	**9,174**	**(7,664)**	**9,221**
Changes related to future services								
New contracts recognised	(102,010)	2,054	99,956	-	(152,364)	3,054	149,310	-
Changes in estimates reflected in CSM	81,348	9,202	(90,550)	-	182,852	5,236	(188,088)	-
Changes in estimates resulting in contract losses	575,393	13,749	-	589,142	-	-	-	-
Total changes related to future services	**554,730**	**25,006**	**9,406**	**589,142**	**30,488**	**8,290**	**(38,778)**	**-**
Changes that relate to past service								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Total changes that relate to past service	**554,730**	**25,006**	**9,406**	**589,142**	**-**	**-**	**-**	**-**
Insurance service result	**554,584**	**23,874**	**(5,179)**	**573,280**	**(38,199)**	**(17,464)**	**46,442**	**(9,221)**
Insurance finance expenses	(151,364)	-	43,759	(107,605)	85,818	-	34,211	120,029
Total change in comprehensive income	**403,220**	**23,874**	**38,580**	**465,675**	**(124,018)**	**(17,464)**	**12,231**	**(129,250)**
Total cash flows	**113,421**	**-**	**-**	**113,421**	**731,372**	**-**	**-**	**731,372**
Closing insurance contract liabilities	**4,513,731**	**103,816**	**213,820**	**4,831,367**	**3,997,090**	**79,942**	**175,240**	**4,252,271**

Portfolios measured using the PAA Model

2024

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for incurred claims (LIC)		Insurance Contract Liabilities (ICL)
	Non-onerous	Onerous	Estimates of present value of future cashflows	Risk Adjustment	
Opening insurance contract liabilities	8,857,277	-	9,608,470	772,384	**19,238,132**
					-
Insurance revenue	(27,108,969)	-	-	-	**(27,108,969)**
Insurance service expenses	-	-	-	-	-
incurred claims and other expenses	-	-	9,968,327	-	**9,968,327**
Acquisition expenses	3,402,798	-	-		**3,402,798**
Changes related to future service	-	-	-		-
Changes related to past service	-	-	2,227,932	434,791	**2,662,724**
Total Insurance service expenses	**3,402,798**	**-**	**12,196,259**	**434,791**	**16,033,848**
Investment components	-	-	-		-
Insurance service result	**(23,706,171)**	**-**	**12,196,259**	**434,791**	**(11,075,120)**
Insurance finance expenses	-	-	(299,050)		(299,050)
Total change in comprehensive income	**(23,706,171)**	**-**	**11,897,210**	**434,791**	**(11,374,170)**
Premiums received	28,151,799	-	-		**28,151,799**
Claims and expenses paid	-	-	(8,661,270)		**(8,661,270)**
Acquisition costs paid	(3,402,798)	-	-		**(3,402,798)**
Total cash flows	**24,749,001**	**-**	**(8,661,270)**	**-**	**16,087,730**
Closing insurance contract liabilities	**9,900,107**	**-**	**12,844,410**	**1,207,176**	**23,951,692**

2023

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for incurred claims (LIC)		Insurance Contract Liabilities (ICL)
	Non-onerous	Onerous	Estimates of present value of future cashflows	Risk Adjustment	
Opening insurance contract liabilities	6,061,812	-	6,838,921	386,920	**13,287,653**
Insurance revenue	(17,926,535)	-	-		**(17,926,535)**
Insurance service expenses	-	-	-		-
incurred claims and other expenses	-	-	7,075,654		**7,075,654**
Acquisition expenses	3,009,349	-	-		**3,009,349**
Changes related to future service	-	-	-		-
Changes related to past service	-	-	2,538,358	385,464	**2,923,822**
Total Insurance service expenses	**3,009,349**	**-**	**9,614,012**	**385,464**	**13,008,825**
Investment components	-	-	-		-
Insurance service result	**(14,917,187)**	**-**	**9,614,012**	**385,464**	**(4,917,711)**
Insurance finance expenses	-	-	-		-
Total change in comprehensive income	**(14,917,187)**	**-**	**9,614,012**	**385,464**	**(4,917,711)**
Premiums received	20,722,000	-	-		**20,722,000**
Claims and expenses paid	-	-	(6,844,462)		**(6,844,462)**
Acquisition costs paid	(3,009,349)	-	-		**(3,009,349)**
Total cash flows	**17,712,652**	**-**	**(6,844,462)**	**-**	**10,868,189**
Closing insurance contract liabilities	**8,857,277**	**-**	**9,608,470**	**772,384**	**19,238,132**

Notes to the consolidated and separate financial statements

15 Property and equipment

(a) Group

31 December 2024

In thousands of naira	Land	Buildings	Leasehold improvements	Motor vehicles	Equipment	Plant	Furniture & fittings	Total
Cost								
At 1 January 2024	2,100,000	898,544	64,877	1,405,815	683,248	47,101	220,362	5,419,947
Additions	-	-	-	178,154	174,166	450	30,977	383,747
Disposals	-	-	-	(68,300)	(2,022)	-	-	(70,322)
Elimination of accumulated depreciation on revaluation	-	(37,120)	-	-	-	-	-	(37,120)
Revaluation gain	424,500	162,620	-	-	-		-	587,120
At 31 December 2024	2,524,500	1,024,044	64,877	1,515,669	855,392	47,551	251,339	6,283,372
Accumulated depreciation								
At 1 January 2024	-	-	28,775	796,248	628,225	45,215	190,037	1,688,500
Charge for the year	-	37,120	1,298	246,271	71,968	676	7,146	364,479
Elimination of accumulated depreciation on revaluation		(37,120)	-	-	-		-	(37,120)
Disposals	-	-	-	(53,725)	(2,005)		-	(55,730)
At 31 December 2024	-	-	30,073	988,794	698,188	45,891	197,183	1,960,129
Net book value								
At 31 December 2024	2,524,500	1,024,044	34,804	526,875	157,205	1,660	54,155	4,323,243
At 31 December 2023	2,100,000	898,544	36,102	609,567	55,023	1,886	30,325	3,731,447

Group

31 December 2023

In thousands of naira	Land	Buildings	Leasehold improvements	Motor vehicles	Equipment	Plant	Furniture & fittings	Total
Cost								
At 1 January 2023	1,883,500	651,497	64,877	1,004,026	638,730	47,101	198,510	4,488,241
Additions	-	43,647	-	486,223	47,833	-	21,910	599,613
Disposals	-	-	-	(84,434)	(3,315)		(58)	(87,807)
Elimination of accumulated depreciation on revaluation		(6,545)						(6,545)
Revaluation gain	216,500	209,945	-	-	-		-	426,445
At 31 December 2023	2,100,000	898,544	64,877	1,405,815	683,248	47,101	220,362	5,419,947
Accumulated depreciation								
At 1 January 2023	-	-	27,478	659,283	591,856	45,201	186,810	1,510,628
Charge for the year	-	6,545	1,297	201,425	39,742	14	3,227	252,250
Elimination of accumulated depreciation on revaluation		(6,545)	-	-	-		-	(6,545)
Disposals	-	-	-	(64,460)	(3,373)		-	(67,833)
At 31 December 2023	-	-	28,775	796,248	628,225	45,215	190,037	1,688,500
Net book value								
At 31 December 2023	2,100,000	898,544	36,102	609,567	55,023	1,886	30,325	3,731,447
At 31 December 2022	1,883,500	651,497	37,399	344,743	46,874	1,900	11,700	2,977,613

(b) Company
31 December 2024

In thousands of naira	Land	Buildings	Leasehold improvements	Motor vehicles	Equipment	Plant	Furniture & fittings	Total
Cost								
At 1 January 2024	450,000	480,000	64,877	1,060,298	560,669	40,125	148,298	2,804,267
Additions	-	-	-	124,724	149,763	450	21,621	296,557
Disposals	-	-	-	(47,250)	-		-	(47,250)
Elimination of accumulated depreciation on revaluation	-	(28,327)	-	-	-	-	-	(28,327)
Revaluation gain	300,000	98,327	-	-	-		-	398,327
At 31 December 2024	750,000	550,000	64,877	1,137,772	710,432	40,575	169,919	3,423,574
Accumulated depreciation								
At 1 January 2024	-	-	28,776	591,090	501,079	38,549	139,844	1,299,338
Charge for the year	-	28,327	1,298	191,300	57,961	676	4,468	284,031
Elimination of accumulated depreciation on revaluation	-	(28,327)	-	-	-		-	(28,327)
Disposals	-	-	-	(32,675)	-		-	(32,675)
At 31 December 2024	-	-	30,074	749,715	559,040	39,225	144,312	1,522,366
Net book value								
At 31 December 2024	750,000	550,000	34,803	388,057	151,392	1,350	25,607	1,901,208
At 31 December 2023	450,000	480,000	36,101	469,208	59,590	1,576	8,454	1,504,929

Company
31 December 2023

In thousands of naira	Land	Buildings	Leasehold improvements	Motor vehicles	Equipment	Plant	Furniture & fittings	Total
Cost								
At 1 January 2023	450,000	349,997	64,877	743,950	524,131	40,125	131,042	2,304,122
Additions	-	-	-	320,582	36,538	-	17,256	374,376
Disposals	-	-	-	(4,234)	-		-	(4,234)
Revaluation gain		130,003	-	-	-		-	130,003
At 31 December 2023	450,000	480,000	64,877	1,060,298	560,669	40,125	148,298	2,804,267
Accumulated depreciation								
At 1 January 2023	-	-	27,479	440,803	468,530	38,535	137,694	1,113,041
Charge for the year	-	-	1,297	154,521	32,549	14	2,150	190,531
Disposals	-	-	-	(4,234)	-		-	(4,234)
At 31 December 2023	-	-	28,776	591,090	501,079	38,549	139,844	1,299,338
Net book value								
At 31 December 2023	450,000	480,000	36,101	469,208	59,590	1,576	8,454	1,504,929
At 31 December 2022	450,000	349,997	37,398	303,147	55,601	1,590	(6,652)	1,191,081

(i) The Group and Company had no capital commitments as at 31 December 2024 (2023: Nil)
(ii) There were no capitalized borrowing costs related to the acquisition of property and equipment during the year 2024 (2023: Nil).
(iii) There are no restrictions on the Group and Company's title to its property and equipment.
(iv) All property and equipment items are non-current.
(v) Right of use assets have been reclassified to prepaid rent due to its low value and short-term nature. (see note 9)
(vi) Land and Buildings were revalued by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuers, John Odibah & Partners with FRC number FRC/2022/00000014211 and Funsho Oladimeji & Company with FRC/2012/0000000000109 valued the properties on the basis of open market value as at 31 December 2023. The principal valuers are Mr. Odiba John Malik with FRC number FRC/2022/PRO/NIESV/002/455450 and Oladimeji Funsho Peter with FRC number FRC/2013/NIESV/00000001304.

Notes to the consolidated and separate financial statements

Group summary of land and buildings are detailed below:

S/N	Description of Property	Location	Type	Status of title documents	Carrying Amount (N'000)
1	This property is bare land having C of O with File no. AD 10060:DD 06.06.2005	Plot No: 3459 Cadastral Zone A06 off Amazon Street Maitama	Land	Legal power of Attorney executed by Atiku Abubakar dated 28th June 10-07-1905 The C of O is in the name of Atiku Abubakar with File no. AD 10060:DD 06.06.2005.	1,264,544
2	This property is a duplex with BQ and is formerly covered by C of O with File no OG 10050 and now covered by a registered Deed of Assignment in the name of FIN Insurance Company Limited.	34 Gana Street Maitama Abuja	Land & Building	The Company has a Deed of Assignment transferring title of the property from Gabriel Abiodun Sobajo to Fin Insurance Company Limited dated 29 August 2017.	970,000
3	This is a bare land covered by a C of O with no. BA/38894 in the name of FIN Insurance Company Limited	Plot (Plan) No.BA/38894, Sunshine International School Road, off Bauchi-Das Road, New GRA Bauchi	Land	The Company has a Statutory C of O no. BA/38894 issued by Bauchi State of Nigeria dated 5th May 2016	14,000
4	This property is 3 Duplex at Plot 21 Water Corporation Drive off Ligali Ayorinde Street, Victoria Island, Lagos.	Plot 21 Water Corporation Drive off Ligali Ayorinde Street, Victoria Island, Lagos.	Land & Building		1,300,000
Total					**3,548,544**

Notes to the consolidated and separate financial statements

16 Intangible assets

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Cost				
Balance, beginning of the year	233,287	225,852	185,897	185,897
Additions	12,571	7,435	10,648	-
Balance, end of the year	245,858	233,287	196,545	185,897
Amortisation				
Balance, beginning of the year	225,226	219,586	185,676	184,768
Charge for the year	5,460	5,640	1,143	908
Balance, end of the year	230,686	225,226	186,819	185,676
Carrying amount	15,172	8,061	9,726	343

17 Statutory deposit

This represents the amount deposited with the Central Bank of Nigeria in accordance with section 9(1) and section 10(3) of Insurance Act 2003. The cash amount held is considered to be a restricted cash as Management does not have access to the balances in its day-to-day activities. Interest income earned on this deposit is discretionary and is included in investment income.

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Non life business	800,000	800,000	300,000	300,000
Life business	200,000	200,000	200,000	200,000
Hilal Takaful Nigeria	200,000	200,000	-	-
	1,200,000	**1,200,000**	**500,000**	**500,000**
Current	-	-	-	-
Non-current	1,200,000	1,200,000	500,000	500,000
	1,200,000	1,200,000	500,000	500,000

18 Investment contract liabilities

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Investment contract liabilities	1,053,426	800,145	730,382	479,124

The movement in investment contract liabilities is analysed below:

	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	800,145	668,581	479,836	249,915
Contributions	618,561	639,393	618,561	487,338
Withdrawals	(409,400)	(537,860)	(411,422)	(287,448)
Guaranteed interest	44,120	30,031	44,120	30,031
Balance, end of the year	1,053,426	800,145	730,382	479,836
Current	1,053,426	800,145	730,382	479,836
Non-current	-	-	-	-
	1,053,426	800,145	730,382	479,836

(a) Profit on investment contract liabilities

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Income				
Interest income (See note 27)	497,414	412,795	497,414	412,795
Guaranteed interest	(44,120)	(30,031)	(44,120)	(30,031)
	453,294	382,764	453,294	382,764

Notes to the consolidated and separate financial statements

19 Other insurance related liabilities

Other insurance related represent financial obligations arising from the group's insurance business that are basically outside the scope of the definition of insurance contracts.

These comprise amounts payable for reinsurers, co-insurers, agents and brokers at year end. The carrying amounts disclosed below approximate the fair values at the reporting date.

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Payables to coinsurers	2,312,253	2,313,784	2,312,253	2,313,784
Commission payable	74,494	41,127	74,494	41,127
Premium deposits	1,184,520	1,480,303	827,429	1,353,267
	4,659,561	5,118,697	3,417,237	4,451,110
Current	4,659,561	5,118,697	3,417,237	4,451,110
Non-current	-	-	-	-
	4,659,561	5,118,697	3,417,237	4,451,110

(a) Premium deposits represent premiums received in advance but for which the policy risk period is yet to commence as at the reporting date.

The movement in premium deposits during the year was as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	1,480,303	2,226,194	1,353,267	2,085,043
Additions during the year	827,429	2,539,782	827,429	2,367,831
Additions to Insurance service revenue	(1,123,212)	(1,185,024)	(1,353,267)	(998,959)
Balance, end of the year	1,184,520	1,480,303	827,429	1,353,267

20 Other payables and accruals

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Financial				
Performance bonus	128,914	300,693	693	693
Other directors and staff payables	2,305,584	1,098,173	2,304,581	1,098,173
National Housing Fund payable	2,303	7,380	2,303	7,380
Accrued expenses	910,137	434,592	754,143	245,216
Accounts payable (see note (ii) below)	21,852	38,300	21,852	38,300
Professional fee payable (see note (iii) below)	22,432	8,907	8,907	8,907
NAICOM levy payable	326,250	288,680	278,390	229,531
Sundry creditors (see note (i) below)	543,596	1,368,576	200,940	737,847
	4,261,069	3,545,301	3,571,810	2,366,047
Non-financial				
PAYE	44,150	63,586	27,007	55,909
Withholding tax payable	245,977	42,312	217,296	36,512
	290,127	105,898	244,303	92,421
	4,551,196	3,651,199	3,816,113	2,458,468
Current	4,551,196	3,651,199	3,816,113	2,458,468
Non-current	-	-	-	-
	4,551,196	3,651,199	3,816,113	2,458,468

(i) Sundry creditors comprise vat and other payables to vendors in the ordinary course of business.

(ii) Accounts payables comprise audit fees and rent payable.

(iii) Professional fees payables comprise of fees to Reward investment ltd and Cowry asset management ltd.

