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SECRETARY



**NEM INSURANCE PLC**

**ANNUAL REPORT  
31 DECEMBER 2025**



**NEM INSURANCE PLC**  
**ANNUAL REPORT, 31 DECEMBER 2025**

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Corporate Information

|                  |  |   |
|------------------|--|---|
| <b>Directors</b> | Mr. Tope Smart<br>Mr. Andrew Ikekhua<br>Mr. Idowu Semowo<br>Yemi Mayadenu<br>Alh. Ahmed Yakasai<br>Mrs. Joy Teluwo<br>Mr. Papa Ndiaye<br>Mr. Kelechi Okoro<br>Dr. Daphne Dafinone<br>Chief (Dr) Anthony Aletor<br>Mrs. Abisola Giwa-Osagie | Group Chairman<br>Managing Director<br>Executive Director<br>Executive Director<br>Independent Director<br>Non-Executive Director<br>Non-Executive Director<br>Non-Executive Director<br>Non-Executive Director<br>Non-Executive Director<br>Non-Executive Director |
|------------------|--|---|

**Company Secretary** Mrs. Ifunanya Iwuagwu  
199, Ikorodu Road  
Obanikoro, Lagos

**Registered Office** NEM House  
199, Ikorodu Road  
Obanikoro, Lagos

**FRCN Number** FRC/2012/000000000249

**Registration Number** 6971

**Tax Identification Number** 00010019-0001

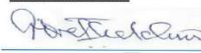

**Corporate Head Office** NEM House  
199, Ikorodu Road  
Obanikoro, Lagos

**Registrars** APEL Capital & Trust Limited  
8, Alhaji Bashorun Street  
Off Norman Williams Crescent,  
South West, Ikoyi  
Lagos  
Tel: 01-2932121  
Mobile No: 07046126698

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

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

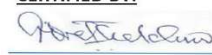

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Corporate Information (Cont'd)

|                        |  |
|------------------------|--|
| <b>Solicitors</b>      | <b>Koya &amp; Kuti Solicitors</b><br>5th Floor, 3, Ajele Street,<br>Lagos.   |
|                        | <b>Sola Abidakun &amp; Co</b><br>186A, Igbosere Road,<br>Lagos Island, Lagos.  |
|                        | <b>Adeboye Badejo &amp; Co</b><br>2, Akin Osiyemi Street,<br>Ground Floor, 1st Door left wing,<br>FBN Bus Stop, Off Allen Avenue<br>Ikeja, Lagos.  |
|                        | <b>A &amp; M Legal Practitioners</b><br>Plot 2, Block B, Palms<br>Residences estate,<br>Lekki Phase II, Lagos.   |
|                        | <b>Hermon Legal Practitioners</b><br>Theodolite House,<br>306, Ikorodu-Ososun Road,<br>Anthony, Lagos.   |
| <b>Reinsurers</b>      | African Reinsurers Corporation<br>Continental Reinsurance Corporation<br>SWISS Reinsurance Company<br>WAICA Reinsurance Pool   |
| <b>Subsidiaries</b>    | <b>NEM Asset Management Ltd</b><br>199, Ikorodu Road, Obanikoro,<br>Lagos.<br>P.O. Box 654<br>Tel: 01-4489574  |
|                        | <b>NEM Health Limited</b><br>199, Ikorodu Road, Obanikoro,<br>Lagos.<br>P.O. Box 654<br>Tel: 02013300150   |
| <b>Branch Networks</b> | <b>Abuja - Garki</b><br>78, Emeka Anyaogu,<br>Off Muhammadu Buhari Way,<br>Area 11, Garki, Abuja.<br>Branch Manager: Michael A. Giwa<br>Mobile No: 08033208141   |
|                        | <b>Abuja - Wuse</b><br>Plot 548, Ejura Close,<br>Wuse II, Abuja<br>Branch Manager: Mr. Martins Ilegoma<br>Mobile Nos: 08077284843<br>08078153184, 08037020262  |
|                        | <b>Abuja - Central Business District</b><br>82, Imo State Liaison office<br>Opp. Federal Ministry of Finance<br>Central Business District<br>Branch Manager: Davies O. Dada<br>Mobile Nos: 08150849411 |

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Corporate Information (Cont'd)

**Apapa**

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

**Calabar**

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

**Akure**

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

**Ibadan**

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

**Jos**

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

**Lagos Mainland**

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



**Kano**

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

**Onitsha**

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

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Corporate Information (Cont'd)

**Kaduna**

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

**Oshogbo**

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

**Warri**

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

**Port Harcourt**

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

**Anthony Retail**

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

**Aba**

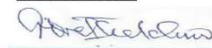
45, Omenazu Street,  
Off Fauks Road, Aba, Abia State  
Branch Manager: Celia Harry  
Mobile Nos: 08037583974

**Lekki**

Bannex Mall, Plot 1, Akinogun Road,  
Opp. Maroko Police Station, Lekki, Lagos.  
Branch Manager: Folashade Kolawole  
Mobile Nos: 07036256299, 08023006137

|                    |  |
|--------------------|--|
| <b>Our Vision</b>  | To be the preferred choice of the insuring public  |
| <b>Our Mission</b> | To build a customer-satisfying Insurance Institution that is passionate about adding value to the interests of all stakeholders. |
| <b>Core Values</b> | Discipline<br>Integrity<br>Humility<br>Excellence<br>Empathy<br>Courage  |

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NEM INSURANCE PLC  
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GROUP RESULTS AT A GLANCE

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|   | 2025               |                    | 2024             |              |
|---|--------------------|--------------------|------------------|--------------|
|   | N'000              | N'000              | Changes<br>N'000 | Changes<br>% |
| <b>FINANCIAL POSITION</b>                                       |                    |                    |                  |              |
| Cash and cash equivalents                                       | 30,997,635         | 13,978,899         | 17,018,736       | 122          |
| Financial assets:   |                    |                    |                  |              |
| - At fair value through profit or loss                          | 18,396,389         | 11,409,434         | 6,986,955        | 61           |
| - At fair value through other comprehensive income              | 3,711,980          | 64,431             | 3,647,549        | 5,661        |
| - At amortised cost   | 77,054,169         | 68,577,216         | 8,476,953        | 12           |
| Premium Receivable  | 3,444,886          | 1,271,090          | 2,173,796        | 171          |
| Reinsurance contract assets                                     | 27,600,408         | 15,910,561         | 11,689,847       | 73           |
| Other receivables and prepayments                               | 11,873,642         | 3,257,300          | 8,616,342        | 265          |
| Investment properties   | 6,881,856          | 3,730,585          | 3,151,271        | 84           |
| Statutory deposit   | 320,000            | 320,000            | -                | -            |
| Intangible asset  | 198,614            | 71,473             | 127,141          | 178          |
| Property, Plant and Equipment                                   | 5,019,539          | 4,934,615          | 84,924           | 2            |
| Right-of-use Assets   | 540,421            | 706,352            | (165,931)        | (23)         |
| <b>Total Assets</b>   | <b>186,039,539</b> | <b>124,231,955</b> | 61,807,584       | 50           |
| Insurance contract liabilities                                  | 67,327,073         | 42,330,564         | 24,996,509       | 59           |
| Other Technical liabilities                                     | 12,881,024         | 718,236            | 12,162,788       | 1,693        |
| Other payables  | 9,027,203          | 5,589,070          | 3,438,133        | 62           |
| Lease liabilities   | 210,973            | 462,408            | (251,435)        | (54)         |
| Income tax liability  | 11,509,644         | 6,968,545          | 4,541,099        | 65           |
| Deferred tax liability  | 626,128            | 2,723,991          | (2,097,863)      | (77)         |
| <b>Total Liabilities</b>  | <b>101,582,045</b> | <b>58,792,815</b>  | 42,789,230       | 73           |
| Share capital   | 5,016,477          | 5,016,477          | -                | -            |
| Statutory contingency reserve                                   | 20,390,552         | 15,653,975         | 4,736,577        | 30           |
| Retained earnings   | 56,046,374         | 41,966,836         | 14,079,538       | 34           |
| FVOCI reserve   | (21,746)           | (57,065)           | 35,319           | (62)         |
| Asset revaluation reserve                                       | 2,789,801          | 2,789,801          | (0)              | (0)          |
| Non-controlling interest  | 236,036            | 69,116             | 166,920          | 242          |
| <b>Total Equity</b>   | <b>84,457,494</b>  | <b>65,439,140</b>  | 19,018,354       | 29           |
| <b>INCOME STATEMENT</b>   | <b>N'000</b>       | <b>N'000</b>       | <b>N'000</b>     | <b>%</b>     |
| Insurance Revenue   | 152,354,894        | 97,966,541         | 54,388,353       | 56           |
| Insurance Service expenses                                      | (93,488,833)       | (61,008,412)       | (32,480,421)     | 53           |
| Net expenses on Reinsurance contracts                           | (39,570,482)       | (18,138,541)       | (21,431,941)     | 118          |
| <b>Insurance Service Result</b>                                 | <b>19,295,579</b>  | <b>18,819,588</b>  | 475,991          | 3            |
| Interest revenue calculated using the effective interest method | 12,134,642         | 6,858,654          | 5,275,988        | 77           |
| Dividend Income   | 824,328            | 771,736            | 52,592           | 7            |
| Net foreign exchange (loss)/gain                                | (2,452,032)        | 14,803,675         | (17,255,707)     | (117)        |
| Net Fair value gain   | 9,957,056          | 1,762,142          | 8,194,914        | 465          |
| Net impairment write-backs/(losses)                             | 43,954             | (1,050,429)        | 1,094,383        | (104)        |
| <b>Net Investment result</b>                                    | <b>20,507,948</b>  | <b>23,145,778</b>  | (2,637,830)      | (11)         |
| Net Insurance finance expenses                                  | (1,138,739)        | (32,373)           | (1,106,366)      | 3,418        |
| <b>Net Insurance and Investment result</b>                      | <b>38,664,788</b>  | <b>41,932,994</b>  | (3,268,206)      | (8)          |
| Other operating income  | 177,374            | 497,451            | (320,077)        | (64)         |
| Loss on disposal of property, plant and equipment               | (269)              | (8,729)            | 8,460            | (97)         |
| Management expenses   | (10,434,148)       | (8,523,079)        | (1,911,069)      | 22           |
| Finance cost  | (431,518)          | (199,983)          | (231,535)        | 116          |
| <b>Profit before taxation</b>                                   | <b>27,976,227</b>  | <b>33,698,653</b>  | (5,722,426)      | (17)         |
| Income taxes  | (4,077,340)        | (4,458,079)        | 380,739          | (9)          |
| <b>Profit for the year after tax</b>                            | <b>23,898,887</b>  | <b>29,240,575</b>  | (5,341,688)      | (18)         |
| Total other comprehensive income for the year                   | 35,319             | 671,049            | (635,730)        | (95)         |
|   | <b>23,934,206</b>  | <b>29,911,625</b>  | (5,977,419)      | (20)         |
| Profit attributable to Equity holders of the parent             | <b>23,832,592</b>  | <b>29,214,386</b>  | (5,381,794)      | (18)         |
| Profit attributable to Non controlling interest                 | <b>66,295</b>      | <b>26,189</b>      | 40,106           | 153          |
| <b>Basic earnings per share (Kobo)</b>                          | <b>475</b>         | <b>582</b>         | (107)            | (18)         |
| <b>Diluted earnings per shares (Kobo)</b>                       | <b>475</b>         | <b>582</b>         | (107)            | (18)         |

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NEM INSURANCE PLC  
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PARENT RESULTS AT A GLANCE

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|   | 2025               | 2024               | Changes<br>N'000 | Changes<br>% |
|---|--------------------|--------------------|------------------|--------------|
| <b>FINANCIAL POSITION</b>                                       | <b>N'000</b>       | <b>N'000</b>       |                  |              |
| Cash and cash equivalents                                       | 27,606,163         | 12,771,656         | 14,834,507       | 116          |
| Financial assets:   |                    |                    |                  |              |
| - At fair value through profit or loss                          | 18,396,389         | 11,409,434         | 6,986,955        | 61           |
| - At fair value through other comprehensive income              | 3,711,980          | 64,431             | 3,647,549        | 5,661        |
| - At amortised cost   | 76,780,633         | 68,577,216         | 8,203,417        | 12           |
| Premium Receivable  | 77,788             | 253,022            | (175,234)        | (69)         |
| Reinsurance contract assets                                     | 27,600,409         | 15,910,561         | 11,689,848       | 73           |
| Other receivables and prepayments                               | 11,041,705         | 2,911,773          | 8,129,932        | 279          |
| Investment in Subsidiary  | 684,375            | 435,000            |                  |              |
| Investment properties   | 6,881,856          | 3,730,585          | 3,151,271        | 84           |
| Statutory deposit   | 320,000            | 320,000            | -                | -            |
| Intangible asset  | 41,221             | 37,377             | 3,844            | 10           |
| Property, Plant and Equipment                                   | 4,682,955          | 4,762,981          | (80,026)         | (2)          |
| Right-of-use Assets   | 768,442            | 748,830            | 19,612           | 3            |
| <b>Total Assets</b>   | <b>178,593,916</b> | <b>121,932,866</b> | 56,661,050       | 46           |
| Insurance contract liabilities                                  | 63,498,152         | 41,093,559         | 22,404,593       | 55           |
| Other Technical liabilities                                     | 12,880,471         | 666,240            | 12,214,231       | 1,833        |
| Other payables  | 5,782,023          | 4,568,064          | 1,213,959        | 27           |
| Lease liabilities   | 361,364            | 495,722            | (134,358)        | (27)         |
| Income tax liability  | 11,439,989         | 6,947,308          | 4,492,681        | 65           |
| Deferred tax liabilities  | 624,652            | 2,722,816          | (2,098,164)      | (77)         |
| <b>Total Liabilities</b>  | <b>94,586,651</b>  | <b>56,493,709</b>  | 38,092,942       | 67           |
| Share capital   | 5,016,477          | 5,016,477          | -                | -            |
| Statutory contingency reserve                                   | 20,390,552         | 15,653,975         | 4,736,577        | 30           |
| Retained earnings   | 55,832,181         | 42,035,969         | 13,796,212       | 33           |
| FVOCI reserve   | (21,746)           | (57,065)           | 35,319           | (62)         |
| Asset revaluation reserve                                       | 2,789,801          | 2,789,801          | (0)              | (0)          |
| <b>Total Equity</b>   | <b>84,007,265</b>  | <b>65,439,157</b>  | 18,568,108       | 28           |
| <b>INCOME STATEMENT</b>   | <b>N'000</b>       | <b>N'000</b>       | <b>N'000</b>     | <b>%</b>     |
| Insurance Revenue   | 145,642,085        | 96,644,516         | 48,997,569       | 51           |
| Insurance Service expenses                                      | (87,675,412)       | (60,126,501)       | (27,548,911)     | 46           |
| Net expenses on Reinsurance contracts                           | (39,570,482)       | (18,138,541)       | (21,431,941)     | 118          |
| <b>Insurance Service Result</b>                                 | <b>18,396,191</b>  | <b>18,379,474</b>  | 16,717           | 0            |
| Interest revenue calculated using the effective interest method | 11,592,620         | 6,789,128          | 4,803,492        | 71           |
| Dividend Income   | 824,328            | 771,736            | 52,592           | 7            |
| Net foreign exchange (loss)/gain                                | (2,444,365)        | 14,785,554         | (17,229,919)     | (117)        |
| Net Fair value gain   | 9,957,056          | 1,762,142          | 8,194,914        | 465          |
| Net impairment write-backs/(losses)                             | 51,629             | (1,049,618)        | 1,101,247        | (105)        |
| <b>Net Investment result</b>                                    | <b>19,981,268</b>  | <b>23,058,941</b>  | (3,077,673)      | (13)         |
| Net Insurance finance expenses                                  | (1,138,739)        | (32,373)           | (1,106,366)      | 3,418        |
| <b>Net Insurance and Investment result</b>                      | <b>37,238,720</b>  | <b>41,406,043</b>  | (4,167,323)      | (10)         |
| Other operating income  | 101,377            | 181,693            | (80,316)         | (44)         |
| Loss on disposal of property, plant and equipment               | (269)              | (8,729)            | 8,460            | (97)         |
| Management expenses   | (9,639,301)        | (7,920,820)        | (1,718,481)      | 22           |
| Finance cost  | (139,676)          | (137,768)          | (1,908)          | 1            |
| <b>Profit before taxation</b>                                   | <b>27,560,851</b>  | <b>33,520,419</b>  | (5,959,568)      | (18)         |
| Income taxes  | (4,011,584)        | (4,438,096)        | 426,512          | (10)         |
| <b>Profit for the year after tax</b>                            | <b>23,549,267</b>  | <b>29,082,323</b>  | (5,533,056)      | (19)         |
| Total other comprehensive income for the year                   | 35,319             | 671,049            | (635,730)        | (95)         |
|   | <b>23,584,586</b>  | <b>29,753,372</b>  | (6,168,786)      | (21)         |
| Profit attributable to Equity holders of the parent             | <b>23,549,267</b>  | <b>29,082,323</b>  | (5,533,056)      | (19)         |
| <b>Basic earnings per share (Kobo)</b>                          | <b>469</b>         | <b>580</b>         | (110)            | (19)         |
| <b>Diluted earnings per shares (Kobo)</b>                       | <b>469</b>         | <b>580</b>         | (110)            | (19)         |

The directors hereby present their annual reports on the affairs of NEM Insurance Plc ("the Company" or "the Parent") together with its subsidiaries ("the Group") Group and Company's consolidated and separate financial statements with the independent auditor's report for the year ended 31 December 2025.

**1. Legal form**

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



**2. Principal activities and corporate development**

The Company is engaged in the business of General Insurance which includes marine and aviation, motor vehicle, fire and burglary, oil and gas, engineering, bond, general accident, and agriculture. The company has one wholly owned subsidiary: NEM Asset Management Company limited, and one partially owned subsidiary: NEM Health limited. NEM Asset Management company limited was incorporated on 11 July 2008 but commenced business in March 2016 to engage in investment business of all kinds including Vehicle Leasing, Machinery Acquisition, Hire Purchase of diverse assets etc. NEM Health limited was incorporated by NEM Insurance Plc on 22 November 2022 but commenced business in May 2024, and engages in the provision of health care services through health care providers and for that purpose is accredited by the National Health Insurance Authority. There have been no material changes to the group's business from the previous year.

**SUMMARY OF THE RESULT**

|   | Group              |                    | Parent             |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | 2025<br>N'000      | 2024<br>N'000      | 2025<br>N'000      | 2024<br>N'000      |
| <b>Operating result</b>                             |                    |                    |                    |                    |
| Insurance Revenue                                   | 152,354,894        | 97,966,541         | 145,642,085        | 96,644,516         |
| Investment Result                                   | 20,507,948         | 23,145,778         | 19,981,268         | 23,058,941         |
| Other revenue                                       | 177,105            | 488,723            | 101,108            | 172,964            |
| <b>Total Revenue</b>                                | <b>173,039,947</b> | <b>121,601,042</b> | <b>165,724,461</b> | <b>119,876,421</b> |
| Insurance Service expenses                          | 93,488,833         | 61,008,412         | 87,675,412         | 60,126,501         |
| Net expenses on Reinsurance contracts               | 39,570,482         | 18,138,541         | 39,570,482         | 18,138,541         |
| Net insurance finance expenses                      | 1,138,739          | 32,373             | 1,138,739          | 32,373             |
| Management and other expenses                       | 10,434,148         | 8,523,079          | 9,639,301          | 7,920,820          |
| Finance cost  | 431,518            | 199,983            | 139,676            | 137,768            |
| <b>Total Insurance and other expenses</b>           | <b>145,063,720</b> | <b>87,902,388</b>  | <b>138,163,610</b> | <b>86,356,003</b>  |
| Profit before tax                                   | 27,976,227         | 33,698,655         | 27,560,851         | 33,520,418         |
| Income tax expense                                  | (4,077,340)        | (4,458,079)        | (4,011,584)        | (4,438,096)        |
| <b>Profit For the Year</b>                          | <b>23,898,887</b>  | <b>29,240,576</b>  | <b>23,549,267</b>  | <b>29,082,322</b>  |
| Other Comprehensive income for the year             | 35,319             | 671,049            | 35,319             | 671,049            |
| <b>Total comprehensive income for the year</b>      | <b>23,934,206</b>  | <b>29,911,625</b>  | <b>23,584,586</b>  | <b>29,753,371</b>  |
| Basic Earnings Per Share (Kobo)                     | 475                | 582                | 469                | 580                |
| Diluted Basic Earnings Per Share (Kobo)             | 475                | 582                | 469                | 580                |
| Profit attributable to Equity holders of the parent | 23,832,592         | 29,214,386         | 23,549,267         | 29,082,323         |
| Profit attributable to Non-controlling interest     | 66,295             | 26,189             | -                  | -                  |

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

### 3. Dividend

Subsequent to the year-end and subject to approval at the next annual general meeting, the directors proposed a dividend of N=1.50k per share (2024: 1 naira) on the issued and paid-up capital of N5bn (2024: N5bn) ordinary shares of N=1.00 each for the year ended 31 December 2025 (see note 21). This amounts to N=7.5bn (2024: N=3bn) and this final dividend has not been reflected in the financial statements. Payment of dividends is subject to withholding tax at the rate of 10% in the hands of the recipient.

### 4. Introduction

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

For the financial year under review, 2025; the Board is of the opinion that NEM Insurance Plc has in all material respects, complied with the requirements of the Code of Corporate Governance for Insurance industry in Nigeria.

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

#### **THE BOARD OF DIRECTORS**

The Board of the Company is responsible for establishing the policy framework that would ensure that the Company fully discharges its legal, financial, as well as regulatory responsibilities. The Board monitors the performance of the Company, monitors the effectiveness of the Governance Structure under which it operates and renders the Accounts of its stewardship of the organization’s resources to the shareholders. The Board of Directors of the Company is composed of a mix of non-executives and executives whereby the number of non-executives exceeds the number of executives while the position of the Chairman of the Board is clearly delineated from the Chief Executive Officer.

#### **The Chairman**

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

#### **The Chief Executive Officer**

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

#### **Independent Director**

The Board appointed an Independent Director who remained independent since appointment.



#### **Annual Board Appraisal**

In accordance with the requirements of the NAICOM Code, the Board renewed the mandate of SIAO partners to conduct the appraisal of its performance for 2025. The Board embarked on implementation of some of the recommendations of the last Appraisal Report.

### (a) **ACTIVITIES OF THE BOARD**

The Board meets regularly to discuss critical issues affecting the organization and performs other responsibilities that fall within its purview as provided in the Company’s Article of Association and by other relevant regulatory authorities. Meetings were well attended with sufficient notice given well in advance of the meetings. Sufficient time was also allotted to meetings as required to cover the items on the Agenda.

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

### Composition of the Board/Schedule of Attendance at Meetings

A total of 5 Board meetings were held during the year 2025. Meetings were held on 6th March, 28th April, 29th July, 23rd October, and 4th December. A breakdown of the composition of the board and their attendance of the meetings is highlighted below.

| Name of Director          | Status                             | Meetings Held | Meetings Attended |
|---------------------------|------------------------------------|---------------|-------------------|
| Mr. Tope Smart            | Chairman                           | 5             | 5                 |
| Mr Andrew Ikekua          | Managing Director/CEO              | 5             | 5                 |
| Mr. Idowu Semowo          | Executive Director                 | 5             | 5                 |
| Mr. Yemi Mayadenu         | Executive Director                 | 5             | 5                 |
| Alhaji Ahmed I. Yakasai   | Independent Non-Executive Director | 5             | 5                 |
| Mrs Joy Teluwo            | Non-Executive Director             | 5             | 5                 |
| Mr. Papa Ndiaye           | Non-Executive Director             | 5             | 5                 |
| Mr. Kelechi Okoro         | Non-Executive Director             | 5             | 5                 |
| Dr Daphne Dafinone        | Non-Executive Director             | 5             | 4                 |
| Chief (Dr) Anthony Aletor | Non-Executive Director             | 5             | 5                 |
| Mrs. Abisola Giwa-Osagie  | Non-Executive Director             | 5             | 5                 |

### (b) Board Committees

The Board's committee structure is as specified in the NAICOM Code and is adequate for the complexity of the operations of the Company. The Committees and committee members for the 2025 financial year were:

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

The Committees listed above were provided with specified Terms of Reference to guide their activities.