Notes to the consolidated and separate financial statements

21 Taxation

(a) Tax expense

The tax expense recognised in profit or loss is as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Minimum tax	461,076	212,322	235,590	143,082
Income tax expense				
Income tax based on the taxable profit/loss for the year	-	-	-	-
Tertiary Education Tax	-	24	-	-
Police Trust Fund Levy	883	840	883	514
Information technology development levy (NITDA)	176,653	167,882	176,653	102,766
Total current income tax for the year	177,536	168,746	177,536	103,280
Adjustment in respect of prior years	-	-	-	-
Deferred tax charge recognised in profit or loss *(see note 21(c)(ii)(a))*	2,087,370	2,861,503	871,015	621,007
Tota Income tax expense	2,264,906	3,030,249	1,048,551	724,286
Total minimum and income tax charge for the year	**2,725,982**	**3,242,571**	**1,284,140**	**867,368**

(b) Current tax liabilities

The movement in current tax liabilities during the year is as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	599,630	442,151	433,268	283,854
Income tax for the year (see note (a) above)	177,536	168,746	177,536	103,280
Minimum tax	461,076	212,322	235,590	143,082
Payment during the year	(312,826)	(223,588)	(213,431)	(96,947)
Balance, end of the year	925,416	599,630	632,963	433,268
Current	925,416	599,630	632,963	433,268
Non-current	-	-	-	-
	925,416	599,630	632,963	433,268

(c) Deferred taxation

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(i) The movement on the deferred tax assets account is as follows:

Deferred tax assets

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	861,211	861,211	861,211	861,211
Recognised in profit or loss	(861,211)	-	(861,211)	-
	-	861,211	-	861,211

(ii) The movement on the deferred tax liabilities account is as follows:

Deferred tax liabilities

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	3,235,097	331,604	809,794	175,788
Recognised in profit or loss	1,226,159	2,861,503	9,807	621,007
Recognised in OCI	58,712	41,990	39,833	13,000
	4,519,969	3,235,097	859,434	809,794

Notes to the consolidated and separate financial statements

(ii)(a) Deferred tax charge recognised in profit or loss (Note 21(a))

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Movement in deferred tax liabilities (Note 21(c)(ii))	1,226,159	2,861,503	9,807	621,007
Movement in deferred tax assets (Note 21(c)(i))	861,211	-	861,211	-
	2,087,370	2,861,503	871,015	621,007

(iii) Movement in deferred tax balances as at 31 December 2024 is attributable to the following:

Group

In thousands of naira	Opening	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets 2024	Deferred tax liabilities 2024
Property and equipment	(262,057)	116,214	(58,712)	(204,555)	-	(204,555)
Unrealised exchange gain	(2,911,936)	(3,086,176)	-	(5,998,112)	-	(5,998,112)
Unrelieved tax losses	861,211	799,105	-	1,660,316	1,660,316	-
ECL Allowance	-	33,082	-	33,082	33,082	-
Fair value gains on revalued investment properties	(61,104)	50,404	-	(10,700)	-	(10,700)
Deferred tax assets /(liabilities) before set-off	(2,373,886)	(2,087,370)	(58,712)	(4,519,969)	1,693,398	(6,213,367)
Set-off of tax					(1,693,398)	1,693,398
Net deferred tax liabilities				(4,519,969)	-	(4,519,969)

Company

In thousands of naira	Opening	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets 2024	Deferred tax liabilities 2024
Property and equipment	(150,259)	81,583	(39,833)	(108,509)	-	(108,509)
Unrealised exchange gain	(659,535)	(1,759,952)	-	(2,419,487)	-	(2,419,487)
Unrelieved tax losses	861,211	799,105	-	1,660,316	1,660,316	-
ECL Allowance	-	8,246	-	8,246	8,246	-
Deferred tax assets /(liabilities) before set-off	51,417	(871,015)	(39,833)	(859,434)	1,668,562	(2,527,996)
Set-off of tax					(1,668,562)	1,668,562
Net deferred tax liabilities				(859,434)	-	(859,434)

Movement in deferred tax balances as at 31 December 2023 is attributable to the following:

Group

In thousands of naira	Opening	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets 2023	Deferred tax liabilities 2023
Property and equipment	(103,409)	(116,658)	(41,990)	(262,057)	-	(262,057)
Unrealised exchange gain	(228,195)	(2,683,741)	-	(2,911,936)		(2,911,936)
Unrelieved tax losses	861,211	-	-	861,211	861,211	-
Fair value gains on revalued investment properties	-	(61,104)	-	(61,104)		(61,104)
Deferred tax assets /(liabilities) before set-off	529,607	(2,861,503)	(41,990)	(2,373,886)	861,211	(3,235,097)
Set-off of tax					-	-
Net deferred tax assets /(liabilities)				(2,373,886)	861,211	(3,235,097)

Notes to the consolidated and separate financial statements

Company

In thousands of naira	Opening	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets 2023	Deferred tax liabilities 2023
Property and equipment	(58,984)	(78,275)	(13,000)	(150,259)	-	(150,259)
Unrealised exchange gain	(116,804)	(542,731)	-	(659,535)		(659,535)
Unrelieved tax losses	861,211	-	-	861,211	861,211	-
Deferred tax assets /(liabilities) before set-off	685,423	(621,006)	(13,000)	51,417	861,211	(809,794)
Set-off of tax					-	-
Net deferred tax assets /(liabilities)				51,417	861,211	(809,794)

The Group and company have not recognised deferred tax asset of N2.256 billion in the consolidated and seperate financial statements. The unrecoganised deferred tax asset are attributable to:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Unrelieved tax losses	2,256,615	3,409,448	2,256,615	3,409,448
	2,256,615	3,409,448	2,256,615	3,409,448

The Group and company will continue to assess the recoverability of its deferred tax assets, and to ensure that only amount considered recoverable are recognised in the books and presented in the consolidated and seperate statement of financial position.

(d) Reconciliation of effective tax rate

Group *In thousands of naira*	31 December 2024		31 December 2023	
Profit before minimum and income tax	28,619,486		17,081,332	
Income tax using the domestic corporation tax rate	8,585,846	30%	5,124,400	30%
Non deductible expenses	481,058	2%	1,400,903	8%
Tax exempt income	(8,185,671)	-29%	(3,642,990)	-21%
Non-taxable policy holders income	-	0%	(595,389)	-3%
Education tax	-	0%	24	0%
Police Trust Fund Levy	883	0%	840	0%
Impact of NITDF	176,653	1%	167,882	1%
Current year tax losses for which no deferred tax was recognised	1,206,137	4%	574,578	3%
	2,264,906	8%	3,030,249	14%

Reconciliation of effective tax rate

Company *In thousands of naira*	31 December 2024		31 December 2023	
Profit before minimum and income tax	17,665,968		10,276,582	
Adjustment for information technology tax	-	-	-	-
Income tax using the domestic corporation tax rate	5,299,790	30%	3,082,975	30%
Impact of non taxable income	(6,796,654)	-38%	(2,588,665)	-25%
Impact of non-deductible expenses	481,058	3%	147,507	1%
Non-taxable policy holders income	-	0%	(595,389)	-6%
Police trust fund levy	884	0%	514	0%
Impact of NITDF	176,780	1%	102,766	1%
Current year tax losses for which no deferred tax was recognised	1,243,965	7%	566,911	6%
	1,048,550	2%	716,619	0

Notes to the consolidated and separate financial statements

22 Employees benefit obligations

This represents the Company's liabilities from its defined contribution pension plan which is in compliance with the Pension Reform Act, 2014. All pension contributions are remitted to the relevant registered Pension Fund Administrators.

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	10,972	19,493	10,972	17,469
Payments made during the year	(3,924)	(8,521)	(3,924)	(6,497)
	7,048	10,972	7,048	10,972
Current	7,048	10,972	7,048	10,972
Non-current	-	-	-	-
	7,048	10,972	7,048	10,972

23 Equity

(a) Share capital

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Issued and fully paid:				
Balance, beginning of the year	9,083,196	9,083,196	9,083,196	9,083,196
Balance, end of the year	9,083,196	9,083,196	9,083,196	9,083,196

(b) Share premium

This represents the amounts paid by shareholders above the nominal price of the shares.

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	183,165	183,165	183,165	183,165
Balance, end of the year	183,165	183,165	183,165	183,165

(c) Treasury shares

Treasury shares are owner equity instruments which are deducted from equity. No dividends are allocated to them.

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	(67,130)	(67,130)	(67,130)	(67,130)
Addition during the year	-	-	-	-
Balance, end of the year	**(67,130)**	**(67,130)**	(67,130)	(67,130)

(d) Retained earnings

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
As at 1 January	**14,122,858**	**2,695,544**	**6,139,263**	**(1,913,714)**
Transfer to contingency reserves (see note (e) below)	(3,965,678)	(2,274,117)	(2,060,501)	(1,356,237)
Profit for the year	25,583,280	13,701,431	16,381,828	9,409,215
Dividend paid	(2,906,623)	-	(2,906,623)	-
Balance, end of the year	32,833,837	14,122,858	17,553,968	6,139,264

Notes to the consolidated and separate financial statements

(e) Contingency reserve

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	7,833,733	5,559,616	5,864,929	4,508,692
Transfer from retained earnings (See note (d) above)	3,965,678	2,274,117	2,060,501	1,356,237
Balance, end of the year	11,799,411	7,833,733	7,925,430	5,864,929

In compliance with section 21(1) of Insurance Act 2003, the contingency reserve for Non-life insurance business is credited with the greater of 3% of total premium, or 20% of the net profits. This shall accumulate until it reaches the greater of minimum paid-up capital and 50% percent of the net premium. For life business, the contingency reserve is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reaches the amount of minimum paid-up capital.

(f) Fair value and other reserves

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Fair value reserve (See note (i) below)	4,018,372	963,418	3,027,292	109,132
Asset revaluation reserve (See note (ii) below)	1,866,349	1,337,941	931,881	573,387
Balance, end of the year	5,884,721	2,301,359	3,959,174	682,519

(i) Fair value reserve

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
As at 1 January	**963,418**	**(488,607)**	**109,132**	**(896,918)**
	910,213			
Fair value changes on FVOCI	2,793,552	1,385,065	2,656,758	939,090
ECL on FVOCI securities	261,402	66,960	261,402	66,960
Fair value changes on investment properties	-	-	-	-
Balance, end of the year	4,018,372	963,418	3,027,292	109,132
			-	

(ii) **Asset revaluation reserve**

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	1,337,941	966,578	573,387	456,387
Revaluation gain on land and building	587,120	413,353	398,327	130,000
Tax effects on other comprehensive income	(58,712)	(41,990)	(39,833)	(13,000)
Balance, end of the year	1,866,349	1,337,941	931,881	573,387

(g) Non-controlling interest

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Balance, beginning of the year	461,591	312,926	-	-
Share of profit for the year	310,223	137,330	-	-
Share of other comprehensive income	7,709	11,335	-	-
Balance, end of the year	779,523	461,591	-	-

Notes to the consolidated and separate financial statements

24 (a) Insurance revenue

December 2024
Group

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-life	Total
Amounts relating to changes in liabilities for remaining coverage								
Expected benefits incurred	638,257	7,980	4,414	-	830,086	118	-	1,480,854
Expected expenses incurred	7,754	9,947	1,120	-	69,866	385	-	89,072
Change in the risk adjustment	1,132	176	1,237	-	3,251	(1,624)	-	4,172
CSM recognised for services provided	14,584	84,111	194,750	-	1,302,403	54	-	1,595,903
Recovery of acquisition cash flows	34,447	-	7,181	-	43,978	813	-	86,419
Total	**696,174**	**102,215**	**208,701**	**-**	**2,249,584**	**(253)**	**-**	**3,256,420**
Contracts not measured under the PAA	**696,174**	**102,215**	**208,701**	**-**	**2,249,584**	**(253)**	**-**	**3,256,420**
Contracts measured under the PAA	**-**	**-**	**-**	**4,416,888**	**-**	**-**	**30,996,177**	**35,413,065**
Insurance revenue	**696,174**	**102,215**	**208,701**	**4,416,888**	**2,249,584**	**(253)**	**30,996,177**	**38,669,485**

December 2023
Group

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Amounts relating to changes in liabilities for remaining coverage								
Expected benefits incurred	560,240	51,788	5,787	-	482,085	144	-	1,100,044
Expected expenses incurred	8,296	93,812	20,491	-	102,562	466	-	225,628
Change in the risk adjustment	(9,174)	3,268	3,327	-	(1,894)	313	-	(4,160)
CSM recognised for services provided	7,664	163,005	148,784	-	193,033	22,396	-	534,883
Recovery of acquisition cash flows	40,080	41,577	68,744	-	72,118	1,532	-	224,051
Total	**607,106**	**353,450**	**247,133**	**-**	**847,905**	**24,852**	**-**	**2,080,446**
Contracts not measured under the PAA	**607,106**	**353,450**	**247,133**	**-**	**847,905**	**24,852**	**-**	**2,080,446**
Contracts measured under the PAA	**-**	**-**	**-**	**3,227,348**	**-**	**-**	**20,606,314**	**23,833,662**
Insurance revenue	**607,106**	**353,450**	**247,133**	**3,227,348**	**847,905**	**24,852**	**20,606,314**	**25,914,108**

Notes to the consolidated and separate financial statements

(a) Insurance revenue
December 2024
Company

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Amounts relating to changes in liabilities for remaining coverage								
Expected benefits incurred	638,257	7,980	4,414	-	830,086	118	-	1,480,854
Expected expenses incurred	7,754	9,947	1,120	-	69,866	385	-	89,072
Change in the risk adjustment	1,132	176	1,237	-	3,251	(1,624)	-	4,172
CSM recognised for services provided	14,584	84,111	194,750	-	1,302,403	54	-	1,595,903
Recovery of acquisition cash flows	34,447	-	7,181	-	43,978	813	-	86,419
Total	**696,174**	**102,215**	**208,701**	**-**	**2,249,584**	**(253)**	**-**	**3,256,420**
Contracts not measured under the PAA	**696,174**	**102,215**	**208,701**	**-**	**2,249,584**	**(253)**		**3,256,420**
Contracts measured under the PAA	-	-	-	**4,362,872**	-	-	**22,746,096**	**27,108,968**
Insurance revenue	**696,174**	**102,215**	**208,701**	**4,362,872**	**2,249,584**	**(253)**	**22,746,096**	**30,365,388**

December 2023
Company

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Amounts relating to changes in liabilities for remaining coverage								
Expected benefits incurred	560,240	51,788	5,787	-	482,085	144	-	1,100,044
Expected expenses incurred	8,296	93,812	20,491	-	102,562	466	-	225,628
Change in the risk adjustment	(9,174)	3,268	3,327	-	(1,894)	313	-	(4,160)
CSM recognised for services provided	7,664	163,005	148,784	-	193,033	22,396	-	534,883
Recovery of acquisition cash flows	40,080	41,577	68,744	-	72,118	1,532		
Total	**607,106**	**353,450**	**247,133**	**-**	**847,905**	**24,852**	**-**	**1,856,395**
Contracts not measured under the PAA	**607,106**	**353,450**	**247,133**	**-**	**847,905**	**24,852**		**2,080,446**
Contracts measured under the PAA	-	-	-	**3,201,790**	-	-	**14,724,745**	**17,926,535**
Insurance revenue	**607,106**	**353,450**	**247,133**	**3,201,790**	**847,905**	**24,852**	**14,724,745**	**20,006,981**

Notes to the consolidated and separate financial statements

24 (b) Insurance service expense

December 2024
Group

In thousands of naira		Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Incurred claims and other attributable expenses	14a (i)	(742,219)	(64,306)	(8,683)	(1,583,335)	(556,814)	(58)	(12,851,301)	(15,806,716)
Amortisation of insurance acquisition cash flows	**14a (i)**	(34,447)	126,062	(27,146)	(427,167)	(43,978)	(813)	(4,607,693)	(5,015,181)
		-	-	-	-	-	-	-	-
Changes related to past & current service		-	-	-	-	-	-	-	-
Changes related to past service: Changes in RA and BEL related ti LIC		-	(24,342)	33,891	(750,952)	65,711	-	(2,488,090)	(3,163,782)
Changes related to past & current service	**14a (i)**	**-**	**(24,342)**	**33,891**	**(750,952)**	**65,711**	**-**	**(2,488,090)**	**(3,163,782)**
Changes related to future service- Loss Component: losses and reversal of losses		(492,788)	(149,889)	172,537	-	(976,075)	(25,974)	-	(1,472,190)
Total Insurance service expenses		**(1,269,454)**	**(112,475)**	**170,599**	**(2,761,454)**	**(1,511,155)**	**(26,845)**	**(19,947,084)**	**(25,457,869)**