#### Finance, General Purpose and Investment Committee

The key responsibilities of the Committee are:

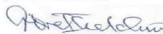

- Monitoring the Company's Budget
- Setting investment policies and guidelines
- Monitoring sources of Income Generation.
- Overseeing investment and reinvestment of the funds of the company
- Ensuring Integrity of Financial Reporting.
- Expense Control.

The Committee met four times during the year:

#### **Composition of Committee/Attendance**

| Name                    | Status   | Meetings Held | Meetings Attended |
|-------------------------|----------|---------------|-------------------|
| Chief Anthony Aletor    | Chairman | 4             | 4                 |
| Alhaji Ahmed I. Yakasai | Member   | 4             | 4                 |
| Mr. Kelechi Okoro       | Member   | 4             | 4                 |
| Mr Andrew Ikekua        | Member   | 4             | 4                 |
| Mr. Idowu Semowo        | Member   | 4             | 4                 |

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 DIRECTOR  
 SECRETARY

### Enterprise and Risk Management Committee.

The key responsibilities of the Committee are:

- Determine the policies in respect of Risk Profile and Risk Limits.
- Develop, recommend and implement strategic management plans
- Review policies as required by the Emerging dynamics of the operating environment.
- Study and give advice on the strategic plans for the long term development of the Company
- Ensure that all the Departments of the Company are adequately sensitized to the level of risks inherent in their operations.
- Assess Adequacy of Risk mitigants for major risk indicators.

The Committee met four times during the year

### Composition of the Committee/Attendance

| Name                    | Status      | Meetings Held | Meetings Attended |
|-------------------------|-------------|---------------|-------------------|
| Dr. Daphne Dafinone     | Chairperson | 4             | 4                 |
| Mrs Joy Teluwo          | Member      | 4             | 4                 |
| Alhaji Ahmed I. Yakasai | Member      | 4             | 4                 |
| Mr Idowu Semowo         | Member      | 4             | 4                 |
| Mr Yemi Mayadenu        | Member      | 4             | 4                 |

### Strategy and Corporate Development Committee.

The Terms of Reference of the Committee are:

- Researching and making recommendations to the Board on the long-term development strategies and plans of the Company.
- Develop an overall strategic plan for the company by prioritizing key issues based on input from management.
- Monitor progress toward the achievement of strategic goals.
- Oversight of the Company's investment relations engagement activities.

The Committee met three times during the year

### Composition of the Committee/Attendance

| Name                     | Status   | Meetings Held | Meetings Attended |
|--------------------------|----------|---------------|-------------------|
| Mr. Kelechi Okoro        | Chairman | 3             | 3                 |
| Mrs Abimbola Giwa-Osagie | Member   | 3             | 2                 |
| Mr. Andrew Ikekhua       | Member   | 3             | 3                 |
| Mr. Idowu Semowo         | Member   | 3             | 3                 |
| Mr. Yemi Mayadenu        | Member   | 3             | 3                 |

### Remuneration, Governance and Nomination Committee

The Terms of Reference of the Committee are:

- Approve, guide and influence key human resource policies and strategies.
- Ensure disclosure of remuneration in a proper, complete, accurate and transparent manner.
- To advise the Board on the Company's compliance with the NAICOM and SEC Corporate Governance Codes, and the Nigerian Stock Exchange Listed Company Rules and other applicable governance requirements.

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 DIRECTOR  
 SECRETARY

- Make recommendations to the board on matters pertaining to appointments, removals, and resignations of executive and non-executive directors
- Ensure that the process of appointing executives is credible and transparent; and oversee induction and ongoing development of directors.

The Committee met four times during the year

#### Composition of the Committee/Attendance

| Name                 | Status   | Meetings Held | Meetings Attended |
|----------------------|----------|---------------|-------------------|
| Mr. Papa Ndiaye      | Chairman | 4             | 4                 |
| Mrs. Joy Teluwo      | Member   | 4             | 4                 |
| Dr Daphne Dafinone   | Member   | 4             | 4                 |
| Chief Anthony Aletor | Member   | 4             | 4                 |

#### Audit and Compliance Committee

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

- The Committee shall have a written mandate and Terms of Reference.
- The Committee shall be responsible for the review of integrity of the data and information provided in the Audit and/or Financial Report.
- The Committee shall provide oversight functions with regards to both the Company's Financial Statement and its Internal Control and Risk Management Functions.
- The Committee shall review the terms of engagement and recommend the appointment or reappointment and compensation of External Auditors to the Board and the Shareholders.
- Review the procedure put in place to encourage honest whistle blowing.
- The Audit Committee shall meet at least three times in a year and at least once with the External Auditors.
- The Committee performance shall be evaluated periodically.

S.404 (7) of the Companies and Allied Matters Act, 2020 provides for the functions of the Committee.

The Committee met five times during the year and covered the basic components of these responsibilities.

#### The Composition of the Committee and schedule of attendance are as follows:

| Name                     | Status                       | Meetings Held | Meetings Attended |
|--------------------------|------------------------------|---------------|-------------------|
| Mr. Samuel Mpamaugo      | Chairman *                   | 5             | 5                 |
| Mr. Christopher Ogba     | Chairman **                  | 5             | 5                 |
| Mr. Taiwo Oderinde       | Shareholders' Representative | 5             | 4                 |
| Mr. Kelechi Okoro        | Non-Executive Director       | 5             | 5                 |
| Mrs. Abisola Giwa-Osagie | Non-Executive Director       | 5             | 5                 |

\* Mr Samuel Mpamaugo became the chairman of the committee on 24th July, 2025

\*\* Mr Christopher Ogba was the Chairman of the committee till 24th July 2025

#### 5. Directors and Directors' Interest

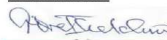

##### Directors

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

##### Directors' interest

The Interest of the Directors in the issued share capital of the Company as recorded in the register of shareholders and/or as notified by them for the purposes of Sections 301 of the Companies and Allied Matters Act, 2020 are as follows:

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

Directors' Interest as at December 31 2025

| NAME                      | Direct             | Indirect             | Total                |
|---------------------------|--------------------|----------------------|----------------------|
| MR. TOPE SMART            | 120,411,652        | -                    | 120,411,652          |
| MR ANDREW IKEKHUA         | 1,362,856          | -                    | 1,362,856            |
| MR. IDOWU SEMOWO          | 15,770,847         | -                    | 15,770,847           |
| MR ADEYEMI MAYADENU       | 1,262,134          | -                    | 1,262,134            |
| ALHAJI AHMED I. YAKASAI   | -                  | -                    | -                    |
| MR PAPA NDIAYE            | -                  | 749,963,426          | 749,963,426          |
| MR KELECHI OKORO          | 4,005,153          | -                    | 4,005,153            |
| MRS JOY TELUWO            | 253,044            | 320,201,645          | 320,454,689          |
| MRS BISOLA GIWA-OSAGIE    | 13,986,656         | -                    | 13,986,656           |
| DR DAPHNE DAFINONE        | -                  | 350,023,219          | 350,023,219          |
| CHIEF (DR) ANTHONY ALETOR | -                  | 364,318,306          | 364,318,306          |
|                           | <b>157,052,342</b> | <b>1,784,506,596</b> | <b>1,941,558,938</b> |

Directors' Interest as at December 31 2024

| NAME                      | Direct             | Indirect             | Total                |
|---------------------------|--------------------|----------------------|----------------------|
| MR. TOPE SMART            | 120,411,652        | -                    | 120,411,652          |
| MR ANDREW IKEKHUA         | 1,362,856          | -                    | 1,362,856            |
| MR IDOWU SEMOWO           | 15,770,847         | -                    | 15,770,847           |
| MR ADEYEMI MAYADENU       | 1,262,134          | -                    | 1,262,134            |
| ALHAJI AHMED I. YAKASAI   | -                  | -                    | -                    |
| MR PAPA NDIAYE            | -                  | 749,963,426          | 749,963,426          |
| MR KELECHI OKORO          | 4,005,153          | -                    | 4,005,153            |
| MRS JOY TELUWO            | 253,044            | 320,201,645          | 320,454,689          |
| MRS ABISOLA GIWA-OSAGIE   | 13,986,656         | -                    | 13,986,656           |
| DR DAPHNE DAFINONE        | -                  | 350,023,219          | 350,023,219          |
| CHIEF (DR) ANTHONY ALETOR | -                  | 364,318,306          | 364,318,306          |
|                           | <b>157,052,342</b> | <b>1,784,506,596</b> | <b>1,941,558,938</b> |

6. Directors Responsibilities

The Directors are responsible for the preparation of the consolidated and separate financial statements which gives a true and fair view of the state of affairs of the Group at the end of each financial year and of the income statement for that year and comply with the Nigerian Insurance Industry Reform Act 2025, Financial Reporting Council of Nigeria Act 2011 (as amended), and the Companies And Allied Matters Act, 2020.

7. Shareholding

The Registrar have advised that the issued capital of the Company as at 31 December, 2025 were beneficially held as follows:


|             | BEGINNING | TOTAL        | % OF         | TOTAL         | % OF          |
|-------------|-----------|--------------|--------------|---------------|---------------|
|             | RANGE     | SHAREHOLDERS | SHAREHOLDERS | SHAREHOLDINGS | SHAREHOLDINGS |
| 1           | 1000      | 5,856        | 13.80        | 3,007,788     | 0.06          |
| 1001        | 5000      | 10,919       | 25.72        | 33,293,460    | 0.66          |
| 5001        | 10000     | 7,946        | 18.72        | 64,003,389    | 1.28          |
| 10001       | 50000     | 12,930       | 30.46        | 314,159,792   | 6.26          |
| 50001       | 100000    | 2,745        | 6.47         | 210,292,033   | 4.19          |
| 100001      | 500000    | 1,705        | 4.02         | 353,186,407   | 7.04          |
| 500001      | 1000000   | 180          | 0.42         | 135,485,224   | 2.70          |
| 1000001     | 5000000   | 128          | 0.30         | 259,089,929   | 5.16          |
| 5000001     | 10000000  | 13           | 0.03         | 93,639,301    | 1.87          |
| 10000001    | 50000000  | 10           | 0.02         | 189,768,400   | 3.78          |
| 50000001    | 100000000 | 15           | 0.04         | 3,360,552,044 | 66.99         |
| Grand Total |           | 42,447       | 100          | 5,016,477,767 | 100           |

The Registrar also advised that the issued capital of the Company as at 31 December, 2024 were beneficially held as follows:

|             | BEGINNING | TOTAL        | % OF         | TOTAL         | % OF          |
|-------------|-----------|--------------|--------------|---------------|---------------|
|             | RANGE     | SHAREHOLDERS | SHAREHOLDERS | SHAREHOLDINGS | SHAREHOLDINGS |
| 1           | 1000      | 5,487        | 12.99        | 2,906,232     | 0.06          |
| 1001        | 5000      | 10,886       | 25.78        | 33,249,056    | 0.66          |
| 5001        | 10000     | 7,977        | 18.89        | 64,438,297    | 1.28          |
| 10001       | 50000     | 13,063       | 30.93        | 317,977,756   | 6.34          |
| 50001       | 100000    | 2,759        | 6.53         | 211,410,899   | 4.21          |
| 100001      | 500000    | 1,718        | 4.07         | 355,356,674   | 7.08          |
| 500001      | 1000000   | 170          | 0.40         | 127,572,905   | 2.54          |
| 1000001     | 5000000   | 139          | 0.33         | 276,139,110   | 5.50          |
| 5000001     | 10000000  | 15           | 0.04         | 106,806,097   | 2.13          |
| 10000001    | 50000000  | 10           | 0.02         | 186,456,006   | 3.72          |
| 50000001    | 100000000 | 9            | 0.02         | 1,862,738,140 | 37.13         |
| 100000001   | AND ABOVE | 1            | 0.00         | 1,471,426,595 | 29.33         |
| Grand Total |           | 42,234       | 100          | 5,016,477,767 | 100           |

**NEM SHARE CAPITAL HISTORY**

| YEAR | ISSUED AND FULLY PAID UP |
|------|--------------------------|
| 1989 | 1,600,000                |
| 1990 | 1,600,000                |
| 1991 | 2,000,000                |
| 1992 | 2,000,000                |
| 1993 | 20,000,000               |
| 1996 | 25,000,000               |
| 1997 | 93,507,246               |
| 1998 | 187,500,000              |
| 1999 | 187,500,000              |
| 2000 | 187,500,000              |
| 2001 | 187,500,000              |
| 2002 | 187,500,000              |
| 2003 | 187,500,000              |
| 2004 | 706,128,899              |
| 2005 | 406,712,768              |
| 2006 | 406,712,768              |
| 2007 | 4,976,922,766            |
| 2008 | 4,976,922,766            |
| 2009 | 4,976,922,766            |
| 2010 | 5,280,502,313            |
| 2011 | 5,280,502,313            |
| 2012 | 5,280,502,313            |
| 2013 | 5,280,502,313            |
| 2014 | 5,280,502,313            |
| 2015 | 5,280,502,313            |
| 2016 | 5,280,502,313            |
| 2017 | 5,280,502,313            |
| 2018 | 5,280,502,313            |
| 2019 | 5,280,502,313            |
| 2020 | 5,280,502,913            |
| 2021 | 5,016,477,767            |
| 2022 | 5,016,477,767            |
| 2024 | 5,016,477,767            |
| 2025 | 5,016,477,767            |

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

We hereby declare that as at 31 December, 2025, apart from Jeidoc Limited, Bukson Investment Limited, Capital Express Assurance Limited, AFIG Fund 11 LP and Apel Asset Trust Limited Nominees (the shareholders with 5% and above), no other person or persons hold more than 5% and above in the issued and fully paid up shares of the company.

**Shareholders with 5% and above Holdings, 31 December 2025**

| S/N | ACCT NO | NAME                              | ADDRESS   | HOLDING       | %     |
|-----|---------|-----------------------------------|---|---------------|-------|
| 1   | 42370   | JEIDOC LIMITED                    | CEDDI TOWERS 16, WHARF ROAD ,<br>APAPA LAGOS STATE LAGOS  | 350,023,219   | 6.98  |
| 2   | 35278   | BUKSON INVESTMENT LIMITED         | C/O NEM INSURANCE PLC BROAD STREET, LAGOS LAGOS   | 320,201,645   | 6.38  |
| 3   | 36815   | CAPITAL EXPRESS ASSURANCE LIMITED | C/O NEM INSURANCE PLC, 138/146 BROAD STREET LAGOS ISLAND LAGOS                                    | 364,318,306   | 7.26  |
| 4   | 1699    | AFIG FUNDS                        | C/O ABOX CORPORATE SERVICES LIMITED TOWER 1, 6 <sup>TH</sup> FLOOR, 1 CYBERCITY, EBENE, MAURITIUS | 749,963,426   | 14.95 |
| 5   | 36283   | APEL ASSET TRUST LIMITED NOMINEES | C/O 8, ALHAJI BASHORUN STREET, OFF NORMAN WILLIAMS CRESCENT, SOUTH-WEST IKOYI                     | 252,353,118   | 5.03  |
|     |         |                                   |   | 2,036,859,714 | 40.60 |

Dr Daphne Dafinone represents Jeidoc Limited, Mrs. Joy Teluwo represents Bukson Investment Limited, Chief Anthony Aletor represents Capital Express Assurance Company Limited while Mr. Papa Ndiaye and Mr. Kelechi Okoro represent AFIG Funds. Presently, there is no representative of Apel Asset Trust Limited Nominees on the Board of directors.

**Shareholders with 5% and above Holdings, 31 December 2024**



| S/N | ACCT NO | NAME                              | ADDRESS   | HOLDING       | %     |
|-----|---------|-----------------------------------|---|---------------|-------|
| 1   | 42370   | JEIDOC LIMITED                    | CEDDI TOWERS 16, WHARF ROAD ,<br>APAPA LAGOS STATE LAGOS  | 350,023,219   | 6.98  |
| 2   | 35278   | BUKSON INVESTMENT LIMITED         | C/O NEM INSURANCE PLC BROAD STREET, LAGOS LAGOS   | 320,201,645   | 6.38  |
| 3   | 36815   | CAPITAL EXPRESS ASSURANCE LIMITED | C/O NEM INSURANCE PLC, 138/146 BROAD STREET LAGOS ISLAND LAGOS                                    | 364,318,306   | 7.26  |
| 4   | 1699    | AFIG FUNDS                        | C/O ABOX CORPORATE SERVICES LIMITED TOWER 1, 6 <sup>TH</sup> FLOOR, 1 CYBERCITY, EBENE, MAURITIUS | 749,963,426   | 14.95 |
| 5   | 36283   | APEL ASSET TRUST LIMITED NOMINEES | C/O 8, ALHAJI BASHORUN STREET, OFF NORMAN WILLIAMS CRESCENT, SOUTH-WEST IKOYI                     | 250,823,888   | 5.00  |
|     |         |                                   |   | 2,035,330,484 | 40.57 |

Dr Daphne Dafinone represents Jeidoc Limited, Mrs. Joy Teluwo represents Bukson Investment Limited, Chief Anthony Aletor represents Capital Express Assurance Company Limited while Mr. Papa Ndiaye and Mr. Kelechi Okoro represent AFIG Funds.

**8. Retirement by Rotation and Re-election**

In accordance with the Section 285 of the Companies and Allied Matters Act, 2020, Mrs Abisola Giwa-Osagie, Dr Daphne Dafinone and Chief Anthony Aletor will retire by rotation and being eligible offers themselves up for re-election.

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

## 9. Composition of Directors

The Board of Directors of the company is currently comprised of the under listed individuals:

|                           |                           |
|---------------------------|---------------------------|
| Mr. Tope Smart            | Chairman                  |
| Mr Andrew Ikekua          | Managing Director         |
| Mr. Idowu Semowo          | Executive Director        |
| Mr. Yemi Mayadenu         | Executive Director        |
| Alhaji Ahmed I. Yakasai   | Independent Non-Executive |
| Mrs Joy Teluwo            | Non-Executive Director    |
| Mr. Papa Ndiaye           | Non-Executive Director    |
| Mr. Kelechi Okoro         | Non-Executive Director    |
| Dr Daphne Dafinone        | Non-Executive Director    |
| Chief (Dr) Anthony Aletor | Non-Executive Director    |
| Mrs. Abisola Giwa-Osagie  | Non-Executive Director    |

### Records of the Directors Attendance

In accordance with Section 252 of the Companies and Allied Matters Act, 2020, the records of the Directors' attendance at Directors' meetings in 2025 are available for inspection at the Annual General Meeting.

## 10. SECURITY TRADING POLICY

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

## 11. COMPLAINTS MANAGEMENT POLICY

In compliance with the Securities and Exchange Commission's Rule on Complaints Management for Public Companies, the company has in place an investor complaint desk at its head office to resolve complaints arising from issues covered under the Investment and Securities Act 2017 (ISA)

## 12. DONATIONS

Donations during the year ended 31 December 2025 amounted to N11,043,850 (2024: N46,239,960) as follows:

| Donations as at 31 December, 2025  | N                 |
|--|-------------------|
| ALPES CHARITABLE FOUNDATION  | 250,000           |
| IGNITE CAREER INITIATIVE   | 2,000,000         |
| BIBLE SOCIETY OF NIGERIA   | 2,000,000         |
| NIGERIAN INSURERS ASSOCIATION  | 1,700,000         |
| CHARTERED INSURANCE INSTITUTE OF NIGERIA                                   | 100,000           |
| ASSOCIATION OF SENIOR STAFF OF BANKS, INSURANCE AND FINANCIAL INSTITUTIONS | 200,000           |
| WOMEN IN FINANCE AND INSURANCE INITIATIVE                                  | 4,793,850         |
|  | <u>11,043,850</u> |

**NEM INSURANCE PLC**  
**ANNUAL REPORT, 31 DECEMBER 2025**  
**REPORT OF DIRECTORS (CONT'D)**

**CERTIFIED BY:**

 DIRECTOR  
 SECRETARY

**Donations as at 31 December, 2024**

|  |            |
|--|------------|
| PROFESSIONAL INSURANCE LADIES ASSOCIATION                                  | 1,487,800  |
| NATIONAL COUNCIL OF REGISTERED INSURANCE BROKERS                           | 4,000,000  |
| RACHO CHILD, MODUPE COLE & HERITAGE HOMES ORPHANAGE                        | 1,250,000  |
| ACTUARIAL SCIENCE AND INSURANCE STUDENTS ASSOCIATION                       | 200,000    |
| UNIQUE EDUCATION LIMITED   | 1,250,000  |
| NIGERIAN ASSOCIATION OF INSURANCE AND PENSION EDITORS                      | 1,000,000  |
| PHARMACEUTICAL MANUFACTURERS GROUP OF MANUFACTURERS ASSOCIATION OF NIGERIA | 1,000,000  |
| AFRICAN INSURANCE ORGANISATION   | 28,301,800 |
| ASHAYE FOUNDATION  | 2,000,360  |
| SOCIETY OF WOMEN IN SAFETY HEALTH AND ENVIRONMENT                          | 250,000    |
| NIGERIAN MEDICAL STUDENTS' ASSOCIATION                                     | 1,250,000  |
| NIGERIAN INSURERS ASSOCIATION  | 3,000,000  |
| BUSINESS JOURNAL ANNUAL LECTURE  | 750,000    |
| LASUTECH TENNIS CLUB, IKORODU, LAGOS                                       | 500,000    |
|  | 46,239,960 |

**13. EVENTS AFTER REPORTING DATE**

There were no events after the reporting date that could have had a material effect on the financial statements of the Company as at 31 December 2025 that have not been provided for or disclosed in these financial statements.

**14. EMPLOYMENT AND EMPLOYEES**

It is the policy of the Group not to adopt discriminatory criteria for considering applications for employment including those from physically challenged persons. All employees whether physically challenged are given equal opportunities to develop their experience and knowledge and to qualify for promotion.

When an employee becomes disabled during his or her employment, the Group endeavours to retain the individual for employment in spite of his disability, when this is reasonably possible. As at 31 December, 2025 two physically challenged person (2024; two persons) were in the employment of the Group.

**15. EMPLOYEES INVOLVEMENT, TRAINING AND DEVELOPMENT**

**i. Information dissemination**

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

**ii. Consultation with employees**

There are regular consultations between the senior and junior staff unions and Management, particularly on matters affecting staff welfare.

**iii. Encouraging employees' involvement and training**

The employees are the Group's most valuable and cherished resource. The Group is therefore committed to their continuous training and development. In line with this policy of continuous development of the human resources, members of staff are sent on training programs. The courses are aimed at broadening their technical/professional knowledge and managerial skills.

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

**iv. Health, safety at work and welfare of employees**

The Group places high premium on health and welfare of its employees. Medical facilities are provided for staff and their families at private hospitals retained in their respective localities. Transportation, housing and lunch subsidies are provided to all levels of employees. Firefighting equipment are also installed in strategic positions in the office building.

**16 AUDITORS**

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

**BY ORDER OF THE BOARD**



**IFUNANYA IWUAGWU  
COMPANY SECRETARY**

Lagos, Nigeria

FRC/2025/PRO/ICSAN/002/252928

Date: 11 March 2026

**NEM INSURANCE PLC**

In line with the provisions of Principle 14.1 of the National Code of Corporate Governance (NCCG), and section 4.0 of the NAICOM Guidelines, as well as global best practice standards on Corporate Governance, 18 Temple Nominees Limited was engaged by NEM Insurance Plc to carry out an evaluation of the performance of the Board of directors, and an assessment of the Company's corporate governance structure for the year ended 31st December 2025.