December 2023
Group

In thousands of naira		Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Incurred claims and other attributable expenses	14a (i)	(576,247)	(39,116)	(11,581)	(1,034,104)	(319,847)	(55)	(7,263,406)	(9,244,355)
Amortisation of insurance acquisition cash flows	14a (i)	(40,080)	(41,577)	(68,744)	(145,900)	(72,118)	(1,532)	(3,907,939)	(4,277,890)
Changes related to past & current service									
Changes related to past service: Changes in RA and BEL related to LIC		-	-	-	(1,344,740)	-	-	(3,124,443)	(4,469,182)
Changes related to past & current service	**14a (i)**	**-**	**-**	**-**	**(1,344,740)**	**-**	**-**	**(3,124,443)**	**(4,469,182)**
Changes related to future service- Loss Component: losses and reversal (	**14a (i)**	-	175,042	(408,816)	-	272,439	-	-	38,665
Total Insurance service expenses		**(616,327)**	**94,349**	**(489,141)**	**(2,524,743)**	**(119,526)**	**(1,587)**	**(14,295,787)**	**(17,952,762)**

Notes to the consolidated and separate financial statements

(b) Insurance service expense
December 2024
Company

In thousands of naira	**Note**	**Annuity**	**Protection**	**Investment Linked**	**Group Life**	**Credit Life**	**Endowment**	**Non-Life**	**Total**
Incurred claims		(742,219)	(64,306)	(8,683)	(1,615,678)	(556,814)	(58)	(8,352,649)	(11,340,407)
Incurred Fulfilment expenses		-	-	-	-	-	-	-	-
Other attributable expenses		-	-	-	-	-	-	-	-
Incurred claims and other attributable expenses	14a (ii)	(742,219)	(64,306)	(8,683)	(1,615,678)	(556,814)	(58)	(8,352,649)	(11,340,407)
Amortisation of insurance acquisition cash flows	**14a (ii)**	(34,447)	126,062	(27,146)	(427,167)	(43,978)	(813)	(2,975,631)	(3,383,119)
		-	-	-	-	-	-	-	
Changes related to past & current service		-	-	-	-	-	-	-	
Changes related to past service: Changes in RA and BEL related ti LIC		-	(24,342)	33,891	(750,952)	65,711	-	(1,911,771)	(2,587,463)
Changes related to past & current service	**14a (ii)**	-	(24,342)	33,891	(750,952)	65,711	-	(1,911,771)	(2,587,463)
Changes related to future service- Loss Component: losses and reversal (	**14a (ii)**	(492,788)	(149,889)	172,537	-	(976,075)	(25,974)	-	(1,472,190)
Total Insurance service expenses		**(1,269,454)**	**(112,475)**	**170,599**	**(2,793,797)**	**(1,511,155)**	**(26,845)**	**(13,240,051)**	**(18,783,178)**

December 2023
Company

In thousands of naira		**Annuity**	**Protection**	**Investment Linked**	**Group Life**	**Credit Life**	**Endowment**	**Non-Life**	**Total**
Incurred claims and other attributable expenses	14a (ii)	(576,247)	(39,116)	(11,581)	(1,111,775)	(319,847)	(55)	(5,963,880)	(8,022,500)
Amortisation of insurance acquisition cash flows	**14a (ii)**	(40,080)	(41,577)	(68,744)	(145,900)	(72,118)	(1,532)	(2,863,449)	(3,233,400)
Changes related to past & current service									
Changes related to past service: Changes in RA and BEL related to LIC		-	-	-	(1,335,932)	-	-	(1,587,890)	(2,923,822)
Changes related to past & current service	**14a (ii)**	-	-	-	(1,335,932)	-	-	(1,587,890)	(2,923,822)
Future Service: Loss component: losses and reversal of losses	**14a (ii)**	-	175,042	(408,816)	-	272,439	-	-	38,665
Total Insurance service expenses		**(616,327)**	**94,349**	**(489,141)**	**(2,593,606)**	**(119,526)**	**(1,587)**	**(10,415,219)**	**(14,141,057)**

Notes to the consolidated and separate financial statements

25 Net expenses from reinsurance contracts held

December 2024
Group

In thousands of naira	Note	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Reinsurance expenses not measured under PAA									
Amount relating to the changes in assets for remaining coverage:									
allocation of reinsurance premium paid		-	7,805	(1,845)	-	113,632	(846)	-	118,746
Recoveries of incurred claims and other attributable income		-	-	-	-	182,220	-	-	182,220
Effects of changes related to past service (Note 13)		-	-	-	-	29,255	-	-	29,255
Reinsurance expenses not measured under PAA		**-**	**7,805**	**(1,845)**	**-**	**325,107**	**(846)**	**-**	**330,220**
Reinsurance expenses for contract measured under PAA									
allocation of reinsurance premium paid		-	-	-	(1,157,928)	-	-	(14,862,786)	(16,020,714)
other expenses recovery		-	-	-	-	-	-	-	-
Recoveries of incurred claims and other attributable income		-	-	-	604,081	-	-	3,703,942	4,308,023
Effects of changes related to past service (Note 13)		-	-	-	(193,717)	-	-	512,794	319,077
Net expenses from reinsurance contract held		**-**	**7,805**	**(1,845)**	**(747,564)**	**325,107**	**(846)**	**(10,646,050)**	**(11,063,393)**

December 2023
Group

In thousands of naira	Note	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Reinsurance expenses not measured under PAA									
Amount relating to the changes in assets for remaining coverage:									
allocation of reinsurance premium paid		**-**	**10,532**	**(3,781)**	**-**	**(5,565)**	**(724)**	**-**	462
Recoveries of incurred claims and other attributable income		**-**	**-**	**-**	**-**	**111,290**	-	-	111,290
Effects of changes related to past service (Note 13)		**-**	**-**	**-**	**-**	**-**	-	-	-
Reinsurance expenses not measured under PAA		**-**	**10,532**	**(3,781)**	**-**	**105,725**	**(724)**	**-**	**111,752**
Reinsurance expenses for contract measured under PAA									
allocation of reinsurance premium paid		-	-	-	(621,326)	-	-	(10,844,017)	(11,465,343)
other expenses recovery		-	-	-	-	-	-	-	-
Recoveries of incurred claims and other attributable income		-	-	-	438,390	-	-	1,491,798	1,930,188
Effects of changes related to past service (Note 13)		-	-	-	(29,775)	-	-	1,154,271	1,124,496
Net expenses from reinsurance contract held		**-**	**10,532**	**(3,781)**	**(212,711)**	**105,725**	**(724)**	**(8,197,948)**	**(8,298,907)**

Notes to the consolidated and separate financial statements

Net expenses from reinsurance contracts held
December 2024
Company

In thousands of naira	Note	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Reinsurance expenses not measured under PAA									
Amount relating to the changes in assets for remaining coverage:									
allocation of reinsurance premium paid		-	7,805	(1,845)	-	113,632	(846)	-	118,746
Recoveries of incurred claims and other attributable income		-	-	-	-	182,220	-	-	182,220
Effects of changes related to past service (Note 13)		-	-	-	-	29,255	-	-	29,255
Reinsurance expenses not measured under PAA		**-**	**7,805**	**(1,845)**	**-**	**325,107**	**(846)**	**-**	**330,220**
Reinsurance expenses for contract measured under PAA									
allocation of reinsurance premium paid		-	-	-	(1,144,432)	-	-	(11,133,107)	(12,277,539)
other expenses recovery		-	-	-	-	-	-	-	-
Recoveries of incurred claims and other attributable income		-	-	-	604,081	-	-	1,926,453	2,530,535
Effects of changes related to past service (Note 13)		-	-	-	(195,549)	-	-	397,308	201,759
Net expenses from reinsurance contract held		**-**	**7,805**	**(1,845)**	**(735,900)**	**325,107**	**(846)**	**(8,809,345)**	**(9,215,025)**

December 2023
Company

In thousands of naira	Note	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Reinsurance expenses not measured under PAA									
Amount relating to the changes in assets for remaining coverage:									
allocation of reinsurance premium paid		-	10,532	(3,781)		(5,565)	(724)		462
Recoveries of incurred claims and other attributable income		-	-	-		111,290	-		111,290
Effects of changes related to past service (Note 13)		-	-	-	-	-	-	-	-
Reinsurance expenses not measured under PAA		**-**	**10,532**	**(3,781)**	**-**	**105,725**	**(724)**	**-**	**111,752**
Reinsurance expenses for contract measured under PAA									
allocation of reinsurance premium paid		-	-	-	(613,524)	-	-	(7,728,154)	(8,341,678)
Recoveries of incurred claims and other attributable income		-	-	-	438,390	-	-	1,447,682	1,886,072
Effects of changes related to past service (Note 13)		-	-	-	(33,239)	-	-	419,556	386,317
Net expenses from reinsurance contract held		**-**	**10,532**	**(3,781)**	**(208,373)**	**105,725**	**(724)**	**(5,860,917)**	**(5,957,538)**

Notes to the consolidated and separate financial statements

26 (a) Insurance finance expenses

December 2024
Group

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Unwind of discount on FCFs: LRC	(489,852)	(11,496)	(423,283)	-	(236,601)	(1,385)	-	(1,162,618)
Effect of change in economic assumptions: LRC	(181,456)	(7,258)	(4,875)	-	(3,339)	(38)	-	(196,965)
Effect of change in economic assumptions: LIC	-	-	-	145,110	-	-	209,243	354,353
Interest accretion on CSM	(43,759)	(174,128)	(40,897)	-	(35,770)	(4,708)	-	(299,262)
Effect of change in Discount rate assumptions: LRC	822,672	140,259	(4,232)	-	28,598	3,378	-	990,675
Effect of movements in exchange rates: LRC	-	-	-	-	-	-	-	-
Effect of movements in exchange rates: LIC	-	-	-	-	-	-	-	-
Change in fair value of underlying items	-	-	(167,483)	-	-	-	-	(167,483)
FCFs that do not adjust the CSM	-	-	-	-	-	-	-	-
Insurance finance expenses	**107,605**	**(52,622)**	**(640,770)**	**145,110**	**(247,112)**	**(2,754)**	**209,243**	**(481,300)**

December 2023
Group

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Unwind of discount on FCFs: LRC	(393,666)	(83,759)	(381,506)	-	(197,505)	(5,087)	-	(1,061,524)
Effect of change in economic assumptions: LRC	(29,347)	(395)	(3)	-	(9,507)	(1,770)	-	(41,022)
Interest accretion on CSM	(34,211)	(79,318)	(42,890)	-	(50,959)	(1,210)	-	(208,589)
Effect of change in Discount rate assumptions: LRC	337,195	1,072	-	-	90,449	3,195	-	431,911
Change in fair value of underlying items	-	-	(150,961)	-	-	-	-	(150,961)
Insurance finance expenses	**(120,029)**	**(162,400)**	**(575,360)**	**-**	**(167,522)**	**(4,872)**	**-**	**(1,030,184)**

Notes to the consolidated and separate financial statements

Insurance finance expenses
December 2024
Company

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Unwind of discount on FCFs: LRC	(489,852)	(11,496)	(423,283)	-	(236,601)	(1,385)	-	(1,162,618)
Effect of change in economic assumptions: LRC	(181,456)	(7,258)	(4,875)	-	(3,339)	(38)	-	(196,965)
Effect of change in economic assumptions: LIC	-	-	-	145,110	-	-	153,940	299,050
Interest accretion on CSM	(43,759)	(174,128)	(40,897)	-	(35,770)	(4,708)	-	(299,262)
Effect of change in Discount rate assumptions: LRC	822,672	140,259	(4,232)	-	28,598	3,378	-	990,675
Effect of movements in exchange rates: LRC	-	-	-	-	-	-	-	-
Effect of movements in exchange rates: LIC	-	-	-	-	-	-	-	-
Change in fair value of underlying items	-	-	(167,483)	-	-	-	-	(167,483)
FCFs that do not adjust the CSM	-	-	-	-	-	-	-	-
Insurance finance expenses	**107,605**	**(52,622)**	**(640,770)**	**145,110**	**(247,112)**	**(2,754)**	**153,940**	**(536,603)**

December 2023
Company

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Unwind of discount on FCFs: LRC	(393,666)	(83,759)	(381,506)	-	(197,505)	(5,087)	-	(1,061,524)
Effect of change in economic assumptions: LRC	(29,347)	(395)	(3)	-	(9,507)	(1,770)	-	(41,022)
Interest accretion on CSM	(34,211)	(79,318)	(42,890)	-	(50,959)	(1,210)	-	(208,589)
Effect of change in Discount rate assumptions: LRC	337,195	1,072	-	-	90,449	3,195	-	431,911
Change in fair value of underlying items	-	-	(150,961)	-	-	-	-	(150,961)
Insurance finance expenses	**(120,029)**	**(162,400)**	**(575,360)**	**-**	**(167,522)**	**(4,872)**	**-**	**(1,030,184)**

Notes to the consolidated and separate financial statements

27 (a) **Reinsurance finance (expense)/income**

December 2024
Group

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Interest accreted to reinsurance contracts (locked-in rates)	-	(5,641)	264	-	(39,578)	90	-	(44,866)
Impacting of discounting Reinsurance LIC	-	-	-	(9,341)	-	-	(608,482)	(617,823)
Change in financial assumptions: LIC	-	-	-	-	-	-	(29,819)	(29,819)
Interest accreted to insurance contracts (current rates)	-	277	-	-	38,724	1	-	39,003
Change in financial assumptions through OCI	-	-	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	(6,354)	-	-	11,638	5,284
Net foreign exchange income or expense	-	-	-	-	-	-	-	-
Net finance income from reinsurance contracts	**-**	**(5,364)**	**264**	**(15,695)**	**(854)**	**91**	**(626,663)**	**(648,221)**

December 2023
Group

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Interest accreted to reinsurance contracts (locked-in rates)	-	(3,918)	1,626	-	3,508	217	-	1,433
Interest accreted to insurance contracts (current rates)	-	891	-	-	9,285	76	-	10,251
Change in financial assumptions through OCI	-	-	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-	-	-	-
Net foreign exchange income or expense	-	-	-	-	-	-	-	-
Net finance income from reinsurance contracts	**-**	**(3,027)**	**1,626**	**-**	**12,793**	**292**	**-**	**11,684**

Notes to the consolidated and separate financial statements

Reinsurance finance (expense)/income
December 2024
Company

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Interest accreted to reinsurance contracts (locked-in rates)	-	(5,641)	264	-	(39,578)	90	-	(44,866)
Impacting of discounting Reinsurance LIC	-	-	-	(9,341)	-	-	(608,482)	(617,823)
Change in financial assumptions: LIC	-	-	-	-	-	-	-	-
Interest accreted to insurance contracts (current rates)	-	277	-	-	38,724	1	-	39,003
Change in financial assumptions through OCI	-	-	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	(6,354)	-	-	(847)	(7,201)
Net foreign exchange income or expense	-	-	-	-	-	-	-	-
Net finance income from reinsurance contracts	**-**	**(5,364)**	**264**	**(15,695)**	**(854)**	**91**	**(609,330)**	**(630,888)**

December 2023
Company

In thousands of naira	Annuity	Protection	Investment Linked	Group Life	Credit Life	Endowment	Non-Life	Total
Interest accreted to reinsurance contracts (locked-in rates)	-	(3,918)	1,626	-	3,508	217	-	1,433
Interest accreted to insurance contracts (current rates)	-	891	-	-	9,285	76	-	10,251
Net finance income from reinsurance contracts	**-**	**(3,027)**	**1,626**	**-**	**12,793**	**292**	**-**	**11,684**

Notes to the consolidated and separate financial statements

28 Interest revenue using effective interest rate method

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Interest income on financial assets at amortised cost (a)	207,651	430,493	2,429	3,436
Interest income on financial assets at FVOCI (b)	2,821,956	1,599,916	2,821,956	1,599,916
Interest income on financial assets at FVTPL	1,761,730	627,651	1,001,375	627,651
Interest income on cash and cash equivalents (c)	1,865,102	582,616	500,762	20,049
	6,656,439	3,240,676	4,326,522	2,251,051
Interest income included in gain on deposit administration / investment contractsinvestment contracts (note 18)	(497,414)	(412,795)	(497,414)	(412,795)
Net interest revenue	6,159,024	2,827,881	3,829,108	1,838,256

29 Net fair value (loss)/gain

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Net fair value changes:	(1,763,842)	613,172	(1,601,138)	613,172
	(1,763,842)	**613,172**	**(1,601,138)**	**613,172**

30 Other investment income

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Rental income	12,000	4,833	-	-
Fair value gain on investment property	107,000	85,000	-	-
Gain on disposal of financial assets (see note (i) below)	79,860	-	79,860	-
Dividend income	233,825	408,257	204,336	334,015
Total	**432,685**	**498,089**	**284,197**	**334,015**

31 Net gain from foreign exchange

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
- FVTOCI financial assets (bonds)	15,748,183	8,364,487	11,223,976	8,364,487
- FVTPL financial assets (bonds)	5,179,713	2,925,957	5,179,713	2,925,957
- Amortised cost	-	3,122,462	-	-
- Cash and Cash equivalents	9,903,789	5,831,242	3,837,834	1,715,532
Net gain from foreign exchange	**30,831,685**	**20,244,148**	**20,241,523**	**13,005,976**

The net exchange gain resulted from translation of foreign currency denominated balances of the entity using the closing rate as at reporting date in line with IAS 21 *The effect of changes in foreign exchange rates* and also from sales of foreign currency denominated assets during the year. Significant increase in foreign exchange is attributed to the devaluation of the Nigerian naira against the dollar (NGN/USD) during the year.