This assessment comprised of a review of both the corporate and statutory documents of the company, as well as an assessment of the members of the Board and key members of the Executive Management. The Board's performance and the company's corporate governance structure were benchmarked against the provisions of the NCCG Code, the SEC Corporate Governance Guidelines, the NAICOM Guidelines, as well as global best practice requirements. The key point indicators include but are not limited to:

- The Board of Directors (composition, Terms of Service, Separation of Role of Chairman and Managing Director, Board Mandate, Appointment of Board Members, etc)
- The internal Structure
- Code of Conduct and Ethics
- Transparency and Disclosure
- Company Policies

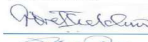

Based on the concluded exercise and the Report prepared, we hereby confirm that NEM Insurance Plc has complied significantly with the corporate governance requirements of the NCCG, the SEC Guidelines, the NAICOM Guidelines, as well as recognized standards of best practice.

We trust that the Board will adopt and implement the recommendations articulated in the Board and Corporate Governance Report for further improvement of NEM Insurance Plc's corporate governance practice.

**BY ORDER OF THE BOARD**



**ABIODUN ARIYIBI  
18 Temple Nominees limited  
FRC/2013/ICAN/00000001548  
Lagos, Nigeria**

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

**Statement of Directors' Responsibilities in Relation to the Consolidated and Separate Financial Statements for the year ended 31 December 2025**

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<sup>®</sup> Accounting standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act. (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), Nigerian Insurance Industry Reform Act 2025 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars.


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

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

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:**



Mr. Tope Smart (Group Chairman)  
FRC/2013/CIIN/00000001331  
11 March 2026



Mr. Andrew Ikehua (MD/CEO)  
FRC/2018/CIIN/00000018245  
11 March 2026



Mr. Idowu Semowo (CFO)  
FRC/2013/ICAN/00000001466  
11 March 2026

**Statement of Corporate Responsibility for the Consolidated and separate Financial Statements for the Year Ended 31 December 2025**

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief Financial Officer, hereby certify the consolidated and separate financial statements of NEM Insurance Plc ("the Company") and its subsidiaries ("together referred to as "the Group") for the year ended 31 December 2025 as follows:

- a) That we have reviewed the audited consolidated and separate financial statements of the Group for the year ended 31 December 2025.
- b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- c) That the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group and subsidiaries as of and for, the year ended 31 December 2025.
- d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Group is made known to us by other officers of the companies, during the year ended 31 December 2025.
- e) That we have evaluated the effectiveness of the Group's internal controls within 90 days prior to the date of audited consolidated and separate financial statements, and certify that the Group's internal controls are effective as of that date.
- f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- g) That we have disclosed the following information to the Group's Auditors and Audit Committee:
  - (i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report financial data, and have identified for the Group's auditors any material weakness in internal controls, and
  - (ii) there is no fraud that involves management or other employees who have a significant role in the Group's internal control.



.....  
**Mr. Andrew Ikehua (MD/CEO)**  
FRC/2018/CIIN/00000018245  
11 March 2026



**Mr. Idowu Semowo (CFO)**  
FRC/2013/ICAN/0000001466  
11 March 2026



**Environmental, Social and Governance (ESG) Report**

NEM Insurance Plc continues to demonstrate a strong and deliberate commitment to the principles of Environmental, Social, and Governance (ESG) as an integral part of its corporate philosophy and long-term sustainability agenda. The Company’s ESG framework is built on three core pillars environmental stewardship, social responsibility, and sound governance and is driven by a structured strategy designed to create long-term value for stakeholders while promoting responsible business practices.

ESG considerations at NEM Insurance Plc are embedded within the Company’s governance structure and are subject to active oversight by the Board of Directors. The Board provides strategic direction and ensures that ESG objectives are aligned with the Company’s overall business goals, regulatory expectations, and industry best practices. A robust long-term ESG strategy has been developed to identify, assess, and manage material environmental, social, and governance risks and opportunities, thereby strengthening institutional resilience and accountability.

In the area of social responsibility, NEM Insurance Plc has expanded its impact through initiatives aimed at promoting client protection, trust, and inclusive service delivery. The Company places a strong emphasis on transparency and ethical engagement with customers, supported by the development of innovative and beneficial insurance products tailored to protect the diverse interests of its clientele.

Key measures implemented include robust data protection and privacy safeguards to ensure the confidentiality and integrity of client information, in line with applicable data protection laws and internal policies. In addition, NEM has established effective and accessible feedback and complaint-resolution mechanisms, enabling clients to voice concerns and receive timely responses. These initiatives collectively enhance service quality, customer satisfaction, and confidence in the Company’s operations.

NEM Insurance Plc remains committed to environmental sustainability through the responsible management of resources and the reduction of its operational footprint. Conscious efforts are made to optimize the use of water and electricity across all branches and the Head Office. Preventive maintenance of generators and company vehicles is rigorously carried out to improve fuel efficiency and minimize emissions.

To further support environmental and operational sustainability, the Company has implemented energy-reduction initiatives, including the installation of inverters and energy-efficient lighting systems. Industrial printers have also been deployed to significantly reduce paper consumption and promote a more sustainable, digitized work environment.

The safety and wellbeing of employees remain a priority for NEM Insurance Plc. All offices are equipped with essential safety infrastructure, including first aid kits and fire-fighting equipment. Enhanced workplace safety measures such as improved lighting and the installation of additional closed-circuit television (CCTV) cameras in strategic locations have been introduced to strengthen surveillance and security.

Employees undergo regular training on fire safety, emergency response procedures, surveillance awareness, and basic first aid, ensuring preparedness in the event of emergencies. In addition, the Company actively promotes employee health and wellness through health awareness programmes and educational sessions. These initiatives include informative lectures facilitated by the Company’s subsidiary, NEM Health Limited, aimed at encouraging employees to remain informed about and proactive in managing their health.

**To the members of NEM Insurance Plc**

In accordance with the provisions of Section 404 of the Companies and Allied Matters Act, 2020, we the Members of the Audit and Compliance Committee of NEM Insurance Plc, having carried out our statutory functions under Nigerian Insurance Industry Reform Act 2025, hereby report as follows:

- We have reviewed the scope and planning of the audit for the year ended 31 December 2025 and we confirm that they were adequate;
- The Company's and its Subsidiaries reporting and accounting policies as well as internal control systems conform to legal requirements and agreed ethical practices; and
- We are satisfied with the departmental responses to the External Auditors' findings on management matters for the year ended 31 December 2025

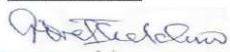

Finally, we acknowledge and appreciate the co-operation of Management and Staff in the conduct of these duties.



.....  
**Mr. Samuel Mpamaugo**  
Chairman of the Audit and Compliance Committee  
FRC/2012/PRO/DIR/003/00000022891

**Date: 6 March 2026**

**CERTIFIED BY:**

 DIRECTOR  
 SECRETARY

**Members of the Audit Committee**

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

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

**Certification of management’s assessment on internal control over financial reporting**

To comply with the provisions of Section 11 of SEC Guidance on implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of NEM Insurance Plc for the year ended 31 December 2025.

I, Andrew Ikekhua, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of NEM 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 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

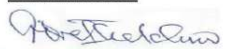
2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group’s internal control system.

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.




Mr. Andrew Ikekhua (MD/CEO)  
FRC/2018/CIIN/00000018245  
11 March 2026

**CERTIFIED BY:**



DIRECTOR




SECRETARY

**Certification of management's assessment on internal control over financial reporting**

To comply with the provisions of Section 11 of SEC Guidance on implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of NEM Insurance Plc for the year ended 31 December 2025.


I, Idowu Semowo, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of NEM 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 audit committee:
  - 1) 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.




**Mr. Idowu Semowo (CFO)**  
FRC/2013/ICAN/0000001466  
11 March 2026

**CERTIFIED BY:**



DIRECTOR



SECRETARY

**Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025**

The management of NEM Insurance Plc is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Investment and Securities Act 2025 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

The management of NEM Insurance Plc assessed the effectiveness of the internal control over financial reporting of NEM Insurance Plc and its subsidiaries (together “the Group”) as of 31 December 2025 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 Internal Control over Financial Reporting.

As of 31 December 2025, the management NEM 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 31 December 2025, 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 2025, based on the limited assurance engagement performed by them. KPMG Professional Services’ limited assurance report is included in the Annual Report.

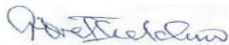
**Changes in Internal Control Over Financial Reporting**

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. Andrew Ikehua (MD/CEO)**  
**FRC/2018/CIIN/00000018245**  
**11 March 2026**

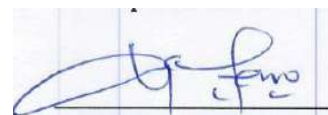
**CERTIFIED BY:**



DIRECTOR



SECRETARY



.....  
**Mr. Idowu Semowo (CFO)**  
**FRC/2013/ICAN/00000001466**  
**11 March 2026**



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

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234 (201) 271 8599  
Internet home.kpmg/ng

## **Independent Auditor's Limited Assurance Report**

To the Shareholders of NEM 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 NEM Insurance Plc ("the Company") and its subsidiaries (together "the Group") as of 31 December 2025 is effective in accordance with the criteria established in *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 Internal Control over Financial Reporting.

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 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

#### **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.

### **Other matter**

We have audited the consolidated and separate financial statements of NEM Insurance Plc in accordance with the International Standards on Auditing, and our report dated 31 March 2026 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 NEM 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 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.

A handwritten signature in black ink, appearing to read 'Obaloje', written in a cursive style.

Oseme J. Obaloje, FCA  
FRC/2013/PRO/ICAN/004/00000004803  
For: KPMG Professional Services  
Chartered Accountants  
31 March 2026  
Lagos, Nigeria



**KPMG Professional Services**  
KPMG Tower  
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Lagos

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## **Independent Auditor's Report**

### **To the Shareholders of NEM Insurance Plc**

#### **Report on the audit of the consolidated and separate financial statements**

##### **Opinion**

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

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in equity; and
- the consolidated and separate statements of cash flows for the year then ended, and
- the notes to the consolidated and separate financial statements 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 Group and Company as at 31 December 2025, and of its consolidated and separate financial performance and 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, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Nigeria Insurance Industry Reform, Act 2025 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 the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated and separate financial statements of public interest entities in Nigeria. We have also fulfilled our other ethical responsibilities in accordance with these



requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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.