32 Other operating income

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Miscellaneous income (see note (a) below)	78,881	7,133	64,373	6,375
(Loss)/profit on disposal of property & equipment	(4,730)	13,877	-	911
	74,151	**21,010**	**64,373**	**7,286**

(a) Included as part of miscellaneous income is N62m representing write back from excess provisions made in the prior years.

Notes to the consolidated and separate financial statements

33 Impairment losses on financial assets (net)

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
FVOCI debt securities	261,402	66,960	261,402	66,960
Amortised cost debt securities	36,499	17,135	-	-
Cash and cash equivalents	(4,415)	28,323	19,671	2,321
Other receivables	-	49,228	-	49,228
Loans to policy holders	5,081	(105,858)	5,081	(105,858)
	298,566	**55,786**	**286,154**	**12,651**

34 Management expenses

Management expenses comprise

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Depreciation (Note 15)	364,479	252,250	284,031	190,531
Amortisation (Note 16)	5,460	5,640	1,143	908
Personnel expenses *(a)*	5,008,636	3,684,049	4,204,099	2,970,172
Other operating expenses *(b)*	2,909,072	2,152,307	2,029,655	1,620,511
	8,287,647	**6,094,246**	**6,518,929**	**4,782,122**

a Personnel expenses

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Salaries	2,801,617	1,748,743	2,103,760	1,357,167
Auxiliary staff costs	678,864	379,513	643,019	365,434
Other staff allowances	1,528,155	1,531,850	1,457,320	1,247,571
Defined contribution pension costs	-	23,943	-	-
	5,008,636	**3,684,049**	**4,204,099**	**2,970,172**

b Other operating expenses

In thousands of naira		Group 2024	Group 2023	Company 2024	Company 2023
Advertising and promotions		246,841	179,921	218,932	137,497
Rents and rates		196,556	16,273	166,713	4,000
Consultancy fees		-	121,760	-	-
Legal fees and professional		103,219	54,539	31,448	31,806
Repairs, fuel and maintenance		403,164	260,002	269,669	228,508
Other Statutory dues and NAICOM levy		367,698	11,731	352,442	1,100
Directors' costs		126,002	488,258	75,398	439,278
Staff training and development		240,842	119,152	147,580	76,322
Subscription		64,788	34,235	42,738	27,882
Business travels		268,195	157,803	234,159	155,802
Fines and penalties		23,799	72,470	23,799	67,051
Insurance		199,075	94,025	149,527	78,069
Medicals		27,695	117,146	6,356	112,030
AGM expenses		21,811	-	21,650	-
Telephone and postages		22,029	21,221	18,907	16,658
Electricity		75,651	9,443	61,314	-
Stationery and printing		15,093	-	7,098	-
Office expenses		94,079	50,675	93,991	50,216
IT Consumables		48,233	36,650	45,280	-
Donation		6,150	14,391	3,150	14,391
Coorporate promotion		449	-	449	-
Other expenses**	(Note 35(a))	357,702	292,612	59,056	179,899
		2,909,072	**2,152,307**	**2,029,655**	**1,620,510**

Notes to the consolidated and separate financial statements

35 **a** **Other expenses includes entertainment, offices expenses, newspapers and magazine etc.

b ***Auditor's remuneration represents fees to statutory (external) auditor viz N69.09million and N43.75million for the Group and Company respectively. Audit fees have been accounted for as directly attributable expenses and included as part of insurance service expenses.

36 **Earnings per share (EPS)**

Basic earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at the reporting date.

In thousands of naira	**Group 2024**	**Group 2023**	**Company 2024**	**Company 2023**
Net profit attributable to owners of the Company	25,583,280	13,701,432	16,381,828	9,409,215
Weighted average number of ordinary shares in issue for the purpose of EPS (see note (i) below)	18,032,132	18,032,132	18,032,132	18,032,132
Basic and diluted earnings per share (kobo)	142	76	91	52

(i) The weighted average number of ordinary shares used for the purpose of EPS computation has factored in the treasury shares as shown below.

In thousands of naira	**Group 2024**	**Group 2023**	**Company 2024**	**Company 2023**
Weighted average number of ordinary shares in issue	18,166,392	18,166,392	18,166,392	18,166,392
Treasury shares	(134,260)	(134,260)	(134,260)	(134,260)
Weighted-average number of ordinary shares at 31 December	18,032,132	18,032,132	18,032,132	18,032,132

37 **Related party disclosures**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions, or one party controls both. The definition includes parents, associates, joint ventures, as well as key management personnel.

(a) Transactions with related parties

Related party	**Relationship**	**Nature of transactions**	**2024**	**2023**
In thousands of Naira				
Fin Insurance Company Limited (see note 9(b))	Subsidiary	Intercompany receivable	35,006	1,261,787
Mr. Peter Ekwueme	Executive director	Insurance premium	337	-
Mrs. Christabel Onyejekwe	Non executive director	Insurance premium	11	-
Mr. Segun Adebanji	Chairman	Insurance premium	29	-
Hilal Takaful Nigeria Ltd	Subsidiary	Intercompany receivable	11,278	178,139
			46,660	1,439,926

Notes to the consolidated and separate financial statements

(b) Compensation of key management personnel

Key management personnel of the Company include all Directors, executive and non-executive.
The summary of compensation of key management personnel for the year is as follows:

In thousands of naira	**2024**	**2023**
Salaries	292,897	266,270
Fees		-
Post-employment pension benefits	18,371	16,701
	311,268	282,971
Executive Directors allowances		
Executive Directors Compensation comprise:		
Salaries	181,833	211,672
Post-employment pension benefits	8,938	13,609
	190,771	225,281
Chairman	9,000	6,000
Highest paid director	9,000	6,000

The number of Directors, including the Chairman, whose emoluments were within the following range were:

	2024	**2023**
1,000,001 - 2,000,000	-	-
2,000,001 and above	8	8
	8	8

38 Contraventions and penalties

Penalties for the Group were paid during the year for the following contraventions:

In thousands of naira	**2024**	**2023**
NAICOM: Market guideline contravention	-	7,250
NAICOM: Risk based supervision exercise penalty	-	48,000
NAICOM Director's appointment contravention	485	-
National Pension Commission: Contravention on pension liabilities	22,674	-
NAICOM: Quarterly returns contravention	640	-
	23,799	**55,250**

39 Contingencies and commitments

(a) Legal proceedings and regulations

The Group and Company in its ordinary course of business is a defendant in twenty-five (25) (2023: 27 cases) litigation matters arising out of its normal business with total contingent liability of ₦1.63 billion (2023: ₦3.6 billion). Based on the advice of the Group's solicitors and the legal team, the Directors believe that the outcome that would result from proceedings will not have material adverse effect on the consolidated and seperate financial position of the Group. All the litigation matters are still at the high and lower courts and non have been lost, consequently, no provision has been made in these financial statements.

Litigation stages are as follows:	**2024**	**2023**
	Number of cases	
At high and lower court	25	27
Appeal court	-	-
	25	27

Notes to the consolidated and separate financial statements

40 Employees

The average number of persons employed by the Company at the end of the year was:

	2024	2023
Managerial	19	19
Senior staff	46	47
Junior staff	147	134
	212	200

(a) The number of employees paid emoluments, excluding pension and allowances, above ₦500,000 for the year were:

	2024	2023
500,000 - 1,500,000	-	8
1500,001 - 2,500,000	-	98
2500,001 - 3,500,000	2	39
3,500,001 - 4,500,000	1	11
4,500,001 - 5,500,000	1	16
5,500,001 - 6,500,000	-	7
6,500,001 - 7,500,000	64	5
7,500,001 - 8,500,000	46	1
8,500,001 - 9,500,000	10	-
9,500,001 - 10,500,000	5	5
10,500,001 and above	83	10
	212	200

41 Events after reporting period

No significant event has occurred since the reporting date which requires adjustment of, or further disclosure in the consolidated and separate financial statements.

42 Disclosures on Non-audit services

The external auditors, KPMG Professional Services rendered the following non-audit services to the company within the period.

	Fee	
Description of service	2024	2023
Internal Control over Financial reporting (ICFR) Assurance	7,500	7,500
IFRS 17 NAICOM Certification	-	5,000
Tax advisory	15,000	-
	22,500	**12,500**

Notes to the consolidated and separate financial statements

43 Asset hypothecation- 2024

In thousands of naira	Non-life Policy Holders	Annuity	Life Policy Investment Contract Liabilities	Life Policy Holders Insurance Contract Liabilities	Shareholders	Total 2024	Total 2023	% Change
Cash and cash equivalents	2,931,928	172,788	284,805	1,292,647	2,659,775	7,341,943	9,265,799	(21)
Treasury bills	192,749	-	-	291,365	-	484,114	-	100
Bonds	10,603,277	10,845,232	1,865,898	14,267,420	12,443,416	50,025,243	27,779,840	80
Quoted shares	-	-	-	-	5,208,628	5,208,628	4,603,259	13
Unquoted shares	-	-	-	-	4,910,329	4,910,329	2,595,132	89
Loans to policyholders	-	-	148,737	-	-	148,737	133,998	11
Premium receivables	320,935		-	1,616	-	322,551	207,729	55
Other receivables and prepayments	-	-	-	-	940,275	940,275	2,123,762	(56)
Reinsurance contract assets	8,462,196		-	674,260	143,619	9,280,075	8,543,256	9
Deferred tax assets	-	-	-	-	-	-	861,211	(100)
Investment in subsidiaries	-	-	-	-	5,008,847	5,008,847	3,620,847	38
Property and equipment	-	-	-	-	1,901,208	1,901,208	1,504,929	26
Intangible assets	-	-	-	-	9,726	9,726	343	2,736
Statutory deposit	-	-	-	-	500,000	500,000	500,000	-
	22,511,085	**11,018,019**	**2,299,441**	**16,527,308**	**33,725,823**	**86,081,676**	**61,740,105**	**39**

Insurance funds *In thousands of naira*	Non-life Policy Holders	Annuity	Life Policy Investment Contract Liabilities	Life Policy Holders Insurance Contract Liabilities	Shareholders	Total 2024	Total 2023	% Change
Investment contract liabilities	-	-	730,382	-	-	730,382	479,124	52
Insurance contract liabilities	19,954,821	4,831,367	-	13,050,890	-	37,837,078	31,211,425	21
Shareholders' and other funds	-	-	-	-	8,876,413	8,876,413	8,163,613	9
	19,954,821	**4,831,367**	**730,382**	**13,050,890**	**8,876,413**	**47,443,873**	**39,854,161**	**19**
Surplus in asset cover	**2,556,264**	**6,186,653**	**1,569,058**	**3,476,418**	**24,849,410**	**38,637,802**	**21,885,944**	**77**

Notes to the consolidated and separate financial statements

43 Asset hypothecation- 2023

In thousands of naira	Non-life Policy Holders	Annuity	Life Policy Investment Contract Liabilities	Life Policy Holders Insurance Contract Liabilities	Shareholders	Total 2023	Total 2022* Restated	% Change
Cash and cash equivalents	4,010,274	1,126,419	675,851	450,567	3,002,688	9,265,799	5,957,724	56
Bonds	2,017,745	5,259,315		20,502,780	0	27,779,840	12,567,943	121
Quoted shares	3,998,393				604,866	4,603,259	4,110,526	12
Unquoted shares					2,595,132	2,595,132	1,713,895	51
Loans to policyholders			133,998		-	133,998	137,052	(2)
Premium receivables	176,055		-	31,674	-	207,729	545,407	(62)
Other receivables and prepayments	-	-	-	-	2,123,762	2,123,762	919,474	131
Reinsurance contract assets	7,805,619		1,581	736,056	-	8,543,256	6,861,272	25
Investment in joint venture	-	-	-	-	-	-	280	(100)
Deferred tax assets	-	-	-	-	861,211	861,211	861,211	-
Investment in subsidiaries	-	-	-	-	3,620,847	3,620,847	3,620,847	-
Property and equipment	-	-	-	-	1,504,929	1,504,929	1,191,083	26
Intangible assets	-	-	-	-	343	343	1,129	(70)
Statutory deposit	-	-	-	-	500,000	500,000	500,000	-
	18,008,086	**6,385,733**	**811,430**	**21,721,078**	**14,813,779**	**61,740,105**	**38,987,843**	**58**

Insurance funds *In thousands of naira*	Non-life Policy Holders	Annuity	Life Policy Investment Contract Liabilities	Life Policy Holders Insurance Contract Liabilities	Shareholders	Total 2023	Total 2022* Restated	% Change
Investment contract liabilities	-	-	479,124	-	-	479,124	249,915	92
Insurance contract liabilities	16,367,855	4,252,271	-	10,591,299	-	31,211,425	23,818,376	31
Shareholders' and other funds	-	-	-	-	8,163,613	8,163,613	3,565,874	129
	16,367,855	**4,252,271**	**479,124**	**10,591,299**	**8,163,613**	**39,854,162**	**27,634,165**	**44**
Surplus in asset cover	**1,640,231**	**2,133,462**	**332,306**	**11,129,779**	**6,650,166**	**21,885,943**	**11,353,678**	**93**

Notes to the consolidated and separate financial statements

44 Statement of cash flow notes

Details of the statement of cash flows workings are presented below. Certain comparative figures have been reclassified in the statement of cash flows in order to align to the presentation adopted in the current year. The impact of these reclassification has been considered to be immaterial.

			Group	Group	Company	Company
	In thousands of naira	*Note*	**2024**	**2023**	**2024**	**2023**
(ii)	**Dividend income received**					
	Dividend income	30	233,825	408,257	204,336	334,015
	Add: Opening dividend receivable	9	4,380	9,871	4,324	-
	Less: Closing dividend receivable	9	(40,624)	(4,380)	(40,512)	(4,324)
			197,581	413,748	168,148	329,691
(iii)	**Proceeds from disposal of property and equipment**					
	Cost of assets disposed	15	70,322	87,807	47,250	4,234
	Accumulated depreciation of assets disposed	15	(55,730)	(67,833)	(32,675)	(4,234)
	Net book value of disposed assets		14,592	19,974	14,575	-
	Profit/ (Loss) on disposal	32	(4,730)	13,877	-	911
	Disposal proceeds		9,862	33,851	14,575	911
(iv)	**Reinsurance premium paid**					
	Reinsurance premiums paid	13a	16,801,465	12,707,767	12,578,539	9,332,731
(v)	Other Reinsurance cashflows (commission income)	13a	20,844	128,598	20,844	128,598
(vi)	**Insurance acquisition cashflows**					
	Acquisition costs	14a (i)	(5,150,893)	(4,277,890)	(3,383,120)	(3,233,400)
(vii)	**Management expenses and other operating cashflows**					
	Add: Opening Accruals and payables	20	3,545,301	927,370	2,366,047	798,756
	Less: Closing Accruals and payables	20	(4,261,069)	(3,545,301)	(3,571,810)	(2,366,047)
	Changes in Accruals and payables (A)		(715,768)	(2,617,931)	(1,205,763)	(1,567,291)
	Add: Opening Receivables and prepayments	9	(858,682)	(228,779)	(1,597,046)	(398,479)
	Less: Closing Receivables and prepayments	9	630,542	858,682	472,724	1,597,046
	Changes in Accruals and payables (B)		(228,140)	629,903	(1,124,322)	1,198,567
	Net changes in operating assets and liabilities (C=A+B)		**(943,908)**	**(1,988,028)**	**(2,330,085)**	**(368,724)**
	Other non-cash adjustments		4,077,817	1,143,671	4,566,709	384,344
	Other operating expenses recognised during the year	34	5,012,560	3,692,570	4,204,099	3,076,099
	Management expenses and other operating cashflows		8,146,469	2,848,213	6,440,724	3,091,717

Notes to the consolidated and separate financial statements

45 Capital management

The Group's objective with respect to capital management is to maintain a capital base that is structured to exceed regulatory requirement and to best utilize capital allocations. Insurance industry regulation measure the financial strength of Non-life insurer using a solvency margin model. Generally, the National Insurance Commission (NAICOM) expects insurers to comply with capital adequacy requirements. The regulatory capital (as required under the Insurance Act, 2003 and NAICOM Guideline) within the Group have been maintained and preserved over the reporting periods.