| <b>Valuation of insurance contract liabilities</b>  |   |
|---|---|
| Refer to note 1.4 “Judgement, Estimates and Assumptions on insurance contract liabilities”, Note 2.32 “IFRS 17 Insurance Contracts Accounting Policies” and Note 15 “Insurance contract liabilities”.   |   |
| Key audit matter  | How the matter was addressed in our audit   |
| <p>As at 31 December 2025, the Group and company had insurance contract liabilities of ₦67 billion and ₦63 billion respectively.</p> <p>The Group primarily uses the Premium Allocation Approach (PAA) under IFRS 17. The PAA is applied for the measurement of the groups of insurance contracts.</p> <p>The measurement of insurance liabilities consists of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) including both reported but not settled claims as well as incurred but not reported claims (IBNR).</p> <p>The result of management’s assessments regarding the calculation of the liability for incurred claims depends on inputs, the choice of actuarial methods and the precision of management judgment in determining actuarial assumptions.</p> <p>Key assumptions with the greatest impact on the carrying amount include inflation, discount rates as well as estimated future payments for claims.</p> <p>Valuation of insurance contract liabilities requires significant management judgement and accounting assumptions about uncertain future events, which may materially affect the carrying amount, and thus is a key audit matter.</p> | <p>Our audit procedures included the following:</p> <p>We evaluated the design, implementation and operating effectiveness of key controls implemented by the Group and the Company which includes management review of data used for the valuation of insurance contract liabilities.</p> <p>We evaluated the Group’s methodology by reviewing the underlying actuarial models to determine expected premium and allocate receipts to periods.</p> <p>We tested the completeness and accuracy of the database by performing data reconciliations to source records and recalculating actuarial inputs used in determining the assumptions and actuarial calculations.</p> <p>We considered the Group’s valuation methodology and assumptions for consistency between reporting periods, as well as for indicators of possible bias.</p> <p>With the assistance of our actuarial specialists, we performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We evaluated management’s PAA eligibility assessment by reviewing the underlying contract features and assessing compliance with the criteria set out in IFRS 17 - Insurance contract.</li> <li>• We evaluated the appropriateness of methods /models and assumptions to determine ultimate expected claims including ultimate claims ratios, frequency and severity of claims and payment patterns.</li> </ul> |



| Valuation of insurance contract liabilities   |  |
|---|--|
| Refer to note 1.4 “Judgement, Estimates and Assumptions on insurance contract liabilities”, Note 2.32 “IFRS 17 Insurance Contracts Accounting Policies” and Note 15 “Insurance contract liabilities”. |  |
| Key audit matter  | How the matter was addressed in our audit  |
|   | <ul style="list-style-type: none"> <li>• We assessed the assumptions used including confidence levels, and assumptions used in estimating risk adjustments to evaluate whether it is in line with the requirements of the relevant accounting standards and industry practice.</li> <li>• We assessed whether the method / model for determining future cash flows is in line with the requirements of the relevant accounting standard and standard industry practices by reviewing the accounting policies and the reserve adequacy.</li> </ul> <p>We assessed the appropriateness of the disclosures in the consolidated and separate financial statements with regard to the liability for incurred claims associated with the premium allocation approach, considering the requirements of IFRS 17 - Insurance Contracts.</p> |

### Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, Results at a Glance, Reports of Directors, Report of external consultants on Board Appraisal, Statement of Director’s responsibilities, Statement of Corporate responsibilities, Environmental, Social and Governance (ESG) Report, Report of the Audit and Compliance Committee, 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 2025, and Other national disclosures which we obtained prior to the date of this auditor’s report, but does not include the consolidated and separate financial statements and our auditor’s report thereon. Other information also include the Notice of 56th Annual General Meeting, Message from the Chairman, GMD/CEO Report, Profile of the Board of Directors, Management Team Profile, Proxy Form, Shareholder’s information, E-dividend Mandate Activation Form, together “the outstanding reports”, which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not 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 as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Nigeria Insurance Industry Reform, Act 2025 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 consolidated and separate 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's 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 judgement and maintain professional scepticism 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's 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 the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

### ***Report on other legal and regulatory requirements***

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

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



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

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

#### *Penalties*

The Group and Company paid penalties totaling N58,740,403 in respect of contravention of the requirements of the National Insurance Commission Guidelines and circulars during the year ended 31 December 2025. Details of penalties paid are disclosed in note 36d 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 2025. 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 31 March 2026. That report is included in the annual report.

Signed:

Oseme J. Obaloje, FCA

FRC/2013/PRO/ICAN/004/00000004803

For: KPMG Professional Services

Chartered Accountants

31 March 2026.




**NEM INSURANCE PLC**  
**ANNUAL REPORT, 31 DECEMBER 2025**  
**CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION**

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

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|  | Notes    | Group              |                    | Parent             |                    |
|--|----------|--------------------|--------------------|--------------------|--------------------|
|  |          | 2025               | 2024               | 2025               | 2024               |
|  |          | N'000              | N'000              | N'000              | N'000              |
| <b>Assets</b>                                      |          |                    |                    |                    |                    |
| Cash and cash equivalents                          | 3        | 30,997,635         | 13,978,899         | 27,606,163         | 12,771,656         |
| Financial investments                              |          |                    |                    |                    |                    |
| - At fair value through profit or loss             | 4        | 18,396,389         | 11,409,434         | 18,396,389         | 11,409,434         |
| - At fair value through other comprehensive income | 4        | 3,711,980          | 64,431             | 3,711,980          | 64,431             |
| - At amortised cost                                | 4        | 77,054,169         | 68,577,216         | 76,780,633         | 68,577,216         |
| Insurance contract assets                          | 15.1     | -                  | -                  | -                  | -                  |
| Premium Receivable                                 | 5        | 3,444,886          | 1,271,090          | 77,788             | 253,022            |
| Reinsurance contract assets                        | 6        | 27,600,408         | 15,910,561         | 27,600,409         | 15,910,561         |
| Other receivables and prepayments                  | 8        | 11,873,642         | 3,257,300          | 11,041,705         | 2,911,773          |
| Investment in Subsidiary                           | 10       | -                  | -                  | 684,375            | 435,000            |
| Investment properties                              | 11       | 6,881,856          | 3,730,585          | 6,881,856          | 3,730,585          |
| Statutory deposit                                  | 12       | 320,000            | 320,000            | 320,000            | 320,000            |
| Intangible asset                                   | 13       | 198,614            | 71,473             | 41,221             | 37,377             |
| Property, Plant and Equipment                      | 14(a)(b) | 5,019,539          | 4,934,615          | 4,682,955          | 4,762,981          |
| Right-of-use Assets                                | 14(c)    | 540,421            | 706,352            | 768,442            | 748,830            |
| <b>Total Assets</b>                                |          | <b>186,039,539</b> | <b>124,231,955</b> | <b>178,593,916</b> | <b>121,932,866</b> |
| <b>Liabilities</b>                                 |          |                    |                    |                    |                    |
| Insurance contract liabilities                     | 15       | 67,327,073         | 42,330,564         | 63,498,152         | 41,093,559         |
| Reinsurance contract liabilities                   | 6.1      | -                  | -                  | -                  | -                  |
| Other technical liabilities                        | 16       | 12,881,024         | 718,236            | 12,880,471         | 666,240            |
| Other payables                                     | 17       | 9,027,203          | 5,589,070          | 5,782,023          | 4,568,064          |
| Lease liabilities                                  | 18       | 210,973            | 462,408            | 361,364            | 495,722            |
| Income tax liability                               | 19       | 11,509,644         | 6,968,545          | 11,439,989         | 6,947,308          |
| Deferred tax liabilities                           | 20(ii)   | 626,128            | 2,723,991          | 624,652            | 2,722,816          |
|  |          | 101,582,045        | 58,792,815         | 94,586,651         | 56,493,709         |
| Share capital                                      | 21       | 5,016,477          | 5,016,477          | 5,016,477          | 5,016,477          |
| Statutory contingency reserve                      | 22       | 20,390,552         | 15,653,975         | 20,390,552         | 15,653,975         |
| Retained earnings                                  | 23       | 56,046,374         | 41,966,836         | 55,832,181         | 42,035,969         |
| FVOCI reserve                                      | 24       | (21,746)           | (57,065)           | (21,746)           | (57,065)           |
| Asset revaluation reserve                          | 25       | 2,789,801          | 2,789,801          | 2,789,801          | 2,789,801          |
| Equity attributable to owners of the Company       |          | 84,221,458         | 65,370,024         | 84,007,265         | 65,439,157         |
| Non-controlling interest                           | 9        | 236,036            | 69,116             | -                  | -                  |
| <b>Total Equity</b>                                |          | <b>84,457,494</b>  | <b>65,439,140</b>  | <b>84,007,265</b>  | <b>65,439,157</b>  |
| <b>Total Equity and Liabilities</b>                |          | <b>186,039,539</b> | <b>124,231,955</b> | <b>178,593,916</b> | <b>121,932,866</b> |

The financial statements were approved by the Board of Directors and authorised for issue on 11 March 2026 and signed on its behalf by:



**Mr. Tope Smart (Group Chairman)**  
**FRC/2013/CIIN/00000001331**



**Mr. Andrew Ikehua (MD/CEO)**  
**FRC/2018/CIIN/00000018245**



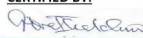

**Mr. Idowu Semowo (CFO)**  
**FRC/2013/ICAN/00000001466**

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

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025

|  | Notes | Group              |                   | Parent             |                   |     |
|--|-------|--------------------|-------------------|--------------------|-------------------|-----|
|  |       | 2025<br>N'000      | 2024<br>N'000     | 2025<br>N'000      | 2024<br>N'000     |     |
| Insurance Revenue  | 27    | 152,354,894        | 97,966,541        | 145,642,085        | 96,644,516        |     |
| Insurance Service Expenses   | 32.1  | (93,488,833)       | (61,008,412)      | (87,675,412)       | (60,126,501)      |     |
| Net expenses on Reinsurance contracts  | 29.1  | (39,570,482)       | (18,138,541)      | (39,570,482)       | (18,138,541)      |     |
| <b>Insurance Service Result</b>  |       | <b>19,295,579</b>  | <b>18,819,588</b> | <b>18,396,191</b>  | <b>18,379,474</b> |     |
| Interest revenue calculated under the effective interest method              | 33(a) | 12,134,642         | 6,858,654         | 11,592,620         | 6,789,128         |     |
| Dividend Income  | 33(b) | 824,328            | 771,736           | 824,328            | 771,736           |     |
| Net foreign exchange (loss)/gain   | 26    | (2,452,032)        | 14,803,675        | (2,444,365)        | 14,785,554        |     |
| Net Fair value gain  | 34    | 9,957,056          | 1,762,142         | 9,957,056          | 1,762,142         |     |
| Net impairment write-backs/(losses)  | 36(c) | 43,954             | (1,050,429)       | 51,629             | (1,049,618)       |     |
| <b>Net Investment result</b>   |       | <b>20,507,948</b>  | <b>23,145,778</b> | <b>19,981,268</b>  | <b>23,058,941</b> |     |
| Insurance finance expenses from insurance contracts issued                   | 15.1  | (2,435,985)        | (351,320)         | (2,435,985)        | (351,320)         |     |
| Insurance finance Income from reinsurance contracts held                     | 6.1   | 1,297,246          | 318,947           | 1,297,246          | 318,947           |     |
| <b>Net Insurance finance expenses</b>  |       | <b>(1,138,739)</b> | <b>(32,373)</b>   | <b>(1,138,739)</b> | <b>(32,373)</b>   |     |
| <b>Net Insurance and Investment result</b>                                   |       | <b>38,664,788</b>  | <b>41,932,994</b> | <b>37,238,720</b>  | <b>41,406,043</b> |     |
| Other operating income   | 35    | 177,374            | 497,451           | 101,377            | 181,693           |     |
| Loss on disposal of property, plant and equipment                            | 37    | (269)              | (8,729)           | (269)              | (8,729)           |     |
| Management expenses  | 36    | (10,434,148)       | (8,523,079)       | (9,639,301)        | (7,920,820)       |     |
| Finance cost   | 30    | (431,518)          | (199,983)         | (139,676)          | (137,768)         |     |
| <b>Profit before taxation</b>  |       | <b>27,976,227</b>  | <b>33,698,653</b> | <b>27,560,851</b>  | <b>33,520,419</b> |     |
| Income taxes   | 19(b) | (4,077,340)        | (4,458,079)       | (4,011,584)        | (4,438,096)       |     |
| <b>Profit for the year after tax</b>   |       | <b>23,898,887</b>  | <b>29,240,575</b> | <b>23,549,267</b>  | <b>29,082,323</b> |     |
| <b>Other comprehensive income:</b>   |       |                    |                   |                    |                   |     |
| <i>Items within OCI that may be reclassified to the Profit or loss:</i>      |       | -                  | -                 | -                  | -                 |     |
| <i>Items within OCI that will not be reclassified to the Profit or loss:</i> |       |                    |                   |                    |                   |     |
| Fair value Gain/(Loss) on equity instruments at FVTOCI                       | 24    | 35,319             | (10,788)          | 35,319             | (10,788)          |     |
| Gain on revaluation of land and buildings                                    | 25    | -                  | 681,837           | -                  | 681,837           |     |
| Total other comprehensive income for the year                                |       | <b>35,319</b>      | <b>671,049</b>    | <b>35,319</b>      | <b>671,049</b>    |     |
| Total comprehensive income for the year                                      |       | <b>23,934,206</b>  | <b>29,911,625</b> | <b>23,584,586</b>  | <b>29,753,372</b> |     |
| <b>Profit Attributable to:</b>   |       |                    |                   |                    |                   |     |
| Equity holders of the parent   |       | 23,832,592         | 29,214,386        | 23,549,267         | 29,082,323        |     |
| Non controlling interest   |       | 66,295             | 26,189            | -                  | -                 |     |
|  |       | <b>23,898,887</b>  | <b>29,240,575</b> | <b>23,549,267</b>  | <b>29,082,323</b> |     |
| <b>Total comprehensive income attributable to:</b>                           |       |                    |                   |                    |                   |     |
| Equity holders of the parent   |       | 23,867,911         | 29,885,434        | 23,584,586         | 29,753,372        |     |
| Non controlling interest   |       | 66,295             | 26,189            | -                  | -                 |     |
|  |       | <b>23,934,206</b>  | <b>29,911,625</b> | <b>23,584,586</b>  | <b>29,753,372</b> |     |
| <b>Basic earnings per share (Kobo)</b>                                       |       |                    | 475               | 582                | 469               | 580 |
| <b>Diluted earnings per shares (Kobo)</b>                                    |       |                    | 475               | 582                | 469               | 580 |

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

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

## NEM INSURANCE PLC

Consolidated Statement of Changes in Equity  
for the year ended 31 December 2025  
Group



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CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

|   | Share capital | Share premium | Contingency reserve | FVOCI Reserve | Asset revaluation reserve | Retained earnings | Total       | Non-controlling Interest | Total Equity |
|---|---------------|---------------|---------------------|---------------|---------------------------|-------------------|-------------|--------------------------|--------------|
|   | N'000         | N'000         | N'000               | N'000         | N'000                     | N'000             | N'000       | N'000                    | N'000        |
| Balance 1 January 2025                                      | 5,016,477     | -             | 15,653,975          | (57,065)      | 2,789,801                 | 41,966,838        | 65,370,026  | 69,116                   | 65,439,142   |
| <b>Total comprehensive income for the year:</b>             |               |               |                     |               |                           |                   |             |                          |              |
| Profit for the year   | -             | -             | -                   | -             | -                         | 23,832,592        | 23,832,592  | 66,295                   | 23,898,887   |
| Fair value loss on equity instruments at FVOCI              | -             | -             | -                   | 35,319        | -                         | -                 | 35,319      | -                        | 35,319       |
| Gain on revaluation of land and building                    | -             | -             | -                   | -             | -                         | -                 | -           | -                        | -            |
| Total comprehensive income for the year                     | -             | -             | -                   | 35,319        | -                         | 23,832,592        | 23,867,910  | 66,295                   | 23,934,204   |
| Transfer to contingency reserve                             | -             | -             | 4,736,577           | -             | -                         | (4,736,577)       | -           | -                        | -            |
| <b>Transaction with owners recorded directly in equity:</b> |               |               |                     |               |                           |                   |             |                          |              |
| Dividend declared during the year                           | -             | -             | -                   | -             | -                         | (5,016,478)       | (5,016,478) | -                        | (5,016,478)  |
| Addition during the year                                    | -             | -             | -                   | -             | -                         | -                 | -           | 100,625                  | 100,625      |
| Total transaction with owners of equity                     | -             | -             | -                   | -             | -                         | (5,016,478)       | (5,016,478) | 100,625                  | (4,915,853)  |
| Balance at 31 December 2025                                 | 5,016,477     | -             | 20,390,552          | (21,746)      | 2,789,801                 | 56,046,375        | 84,221,458  | 236,036                  | 84,457,495   |
| Balance at 1 January 2024                                   | 5,016,477     | -             | 9,837,510           | (46,277)      | 2,107,964                 | 21,578,804        | 38,494,478  | 42,927                   | 38,537,405   |
| <b>Total comprehensive income for the year:</b>             |               |               |                     |               |                           |                   |             |                          |              |
| Profit/ (loss) for the year                                 | -             | -             | -                   | -             | -                         | 29,214,385        | 29,214,385  | 26,189                   | 29,240,574   |
| Fair value loss on equity instruments at FVOCI              | -             | -             | -                   | (10,788)      | -                         | -                 | (10,788)    | -                        | (10,788)     |
| Gain on revaluation of land and building                    | -             | -             | -                   | -             | -                         | -                 | -           | -                        | -            |
| Total comprehensive income for the year                     | -             | -             | -                   | (10,788)      | 681,837                   | 29,214,385        | 29,885,434  | 26,189                   | 29,911,623   |
| Transfer to contingency reserve                             | -             | -             | 5,816,465           | -             | -                         | (5,816,465)       | -           | -                        | -            |
| <b>Transaction with owners recorded directly in equity:</b> |               |               |                     |               |                           |                   |             |                          |              |
| Addition during the year                                    | -             | -             | -                   | -             | -                         | -                 | -           | -                        | -            |
| Dividend declared during the year                           | -             | -             | -                   | -             | -                         | (3,009,887)       | (3,009,887) | -                        | (3,009,887)  |
| Total transaction with owners of equity                     | -             | -             | -                   | -             | -                         | (3,009,887)       | (3,009,887) | -                        | (3,009,887)  |
| Balance at 31 December 2024                                 | 5,016,477     | -             | 15,653,975          | (57,065)      | 2,789,801                 | 41,966,838        | 65,370,026  | 69,116                   | 65,439,142   |

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



**NEM INSURANCE PLC**  
**Statement of Changes in Equity**  
**for the year ended 31 December 2025**  
**Parent**

**CERTIFIED BY:**  
 DIRECTOR  
 SECRETARY

|   | Share capital | Share premium | Contingency reserve | FVOCI Reserve | Asset revaluation reserve | Retained earnings | Total equity |
|---|---------------|---------------|---------------------|---------------|---------------------------|-------------------|--------------|
|   | N'000         | N'000         | N'000               | N'000         | N'000                     | N'000             | N'000        |
| Balance 1 January 2025                                      | 5,016,477     | -             | 15,653,975          | (57,065)      | 2,789,801                 | 42,035,969        | 65,439,158   |
| <b>Total comprehensive income for the year:</b>             |               |               |                     |               |                           |                   |              |
| Profit for the year   | -             | -             | -                   | -             | -                         | 23,549,267        | 23,549,267   |
| Fair value loss on equity instruments at FVOCI              | -             | -             | -                   | 35,319        | -                         | -                 | 35,319       |
| Total comprehensive income for the year                     | -             | -             | -                   | 35,319        | -                         | 23,549,267        | 23,584,586   |
| Transfer to contingency reserve                             | -             | -             | 4,736,577           | -             | -                         | (4,736,577)       | -            |
| <b>Transaction with owners recorded directly in equity:</b> |               |               |                     |               |                           |                   |              |
| Dividend declared during the year                           | -             | -             | -                   | -             | -                         | (5,016,478)       | (5,016,478)  |
| Total transaction with owners of equity                     | -             | -             | -                   | -             | -                         | (5,016,478)       | (5,016,478)  |
| Balance at 31 December 2025                                 | 5,016,477     | -             | 20,390,552          | (21,746)      | 2,789,801                 | 55,832,183        | 84,007,267   |
| Balance at 1 January 2024                                   | 5,016,477     | -             | 9,837,510           | (46,277)      | 2,107,964                 | 21,779,996        | 38,695,671   |
| <b>Total comprehensive income for the year:</b>             |               |               |                     |               |                           |                   |              |
| Profit for the year   | -             | -             | -                   | -             | -                         | 29,082,323        | 29,082,323   |
| Fair value loss on FVOCI                                    | -             | -             | -                   | (10,788)      | -                         | -                 | (10,788)     |
| Reclassification of other actuarial gain                    | -             | -             | -                   | -             | -                         | -                 | -            |
| Changes in valuation of land and building                   | -             | -             | -                   | -             | 681,837                   | -                 | 681,837      |
| Total comprehensive income for the year                     | -             | -             | -                   | (10,788)      | 681,837                   | 29,082,323        | 29,753,372   |
| Transfer to contingency reserve                             | -             | -             | 5,816,465           | -             | -                         | (5,816,465)       | -            |
| <b>Transaction with owners recorded directly in equity:</b> |               |               |                     |               |                           |                   |              |
| Dividend declared during the year                           | -             | -             | -                   | -             | -                         | (3,009,887)       | (3,009,887)  |
| Total transaction with owners of equity                     | -             | -             | -                   | -             | -                         | (3,009,887)       | (3,009,887)  |
| Balance at 31 December 2024                                 | 5,016,477     | -             | 15,653,975          | (57,065)      | 2,789,801                 | 42,035,969        | 65,439,157   |

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

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

|   | Notes     | Group              |                     | Parent             |                     |
|---|-----------|--------------------|---------------------|--------------------|---------------------|
|   |           | 2025<br>N'000      | 2024<br>N'000       | 2025<br>N'000      | 2024<br>N'000       |
| <b>Cash flows from Operating Activities:</b>              |           |                    |                     |                    |                     |
| Premium received  | 5         | 163,920,058        | 109,171,133         | 157,394,890        | 107,837,898         |
| Premium Deposits  | 16        | 12,881,024         | 718,236             | 12,880,471         | 666,240             |
| Reinsurance Premium Paid                                  | 29.2(a)   | (65,074,038)       | (33,527,246)        | (65,074,038)       | (33,527,246)        |
| Direct Claims Paid  | 31        | (45,909,763)       | (24,993,086)        | (41,456,477)       | (24,241,254)        |
| Claims Received from Reinsurers                           | 6.1       | 14,903,961         | 9,099,617           | 14,903,961         | 9,099,617           |
| Cash Received from Salvages                               | 31(c)     | 4,651,569          | 991,196             | 4,651,569          | 991,196             |
| Acquisition expense Paid                                  | 32.2(a)   | (24,287,984)       | (18,587,604)        | (23,527,806)       | (18,460,168)        |
| Maintenance Expenses Paid                                 | 32.2(c)   | (19,839,327)       | (14,517,142)        | (19,617,900)       | (14,517,142)        |
| Cash paid to and on behalf of Employees                   | 36(a)     | (4,453,015)        | (4,069,355)         | (3,899,193)        | (3,690,148)         |
| Other Operating Expenses paid                             | 36        | (4,899,261)        | (1,957,173)         | (4,695,871)        | (1,827,453)         |
| Increase in customer's deposits                           | 17(d(ii)) | 1,641,881          | 797,256             | -                  | -                   |
| Company Income Tax Paid                                   | 19(c)     | (1,877,893)        | (428,018)           | (1,860,047)        | (428,018)           |
| <b>Net cash inflow from operating activities</b>          |           | <b>31,657,211</b>  | <b>22,697,815</b>   | <b>29,699,559</b>  | <b>21,903,523</b>   |
| <b>Cash flows from Investing Activities:</b>              |           |                    |                     |                    |                     |
| Acquisition of equities measured at FVTPL                 | 4.1       | (181,170)          | (560,437)           | (181,170)          | (560,437)           |
| Purchase of Bond  | 4.3(a)    | (7,673,176)        | (3,810,035)         | (7,673,176)        | (3,810,035)         |
| Purchase of placements                                    | 4.3(d)    | (61,537,582)       | (46,288,481)        | (61,537,582)       | (46,288,481)        |
| Purchase of Treasury bills                                | 4.3(e)    | (16,717,113)       | (8,195,544)         | (16,717,113)       | (8,195,544)         |
| Purchase of Commercial papers                             | 4.3(f)    | (11,583,128)       | (4,071,002)         | (11,307,237)       | (4,071,002)         |
| Proceed from Redemption of Bond Instruments               | 4.3(a)    | 7,244,276          | 1,168,451           | 7,244,276          | 1,168,451           |
| Proceed from disposal of placements                       | 4.3(d)    | 57,208,956         | 38,396,849          | 57,208,956         | 38,396,849          |
| Proceed from disposal of treasury bills                   | 4.3(e)    | 10,655,614         | 648,000             | 10,655,614         | 648,000             |
| Proceed from disposal of commercial papers                | 4.3(f)    | 12,307,902         | 4,180,981           | 12,307,902         | 4,180,981           |
| Addition to investment in Alpha Morgan Bank               |           |                    |                     |                    |                     |
| Unquoted equity   | 8(g)      | (1,462,230)        | (650,000)           | (1,462,230)        | (650,000)           |
| Interest received   | 33        | 11,749,533         | 5,876,946           | 11,209,004         | 5,808,555           |
| Dividend received   | 33        | 824,328            | 771,736             | 824,328            | 771,736             |
| Rental & other Income received                            | 35(b)     | 120,897            | 245,928             | 100,070            | 81,013              |
| Acquisition of Intangible assets                          | 13        | (162,512)          | (34,882)            | (21,314)           | (8,423)             |
| Addition to staff loan                                    | 8(c)      | (44,384)           | -                   | (44,384)           | -                   |
| Repayment of staff loan                                   | 8(c)      | 74,887             | 4,047               | 74,887             | 4,047               |
| Receivable from Nem Health                                | 8(e)      | -                  | -                   | -                  | (160,000)           |
| Investment in Nem Health                                  |           |                    |                     | (35,799)           |                     |
| Deposit for shares in NEM Life Ltd                        | 8(h)      | (10,181,010)       | -                   | (10,181,010)       | -                   |
| Acquisition of PPE  | 14        | (482,466)          | (422,975)           | (214,324)          | (350,300)           |
| Proceeds from disposal on PPE                             | 37        | 8,668              | 15,611              | 8,668              | 15,611              |
| <b>Net cash used in investing activities</b>              |           | <b>(9,829,709)</b> | <b>(12,724,808)</b> | <b>(9,741,633)</b> | <b>(13,018,979)</b> |
| <b>Cash flows from financing activities</b>               |           |                    |                     |                    |                     |
| Lease payment during the year                             | 18        | (484,097)          | (490,882)           | (811,737)          | (496,908)           |
| Loan payment on Alpha Morgan loan                         | 28        | -                  | (1,557,737)         | -                  | (1,557,737)         |
| Dividends paid to equity holders of the parent            | 17(c)     | (4,959,202)        | (2,802,439)         | (4,959,202)        | (2,802,439)         |
| <b>Net cash outflow from financing activities</b>         |           | <b>(5,443,299)</b> | <b>(4,851,058)</b>  | <b>(5,770,938)</b> | <b>(4,857,084)</b>  |
| Net increase in cash and cash equivalents                 |           | 16,384,203         | 5,121,948           | 14,186,988         | 4,027,460           |
| Cash and cash equivalents at 1 January                    |           | 14,222,691         | 8,002,994           | 13,014,637         | 7,907,551           |
| Effect of foreign exchange gain on cash & cash equivalent | 26        | 672,429            | 1,097,748           | 680,096            | 1,079,627           |
| <b>Cash and cash equivalents at 31 December</b>           |           | <b>31,279,323</b>  | <b>14,222,691</b>   | <b>27,881,721</b>  | <b>13,014,637</b>   |
| Represented by:   |           |                    |                     |                    |                     |
| Cash and cash equivalents at 31 December                  | 3         | <b>31,279,323</b>  | <b>14,222,691</b>   | <b>27,881,721</b>  | <b>13,014,637</b>   |