(a) Approach to capital management

The Group seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and policyholders. The Group's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Group in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Group is equity shareholders' funds.

The table below shows the available capital resources as at 31 December:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Total shareholders' funds	59,717,200	33,457,180	38,637,802	21,885,943
Regulatory required capital	5,000,000	5,000,000	5,000,000	5,000,000
Excess capital reserve	54,717,200	28,457,180	33,637,802	16,885,943

(b) Regulatory framework

The insurance industry regulator measures the financial strength of Non-life Insurers using a Solvency Margin model. The National Insurance Commission (NAICOM) generally expects Non-life insurers to comply with this capital adequacy requirement. Section 24 of the Insurance Act 2003 defines the solvency margin of a Non-life insurer as the difference between the admissible assets and liabilities, and this shall not be less than 15% of the net premium income (gross income less reinsurance premium paid), or the minimum capital base (₦3 billion) for Non-life business plus ₦2 billion for Life business, if the later is applicable. higher.

This test compares the insurer's capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 100%. During the year, the Group met the minimum requirement. The regulator has the authority to request more extensive reporting and can place restrictions on the Group's operations if the Group falls below this requirement.

The solvency margin for the Non-life business of the Company is as follows:

Solvency margin computation as at 31 December 2024

In thousands of naira	Total assets	Admissible assets	Inadmissible assets	Note
Assets				
Cash and cash equivalents	7,341,943	7,341,943	-	
Treasury Bills	484,114	484,114		
Placement with Financial Institutions	-	-		
Governments Bonds	44,901,196	44,901,196		
Corporate Bonds & Debentures - Quoted	5,124,047	5,124,047		
Corporate Bonds & Debentures - Unquoted	-	-		
Quoted Shares	5,208,628	5,208,628		
Unquoted Shares	4,910,329	-	4,910,329	(iii)
Mortgage Loans	-	-		
Loan to Policyholders	148,737	148,737		
Loan to staff	-	-		
Premium Receivables	322,551	322,551	-	
Other receivables and prepayments	940,275	99,902	840,373	(i)
Reinsurance Contract Assets	9,280,075	9,234,817	45,257	
Deferred tax assets	-	-	-	(ii)
Investment in subsidiaries	5,008,847	5,008,847	-	
Investment in joint venture	-	-	-	
Property, plant and equipment - Land & Building	1,300,000	1,300,000	-	
Property, plant and equipment - excluding land & building	601,208	601,208	-	
Intangible assets	9,726	9,726	-	
Statutory deposits	500,000	500,000	-	
Total admissible assets	**86,081,676**	**80,285,716**	**5,795,960**	

Notes to the consolidated and separate financial statements

Liabilities				
Investment contract liabilities	730,382	730,382	-	
Reinsurance contract liabilities	143,619	143,619		
Insurance contract liabilities	37,837,078	37,837,078	-	
Other technical liabilities	3,417,237	3,417,237	-	
Provision and other payables	3,816,113	3,816,113	-	
Other Financial Liabilities	-	-	-	
Borrowing	-	-	-	
Tax payable	632,963	632,963	-	
Deferred tax liabilities	859,434	-	859,434	
Deposits for Shares	-	-	-	
Retirement Benefit Obligation	7,048	7,048	-	
Total admissible liabilities	**47,443,873**	**46,584,439**	**859,434**	
Available solvency margin (Total admissible assets minus admissible liabilities)		**33,701,277**		
Gross premium written		32,181,835		
Less: Reinsurance expense		(12,578,539)		
Net premium		19,603,296		
Required solvency margin: Higher of;				
a. 15% of net premium		2,940,494		
b. Minimum capital required		5,000,000		
The higher thereof:		**5,000,000**		
Level of solvency (available solvency/required solvency *100)		**674**		

Solvency margin computation as at 31 December 2023

In thousands of naira	Total assets	Admissible assets	Inadmissible assets	Note
Assets				
Cash and cash equivalents	9,265,799	9,265,799	-	
Financial assets	35,112,230	35,112,230	-	
Trade receivables	207,729	207,729	-	
Other receivables and prepayments	2,123,762	72,518	2,051,244	(i)
Reinsurance assets	8,543,256	8,543,256	-	
Deferred tax assets	861,211	-	861,211	(ii)
Investment in subsidiaries	3,620,847	3,620,847	-	
Investment in joint venture	-	-	-	
Property and equipment - Land & Building	930,000	930,000	-	
Property and equipment - Others	574,929	574,929	-	
Intangible assets	343	343	-	
Statutory deposits	500,000	500,000	-	
Total admissible assets	**61,740,106**	**58,827,651**	**2,912,456**	
Liabilities				
Investment contract liabilities	479,124	479,124	-	
Reinsurance contract liabilities	-	-		
Insurance contract liabilities	31,211,425	31,211,425	-	
Other insurance contract liabilities	4,451,110	4,451,110	-	
Other payables and accruals	2,458,468	2,458,468	-	
Current tax liabilities	433,268	433,268	-	
Deferred tax liabilities	809,794	-	809,794	
Employee benefit obligations	10,972	10,972	-	
Total admissible liabilities	**39,854,161**	**39,044,366**	**809,794**	
Excess of total admissible assets over admissible liabilities		**19,783,284**		

Notes to the consolidated and separate financial statements

Higher of:	
Gross premium written	-
Less: Reinsurance expense	-
Net premium	-
15% of net premium	-
Minimum paid up capital	5,000,000
The higher thereof:	**5,000,000**
Solvency margin surplus	**14,783,284**

(i) Amount represents the inadmissible portion of other receivables and prepayments, comprising other receivables and prepayments except other prepaid expenses made to members of staff in line with Section 24(13) of the Insurance Act 2003.
The Company has total staff prepaid housing allowance of ₦99.9 million.(2023: ₦72.5 million) These have been admitted for the purpose of the computation while the remaining balance in other receivables and prepayments has been excluded.

(ii) Amount represents the entire deferred tax assets of the Company which has been excluded from the computation in line with Section 2.11(b)(vi) of the NAICOM Prudential Guidelines for Insurers and Reinsurers, 2015.

(iii) Amount represents the entire investment in unquoted equities which has been excluded from the computation in line with Section 2.11(b)(viii) of the NAICOM Prudential Guidelines for Insurers and Reinsurers, 2015.

('c) Finance Act 2021 – Part IX – Insurance Act

The Federal Government of Nigeria, by Federal Republic of Nigeria Official Gazette, dated 18th January, 2022, amended the Finance Act, 2021. The Finance Act 2021 (Part IX – Insurance Act) in Sections 33, 34, and 35 contains provisions which amended Sections 9, 10 and 102 of Insurance Act, 2003, as previously related to paid-up share capital. The Sections of the Act amended the Insurance Act by substituting the words “paid-up share capital”, with the words “Capital requirement” and wherever they appear in Insurance Act 2003. The words “Capital requirement” was introduced and inserted in Section 102 of the Insurance Act. By the provision of section 35, “Capital Requirement” means -

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

For this purpose, Admissible Assets are defined as:
Share Capital, Share Premium, Retained Earnings, Contingency Reserves, and any other admissible assets subject to the approval of the Commission;

(b) in the case of a new company -
(i) Government Bonds and Treasury Bills,
(ii) Cash and Bank balances, and
(iii) Cash and cash equivalent.

As an existing company, our capital requirement is as shown below:

	Company	
In thousands of naira	**2024**	**2023**
Share capital	9,083,196	9,083,196
Share premium	183,165	183,165
Retained Earnings	17,553,968	6,139,264
Contingency reserve	7,925,430	5,864,929
Excess of admissible assets over liabilities	34,745,758	21,270,554
Less the amount of own shares held (Treasury shares)	(67,130)	(67,130)
	34,678,628	21,203,424
Subordinated liabilities subject to approved by the commission	-	-
Any other financial instrument as prescribed by the Commission	-	-
Capital requirement	34,678,628	21,203,424

Notes to the consolidated and separate financial statements

46 Financial instruments - Fair values and risk management

(a) Accounting classifications and fair values

The following table shows the classification, carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) Financial instruments measured at fair value

Group
31 December 2024

In thousands of naira	*Note*	Carrying amount: Financial assets at fair value through profit or loss	Carrying amount: FVOCI Financial Assets	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
FVOCI Financial assets	7(a)	-	40,925,655	40,925,655	35,782,559	5,143,095	-	40,925,655
Financial assets at FVTPL	7(b)	22,430,538	-	22,430,538	22,430,538	-	-	22,430,538
		22,430,538	**40,925,655**	**63,356,192**	**58,213,097**	**5,143,095**	**-**	**63,356,192**

Group
31 December 2023

In thousands of naira	*Note*	Carrying amount: Financial assets at fair value through profit or loss	Carrying amount: FVOCI Financial Assets	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
FVOCI Financial assets	7(a)	-	25,536,235	25,536,235	22,715,571	2,820,664	-	25,536,235
Financial assets at FVTPL	7(b)	10,849,481	-	10,849,481	10,849,481	-	-	10,849,481
		10,849,481	**25,536,235**	**36,385,716**	**33,565,052**	**2,820,664**	**-**	**36,385,716**

Company
31 December 2024

In thousands of naira	*Note*	Carrying amount: Financial assets at fair value through profit or loss	Carrying amount: FVOCI Financial Assets	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
FVOCI Financial assets	7(a)	-	39,380,009	39,380,009	34,469,679	4,910,329	-	39,380,009
Financial assets at FVTPL	7(b)	21,248,306	-	21,248,306	21,248,306	-	-	21,248,306
		21,248,306	**39,380,009**	**60,628,314**	**55,717,985**	**4,910,329**	**-**	**60,628,314**

Company
31 December 2023

In thousands of naira	*Note*	Carrying amount: Financial assets at fair value through profit or loss	Carrying amount: Available-for-sale	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
FVOCI Financial assets	7(a)	-	24,128,751	24,128,751	21,533,619	2,595,132	-	24,128,751
Financial assets at FVTPL	7(b)	10,849,481	-	10,849,481	10,849,481	-	-	10,849,481
		10,849,481	**24,128,751**	**34,978,232**	**32,383,100**	**2,595,132**	**-**	**34,978,232**

Notes to the consolidated and separate financial statements

(ii) Financial instruments not measured at fair value

Group
31 December 2024

	Note	Amortised cost	Other financial liabilities	Total	Fair value
Financial assets not measured at fair value					
Cash and cash equivalents	6	24,061,223	-	24,061,223	24,061,223
Amortised cost investments	7	13,015,608	-	13,015,608	12,052,501
Trade receivables	8	549,140	-	549,140	549,140
Other receivables	9	630,542	-	630,542	630,542
Reinsurance contract assets	13	12,834,142	-	12,834,142	12,834,142
		51,090,656	**-**	**51,090,656**	**50,127,549**
Financial liabilities not measured at fair value					
Trade payables	19	-	4,659,561	4,659,561	4,659,561
Other payables	20	-	4,261,069	4,261,069	4,261,069
		-	**8,920,630**	**8,920,630**	**8,920,630**

Group
31 December 2023

	Note	Amortised cost	Other financial liabilities	Total	Fair value
Financial assets not measured at fair value					
Cash and cash equivalents	6	19,217,453	-	19,217,453	19,217,453
Amortised cost investments	7	8,077,587	-	8,077,587	8,220,010
Trade receivables	8	271,955	-	271,955	271,955
Other receivables	9	858,682	-	858,682	858,682
Reinsurance contract assets	13	10,483,865	-	10,483,865	10,483,865
		38,909,541	**-**	**38,909,541**	**39,051,965**
Financial liabilities not measured at fair value					
Trade payables	19	-	5,118,697	5,118,697	5,118,697
Other payables	20	-	3,545,301	3,545,301	3,545,302
		-	**8,663,998**	**8,663,998**	**8,663,999**

Company
31 December 2024

	Note	Amortised cost	Other financial liabilities	Total	Fair value
Financial assets not measured at fair value					
Cash and cash equivalents	6	7,341,943	-	7,341,943	7,341,943
Amortised cost investments	7	148,737	-	148,737	148,737
Trade receivables	8	322,551	-	322,551	322,551
Other receivables	9	472,724	-	472,724	472,724
Reinsurance contract assets	13	9,280,075	-	9,280,075	9,280,075
		17,566,029	**-**	**17,566,029**	**17,566,029**
Financial liabilities not measured at fair value					
Trade payables	19	-	3,417,237	3,417,237	3,417,237
Other payables	20	-	3,571,810	3,571,810	3,571,810
			6,989,046	**6,989,046**	**6,989,046**

Company
31 December 2023

	Note	Amortised cost	Other financial liabilities	Total	Fair value
Financial assets not measured at fair value					
Cash and cash equivalents	6	9,265,799	-	9,265,799	9,265,799
Amortised cost investments	7	133,998	-	133,998	165,998
Trade receivables	8	207,729	-	207,729	207,729
Other receivables	9	1,597,045	-	1,597,045	1,597,045
Reinsurance contract assets	13	8,543,256	-	8,543,256	8,543,256
		19,747,826	**-**	**19,747,826**	**19,779,826**
Financial liabilities not measured at fair value					
Trade payables	19		4,451,110	4,451,110	4,451,110
Other payables	20		2,366,047	2,366,047	2,366,047
			6,817,157	**6,817,157**	**6,817,157**

Notes to the consolidated and separate financial statements

(b) Financial risk management

Risk is at the heart of the business of any Insurance company and operational risks amongst others are an inevitable consequence of being in the financial services industry. The Company's activities expose it to a variety of risks, and those activities principally involve creation of insurance contracts & financial assets and liabilities. The Company's aim is therefore to achieve an appropriate balance between risk and return, and minimise potential adverse effects on the Company and Group's financial performances. This is achieved by a robust framework and clearly defined and transparent risk management process which outlines the processes for risk identification, risk assessment/measurement, risk treatment/control, risk monitoring & review, risk reporting, and risk communication and consultation.

(i) Risk management framework

The Group's board of directors has the overall responsibility for the establishment of oversight of the group's risk management framework. The board of directors has established the Enterprise Risk Management and Governance Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The risk policy is detailed in the Enterprise Risk Management (ERM) Framework, which is a structured approach to identifying opportunities, assessing the risk inherent in these opportunities and managing these risks proactively in a cost effective manner. It is a top-level integrated approach to events identification and analysis for proper assessment, monitoring and identification of business opportunities. Specific policies are also in place for managing risks in the different risk areas of credit, market, liquidity, operational and insurance risks.

The evolving nature of risk management practices and the dynamic character of the insurance industry will necessitate regular review of the effectiveness of each Enterprise Risk Management component. In light of this, the Company's risk management framework shall be subject to continuous review to ensure that effective and cutting edge risk management is applied.

The review shall be completed using either or both of the following approaches:

- Continuous self-evaluation and monitoring by the Risk Management Function in conjunction with Internal Audit; and/or
- Independent evaluation by external auditors, examiners or consultants.

The Head, Enterprise Risk Management unit has the primary responsibility for risk management within the organisation and shall assume responsibility for the review. The Board shall approve all amendments to the Risk management framework.

(ii) Credit risk

Credit risk is the risk of loss arising from the failure of a client or counterparty to fulfil its obligations to the Group. In addition to credit risks arising out of investments and transactions with clients, the Group actively assumes credit risk through the writing of insurance business and the approval and issuance of loans. Credit risk can arise when a policyholder defaults on loan payments or settlement of premium payments and can also arise when its own repayment capability decreases.

The Group's strategy as an insurance company does not entail the elimination of credit risk but rather to take on credit risk in a well-controlled, planned and targeted manner pursuant to its business objectives. Its approach to measuring credit risk is therefore designed to ensure that it can be assessed accurately in all its forms, and that relevant, timely and accurate credit risk information is available to the relevant decision makers at an operational and strategic level at all times.

At a strategic level, the Group seeks to manage its credit risk profile within the constraints of its overall risk appetite and to structure its portfolio so that it provides optimal returns for the level of risk taken. Operationally, credit risk management is governed by the overall risk appetite framework and aims to ensure that the risk inherent to individual exposures or certain business portfolios is appropriately managed through the economic cycle.

In designing credit policies, due consideration is given to the Company's commitment to:

a) Create, monitor and manage credit risk in a manner that complies with all applicable laws and regulations;
b) Identify credit risk in each investment, loan or other activity of the Insurance Group;
c) Utilize appropriate, accurate and timely tools to measure credit risk;
d) Set acceptable risk parameters;
e) Maintain acceptable levels of credit risk for existing individual credit exposures;
f) Maintain acceptable levels of overall credit risk for the Group's portfolio; and
g) Coordinate credit risk management with the management of other risks inherent in the Group's business activities.

Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of material accounting policies.

Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the issuer/borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether an issuer/ borrower is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Group carefully considers whether the event should result in treating the issuer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

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- External rating of the issuer indicating default or near-default
- The borrower requesting emergency funding from the Group
- The borrower is deceased
- Issuer's listed debt suspended at the primary exchange because of rumours or facts about financial difficulties

It is the Group's policy to consider a financial instrument as 'cured' and thereforere-classified out of Stage 3 when none of the default criteria have been present for at least six consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Probability of Default (PD)
In the absence of internally-generated PDs due to the issuers having no previous history of default, the Group adopted a one-year PD term structure from the Standard & Poor Global Default Rate Study for Sovereign entities. In adopting the S&P term structure, the local external rating of Federal Government of Nigeria was calibrated to S&P rating grades. Since the Group's financial instrument were not rated by any rating agency, and are majorly FGN Bonds and treasury bills which are externally rated by S&P, therefore S&P annual sovereign local currency rating for Nigeria was adopted and adjusted for forward looking macro economy variables.

Exposure at Default
The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 exposure, the Group assesses the possible default events within 12 months for the calculation of the 12mECL. However, if a Stage 1 exposure that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Loss given default (LGD)
The group has assumed a weighted average loss given default to cater for time effects should a default occur.

Significant increase in credit risk
The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considered an exposures to have significantly increased in credit risk if contractual payments are more than 30 days past due.

Analysis of the ECL under multiple scenarios
Since the beginning of the year, as the Group has reassessed the key economic indicators used in its ECL models, the expected unemployment growth rate over the next few years has been revised downwards, given the slow down of Nigeria's economy. Inflation rate and crude oil prices assumptions follow a similar trend. Long-term expectations remain unchanged.

The following tables outline the impact of multiple scenarios on the allowance:

Group	**2024**			**2023**		
	Upturn (17.31%)	**Base (69.23%)**	**Downturn (13.46%)**	**Upturn (17.31%)**	**Base (69.23%)**	**Downturn (13.46%)**
Cash and cash equivalents	6,348	25,392	4,937	7,112	28,449	5,532
Loans and receivables	10,018	40,073	7,792	9,139	36,555	7,108
Other receivables	8,520	34,081	6,627	8,520	34,081	6,627
Debt securities	69,598	278,390	54,131	21,351	85,402	16,606

Company						
	Upturn (17.31%)	**Base (69.23%)**	**Downturn (13.46%)**	**Upturn (17.31%)**	**Base (69.23%)**	**Downturn (13.46%)**
Cash and cash equivalents	5,292	21,168	4,116	1,887	7,549	1,468
Loans and receivables	10,018	40,073	7,792	9,139	36,555	7,108
Other receivables	8,520	34,081	6,627	8,520	34,081	6,627
Debt securities	60,940	243,761	47,398	15,698	62,791	12,209

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Credit risk exposure

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties. The credit risks on the Group's investment securities is considered to be low as the counterparties are mostly banks, government agencies, and other entities with high-credit ratings. The Group also writes unit-linked business where the policyholder bears the investment risk on the assets held. The shareholders' risk is limited to the extent that income arising from asset management charges is based on the value of those assets.

The Group's credit risk can be analysed as follows:

In thousands of naira	*Note*	Group 2024	Group 2023	Company 2024	Company 2023
Cash and cash equivalents (see note (c) below)	6	24,061,223	19,217,453	7,341,943	9,265,799
Loans and receivables (see note (b) below)	7(v)	148,737	133,998	148,737	133,998
Trade receivables (see note (a) below)	8	549,140	271,955	322,551	207,729
Other receivables (see note (d) below)	9	630,542	858,682	472,724	1,597,045
Debt securities (see note (e) below)	7	44,628,996	35,756,089	33,777,483	27,779,840
		70,018,638	**56,238,177**	**42,063,438**	**38,984,411**

a Trade receivables

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The credit risk of its counterparties, including the default risk of the industry and region in which the counterparties operate is also considered.

The impairment analysis of Trade receivables is as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Assets at amortised cost				
Individually impaired	-	-	-	-
Allowance for impairment	-	-	-	-
Carrying amount	-	-	-	-
Past due but not impaired	-	-	-	-
Neither past due nor impaired	549,140	271,955	322,551	207,729
	549,140	271,955	322,551	207,729

The aging of trade receivables that were not impaired was as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Past due 1-30 days	549,140	271,955	322,551	207,729
Past due 31-90 days	-	-	-	-
Past due 91-120 days	-	-	-	-
	549,140	**271,955**	**322,551**	**207,729**

b Loans to policy holders

The Group's loans to policy holders comprises of loans to policy holders and other customers with which are fully collateralized with the policyholders' fund deposit with the Company.

The impairment analysis of loans and receivables is as follows:

In thousands of naira	Group 2024	Group 2023	Company 2024	Company 2023
Assets at amortised cost				
Individually impaired	57,883	52,802	57,883	52,802
Allowance for impairment	(57,883)	(52,802)	(57,883)	(52,802)
Carrying amount	-	-	-	-
Past due but not impaired	-	-	-	-
Neither past due nor impaired	148,737	133,997	148,737	133,997
	148,737	**133,997**	**148,737**	**133,997**

Notes to the consolidated and separate financial statements

c Cash and cash equivalents

The Group's cash and cash equivalents are held with reputable banks and financial institutions. The credit risk on these assets are considered low as the counterparties are banks with high credit rating.

d Other receivables

The Group's other receivables comprises of receivables from other counterparties with which the entity had transactions with during the year. ₦49.2 million (2023: ₦49.2 million) of the Group's receivables was fully impaired as at 31 December 2024.

e Debt securities

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a very high credit rating. The Group's debt securities are its investment in bonds.

The maximum exposure to credit risk for debt securities classified as FVOCI and Amortised cost at the reporting date per geo-political region was as follows:

	Group	Group	Company	Company
In thousands of naira	2024	2023	2024	2023
North*	58,753,681	32,046,436	46,719,936	24,559,066
South West**	3,789,421	3,709,653	3,789,421	3,220,774
	62,543,102	**35,756,089**	**50,509,357**	**27,779,840**

* The North's figures includes Federal Government of Nigeria issued debt securities such as bonds and treasury bills as the FCT is in the North

** The South West's figures includes Lagos State bonds and corporate bonds

Expected Credit Loss	Group	Group	Company	Company
In thousands of naira	2024	2023	2024	2023
12-month ECL Individual	107,903	123,358	57,883	90,698
Lifetime ECL not credit-impaired	-	-	-	-
Lifetime ECL credit-impaired	-	-	-	-
Purchased or originated credit-impaired	-	-	-	-
	107,903	**123,358**	**57,883**	**90,698**

The Group did not have any debt securities that were past due or impaired as at 31 December 2024 (2023: Nil).

(iii) Liquidity risk

Liquidity risk is the potential for loss to the Company arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses. Liquidity risk arises when the cushion provided by the liquid assets is not sufficient to meet its obligation (Funding-liquidity risk).

The Group’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation.

In the management of its liquidity risk position, the Group employs the following:
- Monitoring cash flow trends and forecasting future cash flow using a comprehensive cash inflow and outflow analysis that takes into consideration the liquidity needs from all possible sources within the Group.
- In addition to the cash flow analysis, using a variety of ratios and limits to quantify its liquidity risk. Internal limits are defined for the following liquidity risk indicators; liquid assets/projected demand liabilities, percentage of total debt obligations not fully funded at any point in time, total loans/total equity, borrowed funds to total assets and commitment to exposure level.
- Maintaining a desired composition of asset and liabilities to maintain liquidity with more focus on the diversification and stability of liabilities.
- Effective monitoring of liquidity risk using routine reports such as cost of funds reports, liability pricing reports, cash flow or limit monitoring and exceptions reports.
- Monitoring the Group's contractual maturity gap under normal and stress conditions
- Maintaining minimum liquidity requirements
- Maintaining contingency funding plan

The final authority and responsibility for all activities that expose the Group to liquidity risk management rests with the Board of Directors. The Board, however, may delegate this authority to the Board Enterprise Risk Management Committee, the Finance, Investment and General Purpose Committee and the Statutory Audit Committee.

Notes to the consolidated and separate financial statements

Exposure to liquidity risk

The following table summarises the maturity profile of the non-derivative financial assets and financial liabilities of the Group based on the remaining undiscounted contractual obligations, including interest payable and receivable.

For insurance contract liabilities and reinsurance assets, maturity profiles are determined based on the estimated timing of net cash outflows from the recognised insurance liabilities. Unearned premiums and the reinsurers' share of unearned premiums have been excluded from the analysis as they are not contractual obligations.

The Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow.

Group
31 December 2024

			Contractual cash flows					
In thousands of naira	***Note***	**Carrying amount**	**Gross nominal inflow/(outflow)**	**3 months or less**	**3 - 12 months**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
Non-derivative financial assets								
Cash and cash equivalents	6	24,061,223	24,061,223	24,061,223	-	-	-	-
FVOCI financial assets	7	40,925,655	40,925,655	-	308,067	2,349,097	6,276,577	31,991,913
Financial assets at FVTPL	7	22,430,538	22,430,538	-	1,434,053	4,899,290	1,321,285	14,775,909
Amortised cost investments	7	13,015,608	13,015,608	-	2,065,378	810,968	1,894,704	8,244,559
Trade receivables	8	549,140	549,140	549,140	-	-	-	-
Other receivables	9	1,274,283	1,274,283	-	1,274,283	-	-	-
		102,256,446	102,256,446	24,610,363	5,081,781	8,059,355	9,492,566	55,012,381
Non-derivative financial liabilities								
Trade payables	19	(4,659,561)	(4,659,561)	-	(4,659,561)	-	-	-
Other payables	20	(4,261,069)	(4,261,069)	-	(4,261,069)	-	-	-
		(8,920,630)	(8,920,630)	-	(8,920,630)	-	-	-
Liquidity gap			93,335,816	24,610,363	(3,838,849)	8,059,355	9,492,566	55,012,381

Group
31 December 2023

			Contractual cash flows					
In thousands of naira	***Note***	**Carrying amount**	**Gross nominal inflow/(outflow)**	**3 months or less**	**3 - 12 months**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**
Non-derivative financial assets								
Cash and cash equivalents	6	19,217,453	19,217,453	19,217,453	-	-	-	-
FVOCI financial assets	7	25,536,235	39,024,394	757,458	1,316,396	1,913,103	8,424,815	26,612,622
Financial assets at FVTPL	7	10,849,481	16,298,065	172,306	552,458	1,569,284	5,448,761	8,555,256
Amortised cost investments	7(c)	8,077,587	7,976,249		186,800			7,789,449
Trade receivables	8	271,955	271,955	271,955	-	-	-	-
Other receivables	9	1,506,257	1,506,257	-	1,506,257	-	-	-
		65,458,968	84,294,373	20,419,172	3,561,911	3,482,387	13,873,576	42,957,327
Non-derivative financial liabilities								
Trade payables	19	(5,118,697)	(5,118,697)	-	(5,118,697)	-	-	-
Other payables	20	(3,545,301)	(3,545,302)	-	(3,545,302)	-	-	-
		(8,663,998)	(8,663,999)	-	(8,663,999)	-	-	-
Liquidity gap			75,630,374	20,419,172	(5,102,088)	3,482,387	13,873,576	42,957,327

Notes to the consolidated and separate financial statements

Company
31 December 2024

In thousands of naira	*Note*	Carrying amount	Gross nominal inflow/(outflow)	3 months or less	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
			Contractual cash flows					
Non-derivative financial assets								
Cash and cash equivalents	6	7,341,943	7,372,519	7,372,519	-	-	-	-
FVOCI financial assets	7	39,380,009	53,584,226	1,129,826	1,705,071	7,648,396	22,462,030	20,638,903
Financial assets at FVTPL	7	21,248,306	29,587,178	481,360	1,147,782	6,645,992	11,959,016	9,353,028
Amortised cost investments	7	148,737	201,716	-	142,844	58,873	-	-
Trade receivables	8	322,551	322,551	322,551	-	-	-	-
Other receivables	9	472,724	491,724	-	491,724	-	-	-
		68,914,269	91,559,913	9,306,255	3,487,420	14,353,261	34,421,045	29,991,931
Non-derivative financial liabilities								
Trade payables	19	(3,417,237)	(3,417,237)	-	(3,417,237)	-	-	-
Other payables	20	(3,571,810)	(3,571,810)	-	(3,571,810)	-	-	-
		(6,989,046)	(6,989,046)	-	(6,989,046)	-	-	-
Liquidity gap		61,925,222	84,570,867	9,306,255	(3,501,626)	14,353,261	34,421,045	29,991,931

Company
31 December 2023

In thousands of naira	*Note*	Carrying amount	Gross nominal inflow/(outflow)	3 months or less	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
			Contractual cash flows					
Non-derivative financial assets								
Cash and cash equivalents	6	9,265,799	9,265,799	9,265,799	-	-	-	-
FVOCI financial assets	7	24,128,751	39,024,394	757,458	1,316,396	1,913,103	8,424,815	26,612,622
Financial assets at FVTPL	7	10,849,481	16,298,065	172,306	552,458	1,569,284	5,448,761	8,555,256
Amortised cost investments	7(c)	133,997	186,800	-	186,800	-	-	-
Trade receivables	8	207,729	207,729	207,729	-	-	-	-
Other receivables	9	1,597,046	1,597,045	-	1,597,045	-	-	-
		46,182,803	66,579,832	10,403,292	3,652,699	3,482,387	13,873,576	35,167,878
Non-derivative financial liabilities								
Trade payables	19	(4,451,110)	(4,451,110)	-	(4,451,110)	-	-	-
Other payables	20	(2,366,047)	(2,366,048)	-	(2,366,048)	-	-	-
		(6,817,157)	(6,817,158)	-	(6,817,158)	-	-	-
Liquidity gap		39,365,646	59,762,673	10,403,292	(3,164,460)	3,482,387	13,873,576	35,167,878

Notes to the consolidated and separate financial statements

(iv) Market risk

Market risk is the risk that the Group's earnings or capital, or its ability to meet business objectives, will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates or equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group has established policies and procedures in order to manage market risk.

Currency risk

Foreign currency exchange risk is the exposure of the Company's financial position to adverse movements in exchange rates. Where the Group invests in financial instruments that are denominated in currencies other than its functional currency, it is exposed to foreign exchange risk. In this scenario, the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the Group's financial assets and liabilities denominated in currencies other than the Naira. The Group's exposure to foreign exchange risk arises majorly from its financial assets that are denominated in foreign currencies.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk is as follows:

Group

	31 December 2024				31 December 2023			
In thousands of naira	**NGN**	**EUR**	**USD**	**GBP**	**NGN**	**EUR**	**USD**	**GBP**
Cash and cash equivalents	8,509,118	44,531	15,503,418	4,157	7,866,032	29,384	11,319,776	2,261
Financial assets - FVTPL	10,063,861	-	12,366,676	-	4,829,514	-	6,019,967	-
Financial assets - FVOCI	4,579,075	-	36,346,579	-	7,226,793	-	18,309,442	-
Financial assets - Amortised cost	6,341,678	-	6,673,930	-	1,650,506	-	6,427,080	-
Net statement of financial position exposure	29,493,733	44,531	70,890,603	4,157	21,572,845	29,384	42,076,264	2,261

Company

	31 December 2024				31 December 2023			
In thousands of	**NGN**	**EUR**	**USD**	**GBP**	**NGN**	**EUR**	**USD**	**GBP**
Cash and cash equivalents	3,992,377	25,423	3,320,165	3,978	6,090,671	17,530	3,155,338	2,261
Financial assets - FVTPL	8,881,629	-	12,366,676	-	4,829,514	-	6,019,967	-
Financial assets - FVOCI	3,033,429	-	36,346,579	-	5,819,309	-	18,309,442	-
Financial assets - Amortised cost	148,737	-	-	-	-	-	-	-
Net statement of financial position exposure	16,056,172	25,423	52,033,421	3,978	16,739,493	17,530	27,484,747	2,261

The following significant exchange rates have been applied.

	Year-end spot rate	
Naira	**2024**	**2023**
USD 1	1,538.25	906.11
GBP 1	1924.83	967.70
EUR 1	1584.89	831.36

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Euro or US dollar against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Group				Company			
	Profit or loss		Equity, net of tax		Profit or loss		Equity, net of tax	
Effects In thousands of naira	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31 December 2024								
EUR (50% movement)	22,265	(22,265)	22,265	(22,265)	12,712	(12,712)	12,712	(12,712)
GBP (50% movement)	2,078	(2,078)	2,078	(2,078)	1,989	(1,989)	1,989	(1,989)
USD (50% movement)	35,445,302	(35,445,302)	35,445,302	(35,445,302)	26,016,710	(26,016,710)	26,016,710	(26,016,710)
31 December 2023								
EUR (20% movement)	5,877	(5,877)	5,877	(5,877)	3,506	(3,506)	3,506	(3,506)
GBP (20% movement)	452	(452)	452	(452)	452	(452)	452	(452)
USD (20% movement)	580,927	(580,927)	580,927	(580,927)	5,496,949	(5,496,949)	5,496,949	(5,496,949)

Notes to the consolidated and separate financial statements

(v) Interest rate risk

Interest rate risk is the impact that changes in interest rates could have on the Group's margins, earnings and capital. The Group's objective for interest risk management is to ensure that its earnings are stable and predictable over time.

Interest risk management process

The Group's interest rate risk is being managed through sound portfolio management principles incorporating transfer pricing and directed effectively managing the Group's mismatched positions. The inherent rate risk mismatch is managed through the optimal structuring of on balance sheet portfolio with due consideration to the re-pricing gaps between rate sensitive liabilities and rate-sensitive assets.

Interest rate risk limits are also defined to manage exposure. Limits established are as follows:

- Gap limits: This is expressed in terms of interest rate sensitive ratio for a given time band shall be used to manage the Group's potential re-pricing exposures
- Factor sensitivity limits: A sensitivity factor is determined to limit the change in the present value of the Group's portfolio given one basis point fluctuation in underlying interest rate

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

Group - 31 December 2024			**Rate sensitive**					**Non rate-sensitive**
In thousands of naira	*Note*	**Carrying amount**	**3 months or less**	**3 - 12 months**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**	
Fixed-rate instruments								
Cash and cash equivalent	6	24,061,223	16,893,334	-	-	-	-	7,167,889
FVOCI Financial assets	7	40,925,655	-	-	-	-	-	40,925,655
Fair value through profit or loss	7(b)	22,430,538	484,114	-	-	-	-	21,946,424
Amortised cost investments	7	13,015,608	505,248	1,708,867	-	-	-	10,801,493
Other receivables	9	630,542	-	-	-	-	-	630,542
		101,063,566	17,882,696	1,708,867	-	-	-	81,472,003

Group - 31 December 2023			**Rate sensitive**					**Non rate-sensitive**
In thousands of naira	*Note*	**Carrying amount**	**3 months or less**	**3 - 12 months**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**	
Fixed-rate instruments								
Cash and cash equivalent	6	10,885,696	8,322,720	-	-	-	-	2,562,976
FVOCI Financial assets	7	11,416,795	50,450	328,905	1,359,056	3,483,334	4,979,990	2,953,471
Fair value through profit or loss	7(b)	7,984,599	-	145,750	-	1,367,890	3,086,813	3,384,146
Amortised cost investments	7	4,271,536	-	-	-	-	3,975,824	-
Other receivables	9	228,778	-	-	-	-	-	228,778
		34,787,404	8,373,170	474,655	1,359,056	4,851,224	12,042,627	9,129,371

Company - 31 December 2024			**Rate sensitive**					**Non rate-sensitive**
In thousands of naira	*Note*	**Carrying amount**	**3 months or less**	**3 - 12 months**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**	
Fixed-rate instruments								
Cash and cash equivalent	6	7,341,943	3,066,881	-	-	-	-	4,275,062
FVOCI Financial assets	7	39,380,009	-	-	-	-	-	39,380,009
Fair value through profit or loss	7(b)	21,248,306	484,114	-	-	-	-	20,764,191
Amortised cost investments	7	148,737	-	148,737	-	-	-	-
Other receivables	9	472,724	-	-	-	-	-	472,724
		68,591,718	3,550,996	148,737	-	-	-	64,891,985

Company - 31 December 2023			**Rate sensitive**					**Non rate-sensitive**
In thousands of naira	*Note*	**Carrying amount**	**3 months or less**	**3 - 12 months**	**1 - 2 years**	**2 - 5 years**	**More than 5 years**	
Fixed-rate instruments								
Cash and cash equivalent	6	5,957,724	3,813,298	-	-	-	-	2,144,426
FVOCI Financial assets	7	10,407,765	50,450	328,905	1,359,056	2,987,500	4,979,990	2,440,275
Fair value through profit or loss	7(b)	7,984,599		145,750		-	-	7,838,849
Amortised cost investments	7	295,712	-	-	295,712			
Other receivables	9	398,479	-	-		-	-	398,479
		25,044,279	3,863,748	474,655	1,654,768	2,987,500	4,979,990	12,822,029

Notes to the consolidated and separate financial statements

Other market price risk

The Group is exposed to equity price risk, which arises from available-for-sale equity securities held for partially meeting the claims and benefits obligations. The management of the Group monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Risk Management Committee.

The primary goal of the Group's investment strategy is to maximise investment returns, both to partially meet the Group's claims and benefits obligations and to improve its returns in general.

Sensitivity analysis - Equity price risk

Most of the Group's listed equity investments are listed on the Nigerian Stock Exchange and are classified as FVOCI. A 2% increase in the share price of those equities at the reporting date would have increased equity by ₦51.7 million (2023: ₦53.8 million) after tax. An equal change in the opposite direction would have reduced equity by ₦51.7 million.

(vi) Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Group cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Group is able to manage the risks.

Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Group's strategic planning and budgeting process.

The Group's approach to Operational Risk Management was embedded within the ERM Framework manual which set out operational risk management standards and objectives for all key underlying business and support processes.

The policy:
a) Governs risk management in all business activities;
b) Facilitates the identification, measurement, management, monitoring and review of risk activities; and
c) Reflect the internal and external environment within which the business activities take place.

Notes to the consolidated and separate financial statements

47 Insurance Risk

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long–term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities. The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Group purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non–proportional basis. The majority of proportional reinsurance is quota–share reinsurance which is taken out to reduce the overall exposure of the Group to certain classes of business. Non–proportional reinsurance is primarily excess–of–loss reinsurance designed to mitigate the Group's net exposure to catastrophe losses. Retention limits for the excess–of–loss reinsurance vary by product line and territory.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

(a) Life insurance contracts (including investment contracts)

Life insurance contracts offered by the Group include: whole life, term assurance and deposit administration. Whole life and term assurance are conventional regular premium products when lump sum benefits are payable on death or permanent disability. Deposit administration is an investment product which accepts deposit from clients and other businesses of savings nature, by agreeing to pay interest on those deposits for an agreed period. For contracts for which death or disability is the insured risk, the significant factors that could increase the overall frequency of claims are epidemics, widespread changes in lifestyle and natural disasters, resulting in earlier or more claims than expected. For annuity contracts, the most significant factor is continued improvement in medical science and social conditions that would increase longevity. For contracts with DPF, the participating nature of these contracts results in a significant portion of the insurance risk being shared with the insured party.

The Group's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of medical screening in order to ensure that pricing takes account of current health conditions and family medical history, regular review of actual claims experience and product pricing, as well as detailed claims' handling procedures Underwriting limits are in place to enforce appropriate risk selection criteria. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs. The Group further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the Group.

Key assumptions

Material judgement is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

Sensitivities

The analysis which follows is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities.

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Sensitivity of Best Estimate Liability to changes in long term valuation assumptions
31 December 2024 actuarial valuation

Sensitivities Impact on Best Estimate Liabilities - December 2024 (Excluding Group Life)

Stress	Stress Factor	Annuity	Credit Life	Endowment	Protection	Investment Linked	Total
Base		4,513,731	814,600	60,652	782,559	4,206,225	10,377,767
Interest_Up	10%	2,971,448	744,070	58,412	585,812	4,180,630	8,540,372
Interest_Down	10%	11,435,759	907,633	64,289	1,239,093	4,298,768	17,945,542
Inflation_Up	10%	6,982,374	824,953	60,734	835,272	4,228,113	12,931,446
Inflation_Down	10%	4,143,750	805,442	60,584	768,803	4,191,772	9,970,351
Lapse_Up	10%	4,513,731	819,794	60,626	780,327	4,205,658	10,380,136
Lapse_Down	10%	4,513,731	734,558	60,559	784,818	4,206,804	10,300,470
Mortality_Up	10%	4,434,738	876,005	60,735	848,135	4,208,803	10,428,416
Mortality_Down	10%	4,601,933	753,161	60,569	717,007	4,204,001	10,336,671
Expenses_Up	10%	4,569,158	821,992	60,743	785,864	4,216,479	10,454,236
Expenses_Down	10%	4,458,304	807,208	60,561	779,255	4,196,229	10,301,557
Morbidity_Up	10%	4,513,731	814,600	60,652	782,559	4,206,244	10,377,786
Morbidity_Down	10%	4,513,731	814,600	60,652	782,559	4,206,225	10,377,767

Sensitivities Impact on Best Estimate Liabilities - December 2023 (Excluding Group Life)

Stress	Stress Factor	Annuity	Credit Life	Endowment	Protection	Investment Linked	Total
Base		3,997,090	2,051,660	6,840	16,142	3,432,411	9,504,142
Interest_Up	10%	2,817,688	1,583,276	4,373	12,978	3,432,404	7,850,720
Interest_Down	10%	6,721,823	3,222,381	16,384	23,328	3,432,421	13,416,337
Inflation_Up	10%	4,133,479	2,098,485	13,598	17,967	3,432,422	9,695,952
Inflation_Down	10%	3,952,320	2,024,667	5,137	15,163	3,432,402	9,429,689
Lapse_Up	10%	3,997,090	2,019,700	6,953	16,382	3,432,411	9,472,536
Lapse_Down	10%	3,997,090	2,084,273	6,725	15,902	3,432,412	9,536,401
Mortality_Up	10%	3,964,947	2,236,636	6,871	19,409	3,432,434	9,660,296
Mortality_Down	10%	4,030,990	1,866,052	6,810	13,360	3,432,391	9,349,603
Expenses_Up	10%	4,006,578	2,067,878	7,198	17,180	3,432,452	9,531,285
Expenses_Down	10%	3,987,602	2,035,441	6,482	15,122	3,432,371	9,477,019
Morbidity_Up	10%	3,997,090	2,051,660	6,840	16,142	3,432,412	9,504,142
Morbidity_Down	10%	3,997,090	2,051,660	6,840	16,142	3,432,411	9,504,141

Notes to the consolidated and separate financial statements

(b) Non-life insurance contracts

The Group principally issues the following types of general insurance contracts: fire, motor, casualty, workmen compensation, personal accident, marine and oil and gas. Risks under non–life insurance policies usually cover twelve months duration. For general insurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk. The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography.

Furthermore, strict claim review policies and procedures exist to assess all new and on-going claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities.

The Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g., hurricanes, earthquakes and flood damage).

The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes based on the Group's risk appetite as decided by management. The overall aim is currently to restrict the impact of a single catastrophic event to approximately 50% of shareholders' equity on a gross basis and 10% on a net basis. In the event of such a catastrophe, counterparty exposure to a single reinsurer is estimated not to exceed 2% of shareholders' equity. The Board may decide to increase or decrease the maximum tolerances based on market conditions and other factors.

Key assumptions

The principal assumption underlying the liability estimates is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year.

Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future, for example: one–off occurrence, changes in market factors such as public attitude to claims, economic conditions, as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

Sensitivities

The non–life insurance claim liabilities are sensitive to the key assumptions that follow. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

In general, the uncertainty associated with the ultimate claims experience in an accident year is greatest when the accident year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherited in the estimation process, the actual overall claim provision may not always be in surplus.

Notes to the consolidated and separate financial statements

The following tables provide additional details of the gross loss reserves for each Line of Business

LOB	Marine

Adjusted Bornheutter Ferguson Method based on the average of the IABCL and IALDF factors

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8	9
2016	26,616	25,378	2,465	8,074	0	0	0	0	0
2017	34,677	15,025	1,452	0	0	0	0	0	0
2018	15,759	5,951	0	0	110	9,690	454	0	0
2019	30,082	17,476	0	425	2,725	0	0	0	0
2020	19,608	30,633	512	1,251	29	0	0	0	0
2021	28,770	33,510	3,142	0	0	0	0	0	0
2022	26,882	15,198	1,378	0	0	0	0	0	0
2023	86,125	23,567	0	0	0	0	0	0	0
2024	77,679	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8	9
2016	108,134	89,368	7,789	22,783	0	0	0	0	0
2017	122,112	47,477	4,098	0	0	0	0	0	
2018	49,799	16,792	0	0	191	13,062	454		
2019	84,888	42,606	0	738	3,673	0			
2020	47,803	64,587	890	1,686	29				
2021	60,659	58,226	4,235	0					
2022	46,710	20,487	1,378						
2023	116,097	23,567							
2024	77,679								

LOB	Fire

Adjusted Bornheutter Ferguson Method based on the average of the IABCL and IALDF factors

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8	9
2016	129,404	256,085	20,511	1	0	0	40	21	0
2017	168,161	141,467	17,647	26,216	987	154	1,930	0	0
2018	104,242	127,235	16,545	3,181	282	44	0	0	0
2019	252,269	191,202	33,369	13,654	5,142	0	0	0	0
2020	257,428	332,618	188,848	45,036	0	0	0	0	0
2021	200,053	79,591	15,426	48,311	0	0	0	0	0
2022	229,627	138,561	14,178	0	0	0	0	0	0
2023	147,805	126,091	0	0	0	0	0	0	0
2024	382,250	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8	9
2016	525,726	901,786	64,814	3	0	0	70	28	0
2017	592,170	447,027	49,797	63,913	2,081	268	2,602	0	
2018	329,400	359,042	40,335	6,707	490	59	0		
2019	711,873	466,134	70,354	23,724	6,932	0			
2020	627,587	701,281	328,138	60,708	0				
2021	421,787	138,296	20,794	48,311					
2022	398,994	186,781	14,178						
2023	199,241	126,091							
2024	382,250								

Notes to the consolidated and separate financial statements

LOB	Engineering

Adjusted Bornheutter Ferguson Method based on the average of the IABCL and IALDF factors

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	9,913	0	15,185	10,887	2,049	0	9	4,048	285
2017	0	13,948	1,879	761	461	0	0	0	0
2018	9,869	5,397	1,611	1,534	0	0	0	0	0
2019	45,035	19,951	124	402	544	0	0	0	0
2020	7,635	24,725	174	170	0	0	0	0	0
2021	26,288	32,543	284	1,996	0	0	0	0	0
2022	14,178	28,547	1,143	0	0	0	0	0	0
2023	82,246	7,983	0	0	0	0	0	0	0
2024	56,042	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	40,274	0	47,983	30,722	4,994	0	16	5,457	285
2017	0	44,075	5,303	1,855	972	0	0	0	
2018	31,187	15,230	3,927	3,235	0	0	0		
2019	127,083	48,639	262	699	734	0			
2020	18,614	52,130	302	230	0				
2021	55,426	56,546	382	1,996					
2022	24,636	38,482	1,143						
2023	110,868	7,983							
2024	56,042								

LOB	Motor

Adjusted Bornheutter Ferguson Method based on the average of the IABCL and IALDF factors

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	594,518	283,250	31,631	20,452	2,500	739	3,198	1,635	0
2017	608,474	338,316	27,841	2,592	3,660	512	8,856	3,088	0
2018	423,297	94,236	373	635	1,413	174	122	0	0
2019	424,207	78,010	933	603	0	0	0	0	0
2020	319,250	75,891	2,310	0	0	0	0	0	0
2021	521,095	88,743	727	21	0	0	0	0	0
2022	565,040	63,729	7,097	0	0	0	0	0	0
2023	472,608	61,988	0	0	0	0	0	0	0
2024	523,317	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	2,415,336	997,448	99,953	57,713	6,095	1,557	5,557	2,204	0
2017	2,142,704	1,069,059	78,565	6,319	7,717	889	11,938	3,088	
2018	1,337,592	265,922	909	1,338	2,454	234	122		
2019	1,197,060	190,181	1,968	1,048	0	0			
2020	778,302	160,006	4,015	0	0				
2021	1,098,662	154,198	980	21					
2022	981,797	85,907	7,097						
2023	637,075	61,988							
2024	523,317								

Notes to the consolidated and separate financial statements

LOB	Aviation

Adjusted Bornheutter Ferguson Method based on the average of the IABCL and IALDF factors

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	1	2	3	4	5	6	7	8	9
	Development Year								
2016	35,635	1,722	54,764	0	0	0	0	0	0
2017	514	3,862	0	0	3	0	0	0	0
2018	73,953	6,934	64	3,701	0	0	0	0	0
2019	2,221	231	468	70,376	0	516	0	0	0
2020	0	0	329	0	0	0	0	0	0
2021	6,588	8,125	4,850	0	0	0	0	0	0
2022	45,414	54,584	8,794	0	0	0	0	0	0
2023	9,474	108,526	0	0	0	0	0	0	0
2024	171,540	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

Loss Year	1	2	3	4	5	6	7	8	9
	Development Year								
2016	144,773	6,064	173,052	0	0	0	0	0	0
2017	1,810	12,204	0	0	7	0	0	0	
2018	233,686	19,566	157	7,804	0	0	0		
2019	6,266	563	987	122,284	0	516			
2020	0	0	572	0	0				
2021	13,889	14,118	6,538	0					
2022	78,910	73,579	8,794						
2023	12,771	108,526							
2024	171,540								

LOB	General Accident

Adjusted Bornheutter Ferguson Method based on the average of the IABCL and IALDF factors

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	1	2	3	4	5	6	7	8	9
	Development Year								
2016	125,425	143,759	62,191	11,659	7,312	1,823	882	2,314	180
2017	162,623	203,879	17,569	31,034	10,342	5,416	3,075	1,678	0
2018	145,511	170,795	35,062	924	1,689	7,767	3	0	0
2019	179,616	87,355	24,641	26,934	7,227	1,393	0	0	0
2020	139,531	114,065	7,572	6,473	2,233	0	0	0	0
2021	168,038	83,057	11,761	12,041	0	0	0	0	0
2022	130,769	113,647	18,014	0	0	0	0	0	0
2023	194,845	158,241	0	0	0	0	0	0	0
2024	196,569	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

Loss Year	1	2	3	4	5	6	7	8	9
	Development Year								
2016	509,563	506,237	196,521	32,901	17,825	3,844	1,533	3,119	180
2017	572,666	644,245	49,578	75,659	21,805	9,410	4,144	1,678	
2018	459,805	481,963	85,478	1,949	2,934	10,470	3		
2019	506,855	212,963	51,952	46,799	9,742	1,393			
2020	340,165	240,491	13,157	8,725	2,233				
2021	354,286	144,318	15,854	12,041					
2022	227,221	153,196	18,014						
2023	262,651	158,241							
2024	196,569								

Inflation Adjusted Cumulative Claims ('000)

Loss Year	1	2	3	4	5	6	7	8	9
	Development Year								
2016	509,563	1,015,801	1,212,321	1,245,222	1,263,047	1,266,891	1,268,424	1,271,544	1,271,724
2017	572,666	1,216,911	1,266,489	1,342,148	1,363,953	1,373,363	1,377,507	1,379,185	
2018	459,805	941,767	1,027,246	1,029,194	1,032,128	1,042,598	1,042,601		
2019	506,855	719,819	771,771	818,570	828,312	829,706			
2020	340,165	580,656	593,814	602,539	604,772				
2021	354,286	498,604	514,457	526,499					
2022	227,221	380,417	398,431						
2023	262,651	420,893							
2024	196,569								

Revenue Accounts
For the year ended 31 December 2024

Non Life

In thousands of naira	Note	Motor	Fire	General Accidents	Marine	Bond	Oil & Gas	Engineering	Aviation	Total 2024
Insurance revenue	24(a)	4,751,910	2,679,836	1,664,919	1,340,434	26,983	5,246,021	6,113,042	922,952	22,746,097
Insurance service expense	24(a)	(2,564,162)	(1,888,625)	(1,554,814)	(719,170)	(6,601)	(3,737,422)	(1,952,523)	(816,735)	(13,240,052)
Net expenses from reinsurance contracts held	25	(61,068)	(565,685)	269,358	(340,182)	(12,925)	(3,310,385)	(3,994,844)	(793,613)	(8,809,344)
Insurance service result		**2,126,680**	**225,526**	**379,463**	**281,082**	**7,457**	**(1,801,786)**	**165,675**	**(687,396)**	**696,701**
Net finance income from insurance contracts issued	26	28,514	32,324	-	13,514	-	-	79,587	-	153,939
Net finance expense from reinsurance contracts held	27	(18,773)	(130,977)	3,475	(14,434)	182	(126,433)	(314,389)	(7,981)	(609,330)
Total financial results		**2,136,421**	**126,873**	**382,938**	**280,162**	**7,639**	**(1,928,219)**	**(69,127)**	**(695,377)**	**241,310**

Life

In thousands of naira	*Note*	Annuity	Pure Risk	Savings	Group Life	Credit Life	Endowment	Total 2024
Insurance revenue	24(a)	696,174	102,214	208,702	4,362,872	2,249,583	(253)	7,619,292
Insurance service expense	24(a)	(1,269,454)	(112,475)	170,600	(2,793,797)	(1,511,155)	(26,846)	(5,543,127)
Net expenses from reinsurance contracts held	25	-	7,805	(1,845)	(735,900)	325,107	(846)	(405,679)
Insurance service result		**(573,280)**	**(2,456)**	**377,457**	**833,175**	**1,063,535**	**(27,945)**	**1,670,486**
Net finance expenses from insurance contracts issued	26	107,605	(52,622)	(640,770)	145,110	(247,112)	(2,754)	(690,543)
Net finance expense from reinsurance contracts held	27	-	(5,364)	264	(15,695)	(854)	91	(21,558)
Total financial results		**(465,675)**	**(60,442)**	**(263,049)**	**962,590**	**815,569**	**(30,608)**	**958,385**

Consolidated insurance service result	**2,367,187**
Consolidated financial results	**1,199,695**

Revenue Accounts
For the year ended 31 December 2023

Non Life *In thousands of naira*	Note	Motor	Fire	General Accidents	Marine	Bond	Oil & Gas	Engineering	Aviation	Total 2022
Insurance revenue	24(a)	2,505,550	2,079,237	1,021,557	719,906	24,672	3,488,943	4,476,448	408,433	14,724,745
Insurance service expense	24(a)	(1,839,198)	(1,423,243)	(384,191)	(308,881)	2,801	(2,465,056)	(3,749,361)	(248,090)	(10,415,219)
Net expenses from reinsurance contracts held	25	(61,368)	(780,122)	(399,346)	(222,891)	(16,274)	(1,857,716)	(2,330,165)	(193,034)	(5,860,917)
Insurance service result		**604,985**	**(124,129)**	**238,019**	**188,133**	**11,199**	**(833,829)**	**(1,603,079)**	**(32,691)**	**(1,551,391)**
Net finance income from insurance contracts issued	26	-	-	-	-	-	-	-	-	-
Net finance expense from reinsurance contracts held	27	-	-	-	-	-	-	-	-	-
Total financial results		**604,985**	**(124,129)**	**238,019**	**188,133**	**11,199**	**(833,829)**	**(1,603,079)**	**(32,691)**	**(1,551,391)**

Life *In thousands of naira*	*Note*	Annuity	Pure Risk	Savings	Group Life	Credit Life	Endowment	Total 2022
Insurance revenue	24(a)	607,106	353,450	247,133	3,201,790	847,904	24,852	5,282,237
Insurance service expense	24(a)	(616,328)	94,349	(489,141)	(2,593,606)	(119,526)	(1,587)	(3,725,839)
Net expenses from reinsurance contracts held	25	-	10,532	(3,781)	(208,373)	105,725	(724)	(96,621)
Insurance service result		**(9,221)**	**458,331**	**(245,788)**	**399,811**	**834,103**	**22,541**	**1,459,777**
Net finance expenses from insurance contracts issued	26	(120,029)	(162,400)	(575,360)	-	(167,522)	(4,872)	(1,030,184)
Net finance income from reinsurance contracts held	27	-	(3,027)	1,626	-	12,793	292	11,684
Total financial results		**(129,250)**	**292,903**	**(819,523)**	**399,811**	**679,373**	**17,962**	**441,277**
Consolidated insurance service result								**(91,614)**
Consolidated financial results								**(1,110,114)**

Life Deposit Administration/Investment Contracts Revenue Account
For the year ended 31 December

In thousands of naira	***Note***	**2024**	**2023**
Income			
Interest income	18(a)	497,414	412,795
Expenses			
Guaranteed interest	18(a)	(44,120)	(30,031)
Gain on deposit administration / investment contracts		453,294	382,764

OTHER NATIONAL DISCLOSURES

Value Added Statement

For the year ended 31 December

Group

	2024		2023	
	₦'000	**%**	**₦'000**	**%**
Insurance service revenue	38,669,485	114	25,914,108	123
Insurance service & operating expenses - Local	(28,366,941)	(83)	(20,105,069)	(96)
Net expenses from reinsurance contracts held and other income	23,695,517	70	15,214,232	72
Value added	**33,998,061**	100	**21,023,271**	100
Distribution				
Employees				
- Salaries	5,008,636	15	3,684,049	18
Government				
- Taxation	2,725,982	8	3,242,571	15
Retained in the Business				
- Depreciation and amortisation	369,939	1	257,890	1
- To augment reserves	25,893,504	76	13,838,762	66
Value added	**33,998,061**	100	**21,023,271**	100

This statement represents the distribution of the wealth or losses created with the Group's assets.

Company	2024		2023	
	₦'000	**%**	**₦'000**	**%**
Insurance service revenue	30,365,388	137	20,006,981	149
Insurance service & operating expenses - Local	(20,812,833)	(94)	(15,761,566)	(117)
Net expenses from reinsurance contracts held and other income	12,602,687	57	9,192,780	68
Value added	**22,155,242**	**100**	**13,438,195**	**100**
Distribution				
Employees				
- Salaries	4,204,099	19	2,970,172	22
Government				
- Taxation	1,284,140	6	867,368	6
Retained in the Business				
- Depreciation and amortisation	285,174	1	191,439	1
- To augment reserves	16,381,828	74	9,409,215	70
Value added	**22,155,242**	100	**13,438,195**	100

Financial Summary-Group

In thousands of naira	2024	2023	2022 restated	2021 restated	2020
Assets					
Cash and cash equivalents	24,061,223	19,217,453	10,885,696	14,402,330	11,662,703
Financial assets	76,371,800	44,463,303	23,498,744	18,549,874	18,402,727
Deferred acquisition cost	-	-	-	-	567,596
Premium receivables	549,140	271,955	607,342	300,788	154,580
Other receivables and prepayments	1,274,283	1,506,257	774,065	1,273,809	612,224
Reinsurance contract assets	12,834,142	10,483,865	8,039,297	8,990,625	7,719,422
Investment in joint venture	-	-	510	510	271,295
Deferred tax assets	-	861,211	861,211	861,211	838,000
Investment properties	872,000	765,000	680,000	625,000	602,000
Property and equipment	4,323,243	3,731,447	2,977,613	1,838,314	1,780,020
Intangible assets	15,172	8,061	6,266	11,805	17,648
Statutory deposit	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Total assets	**121,501,004**	**82,508,551**	**49,530,744**	**48,054,266**	**43,828,215**
Liabilities					
Insurance contract liabilities	45,144,044	35,174,039	26,236,868	24,124,421	18,746,225
Reinsurance contract liabilities	143,619	-	-	-	-
Investment contract liabilities	1,053,426	800,145	668,581	721,499	3,674,861
Other insurance related liabilities	4,659,561	5,118,697	2,623,056	2,504,861	-
Trade payables	-	-	-	-	1,619,695
Deferred commission income	-	-	-	-	770,626
Other payables and accruals	4,551,196	3,651,199	942,956	1,058,081	842,765
Current tax liabilities	925,416	599,630	462,899	475,575	445,799
Deferred tax liabilities	4,519,969	3,235,097	331,604	88,026	-
Employees benefit obligations	7,048	10,972	19,493	13,553	3,793
Total liabilities	**61,004,279**	**48,589,780**	**31,285,457**	**28,986,015**	**26,103,764**
Net assets	**60,496,725**	**33,918,771**	**18,245,287**	**19,068,251**	**17,724,451**
Equity					
Ordinary share capital	9,083,196	9,083,196	9,083,196	9,083,197	9,083,196
Share premium	183,165	183,165	183,165	183,164	183,165
Treasury shares	(67,130)	(67,130)	(67,130)	(67,130)	(58,440)
Retained earnings	32,833,837	14,122,858	2,695,544	4,428,247	3,101,415
Contingency reserve	11,799,411	7,833,733	5,559,616	4,735,167	4,017,271
Fair value and other reserves	5,884,721	2,301,359	477,971	411,331	1,132,194
Non-controlling interest	779,523	461,591	312,926	294,274	265,650
Shareholders' funds	**60,496,723**	**33,918,772**	**18,245,287**	**19,068,250**	**17,724,451**
Total liabilities and equity	**121,501,004**	**82,508,551**	**49,530,744**	**48,054,266**	**43,828,215**
Insurance service revenue	38,669,485	25,914,108	20,484,375	17,792,619	
Net insurance result/underwriting results	2,148,223	(337,561)	1,255,314	5,250,289	
Gross premium written (IFRS 4)					17,539,219
Gross premium income (IFRS 4)					15,718,711
Profit before minimum and income tax	28,619,486	17,081,332	388,126	3,741,007	1,767,093
Minimum tax	(461,076)	(212,322)	(69,280)	(2,433)	-
Income tax (expense)/credit	(2,264,906)	(3,030,249)	(302,457)	(202,639)	427,764
Profit for the year	25,893,504	13,838,762	16,389	3,535,935	2,194,857

Financial Summary-Company

In thousands of naira	2024	2023	2022 restated	2021 restated	2020
Assets					
Cash and cash equivalents	7,341,943	9,265,799	5,957,724	9,732,527	8,175,263
Financial assets	60,777,051	35,112,230	18,529,416	14,321,091	14,065,366
Deferred acquisition cost	-	-	-	-	466,196
Premium receivables	322,551	207,729	545,407	255,793	108,675
Other receivables and prepayments	940,275	2,123,762	919,474	1,213,182	789,101
Reinsurance contract assets	9,280,075	8,543,256	6,861,272	8,171,385	7,197,096
Investment in joint venture	-	-	280	280	137,738
Deferred tax assets	-	861,211	861,211	861,211	838,000
Investment in subsidiaries	5,008,847	3,620,847	3,620,847	3,620,847	3,620,847
Property and equipment	1,901,208	1,504,929	1,191,083	582,447	570,093
Intangible assets	9,726	343	1,129	3,397	13,500
Statutory deposit	500,000	500,000	500,000	500,000	500,000
Total assets	**86,081,675**	**61,740,103**	**38,987,843**	**39,262,160**	**36,481,875**
Liabilities					
Insurance contract liabilities	37,837,078	31,211,425	23,818,376	22,100,346	17,203,861
Reinsurance contract liabilities	143,619	-	-	-	-
Investment contract liabilities	730,382	479,124	249,915	254,197	3,226,593
Other insurance related liabilities	3,417,237	4,451,110	2,279,283	1,673,898	-
Trade payables	-	-	-	-	1,403,882
Deferred commission income	-	-	-	-	676,315
Other payables and accruals	3,816,113	2,458,468	809,480	790,445	704,472
Current tax liabilities	632,963	433,268	283,854	345,704	276,964
Deferred tax liabilities	859,434	809,794	175,788	23,211	-
Employees benefit obligations	7,048	10,972	17,469	11,529	1,769
Total liabilities	**47,443,873**	**39,854,161**	**27,634,165**	**25,199,330**	**23,493,856**
Net assets	**38,637,801**	**21,885,942**	**11,353,678**	**14,062,829**	**12,988,019**
Equity					
Ordinary share capital	9,083,196	9,083,196	9,083,196	9,083,196	9,083,196
Share premium	183,165	183,165	183,165	183,165	183,165
Treasury shares	(67,130)	(67,130)	(67,130)	(67,130)	(58,440)
Retained earnings/(accumulated losses)	17,553,968	6,139,264	(1,913,714)	932,056	(431,800)
Contingency reserve	7,925,430	5,864,929	4,508,692	3,844,841	3,305,027
Fair value and other reserves	3,959,174	682,519	(440,531)	86,703	906,871
Shareholders' funds	**38,637,802**	**21,885,943**	**11,353,678**	**14,062,831**	**12,988,019**
Total liabilities and equity	**86,081,675**	**61,740,104**	**38,987,843**	**39,262,160**	**36,481,875**
Insurance Revenue	30,365,388	20,006,981	17,018,350	15,347,798	
Net insurance result/underwriting results	2,367,185	(91,614)	(12,101)	4,784,104	
Gross premium written (IFRS 4)					15,787,124
Gross premium income (IFRS 4)					14,210,849
Profit/(loss) before minimum and income tax	17,665,968	10,276,582	(1,059,739)	2,852,366	1,277,126
Minimum tax	(235,590)	(143,082)	(69,280)	(2,433)	-
Income tax (expense)/credit	(1,048,551)	(724,286)	(144,580)	(109,122)	461,045
Profit/(loss) for the year	25,893,504	13,838,762	(1,273,599)	2,740,811	1,738,171