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

## 1.0 General Information

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

In 2016, the Company opened a subsidiary NEM Asset Management Company Limited. The company also established another subsidiary, Nem Health Limited which commenced business in 2024.

### (b) Principal activity

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

### (c) Key Regulatory Reforms

#### (i) Nigerian Insurance Industry Reform Act (NIIRA)

The Nigerian Insurance Industry Reform Act (NIIRA) was enacted to strengthen the regulatory framework of the insurance sector in Nigeria, enhance policyholder protection, promote market stability, and improve transparency and corporate governance within the industry. The Act empowers the National Insurance Commission (NAICOM) to supervise and regulate insurance and reinsurance businesses, set prudential guidelines, enforce solvency and capital adequacy requirements, and ensure compliance with industry standards.

Under the NIIRA Act, insurance companies are required to maintain adequate capital and solvency margins, comply with risk management and corporate governance provisions, and submit periodic statutory returns and financial statements to NAICOM. The Act specifies that effective 31 July 2026, the minimum capital for insurance companies be as follows: Non-life N15bn, Life N10bn, Reinsurance N35bn. The Act also provides for intervention measures, including sanctions and corrective actions, where insurers fail to meet regulatory requirements.

The Company has complied with the relevant provisions of the NIIRA Act during the reporting period and continues to monitor regulatory developments to ensure ongoing compliance.

#### (ii) Nigerian Tax Act (NTA)

During the reporting period, the Nigeria Tax Act, 2025 (“the Act”) was signed into law as part of a comprehensive tax reform package intended to modernise and unify the Nigerian tax framework and broaden the tax base. The Act consolidates and repeals several existing tax statutes, introduces new tax concepts and incentives, expands tax administration requirements, and is effective from 1 January 2026.

Management has assessed the potential impact of the new tax legislation on the measurement of current and deferred tax balances in accordance with IAS 12 Income Taxes. Where applicable, the effects of the legislation have been considered in the recognition and measurement of tax assets and liabilities. The Company continues to monitor the implementation of the Act and associated guidance to ensure ongoing compliance with Nigerian tax laws.

## 1.1 Going Concern

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

## 1.2 Basis of Preparation and Compliance with IFRS Accounting standards

The Group's financial statements for the year 2025 have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), Companies and Allied Matters Act, 2020, Nigerian Insurance Industry Reform Act 2025 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars.

### 1.2.1 Foreign currency translation

#### (a) Functional and Presentation Currency

The financial statements are presented in Nigerian currency (Naira) which is the Company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousand (₦ '000)

### 1.2.2 Basis of measurement

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

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

## 1.3 Critical Accounting Estimates, Judgments and Assumptions

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


## 1.4 Use of Judgments and Estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

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

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 DIRECTOR  
 SECRETARY

**1.4.1 Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

**(a) Impairment of financial assets:**

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL.

**(b) Classification of financial assets**

Assessing the business model within which the assets are held and whether the contractual terms of the assets are solely payments of principal and interest (SPPI) on the principal amount outstanding.

**(c) Fulfilment Cash Flows**

In estimating its liabilities and assets as it relates to insurance and reinsurance contracts, the group makes significant assumptions relating to the future cash flows that will arise from fulfilling insurance contracts, considering variables such as claims experience, lapses, and policyholder behaviour. These estimates require judgment and are influenced by historical data and actuarial projections. See note 2.38 for how the group determines and measures cashflows relating to insurance and reinsurance contracts.

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

**(d) Risk adjustment**

In the measurement of risk adjustment, the group makes use of significant judgements including estimations, actuarial projections and historical data in determining a reasonable compensation for bearing non-financial risks as it relates to insurance contracts that its issues. It also employs similar assumptions and methodologies in estimating the expected reinsurance portion or recoverable as it relates to risk adjustment. See note 2.36 for the company's policy regarding the determination and measurement of risk adjustment.

**(e) Discount rates**

The determination of appropriate discount rates to value future cash flows is critical in the application of IFRS 17. The group considers factors such as the time value of money, credit risks and illiquidity premiums in selecting its discount rates. Significant judgement is used by the group to ensure that the selected rates reflects the characteristics of the cashflows and the risks associated with insurance contracts. See note 2.35 for the Group's policy regarding discount rates used in assessing insurance and reinsurance contracts.

**1.4.2 Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties at 31 December 2025 that have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

(a) **Liability for remaining coverage (LRC) and Liability for Incurred claims (LIC)**

The measurement of group's liability resulting from the insurance contracts that it issues requires a significant use of estimates and judgements. The group estimates the liability for future insurance contract obligations, taking into account the expected cash flows for fulfilling these contracts. This involves making assumptions about future claim payments, premium income, and discount rates. See note 2.34 for how the group recognises and measures these liabilities.

(b) **Reinsurance contracts**

The group assesses the impact of the reinsurance contracts that it hold on its financial statements, including estimating the expected recoveries from reinsurers. This involves evaluating the terms of reinsurance agreements, the creditworthiness of reinsurers, and the effect on the measurement of re-insurance contract assets and liabilities. See note 2.41 for how the group recognises and measures reinsurance contracts.

(c) **Income Taxes**

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

(d) **Fair Valuation of Investment Properties**

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

**1.5 Changes in material accounting policies**

**1.5.1 Material accounting policy information**

These policies have been consistently applied by the Group to all years presented unless otherwise stated. Other accounting policies are presented as part of the respective note disclosures.

The Group and Company does not have changes in material accounting policies in the current annual reporting period.

**1.5.2 New standards, interpretations and amendments effective from 1 January 2025**

There are new or revised IFRS Accounting Standards and Interpretations in issue that are effective as at 1 January 2025. The directors have considered all of these IFRS Accounting Standards and Interpretations and found none to materially impact the Group's accounting policy and therefore do not expect any impact on the financial statements.

**1.6 New standards, amendments and interpretations issued but not yet effective**

There are new or revised IFRS Accounting Standards and Interpretations in issue that are not yet effective. The directors have considered all of these IFRS Accounting Standards and Interpretations and found none to be applicable to the business of the entity **except for IFRS 18**.

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all 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.

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

## 2 MATERIAL ACCOUNTING POLICIES

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

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

### 2.1 CONSOLIDATION

#### (i) Business combination

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

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

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

#### (ii) Subsidiaries

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

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

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

*Acquisition - related costs are expensed as incurred.*

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

#### (iii) Disposal of subsidiaries

On loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

**(iv) Non-controlling interests (NCI)**

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

**(v) Special purpose entities**

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

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

**(vi) Associates**

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

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

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

**2.2 CASH AND CASH EQUIVALENTS**

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

**2.3 FINANCIAL INSTRUMENTS**

**2.3.1 Recognition**

The Group on the date of origination or purchase recognizes placements, equity securities and deposits at the fair value of consideration paid, plus (for assets) or minus (for liabilities), transaction costs that are directly attributable to its purchase or issuance. Regular-way purchases and sales of financial assets shall be recognized on the settlement date. All other financial assets and liabilities, including derivatives, shall be initially recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

**2.3.2 Classification and Measurement**

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

The Group classifies its financial assets into the following categories in line with the provisions of IFRS 9:

- (a) Fair Value Through Profit or Loss (FVTPL)
- (b) Amortized Cost
- (c) Fair Value Through Other Comprehensive Income (FVOCI)

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

**Business Model Assessment**

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

(i) The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any financial liabilities or expected cash flow or realizing cashflow through the sale of assets;

(ii) How the performance of assets in a portfolio will be evaluated and reported to the relevant heads of departments and other key decision makers within the Group's business lines;

(iii) The risks that affect the performance of assets held within a business model and how those risks shall be managed;

(iv) How compensation shall be determined for the Group's business lines, management that manages the assets; and

(v) The frequency and volume of sales in prior periods and expectations about future sales activity.

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

I) Business Model 1 (BM1): Financial assets held with the sole objective to collect contractual cash flows

II) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and

III) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These shall be basically financial assets held with the sole objective to trade and to realize fair value changes.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions shall be met:

(i) Where these sales shall be infrequent even if significant in value. A Sale of financial assets shall be considered infrequent if the sale shall be one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.

(ii) Where these sales shall be insignificant in value both individually and in aggregate, even if frequent. A sale shall be considered insignificant if the portion of the financial assets sold shall be equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

(iii) When these sales shall be made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial asset has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

1. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2. Selling the financial asset to manage credit concentration risk (infrequent)
3. Selling the financial asset as a result of changes in tax laws (infrequent).
4. Other situations also depend upon the facts and circumstances which need to be judged by the Management

#### Cash flows Characteristics Assessment

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

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

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

**A. Classification of Financial Assets**

**a) Financial assets measured at amortized cost**

Financial assets shall be measured at amortized cost if they are held within a business model whose objective shall be to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category shall be carried at amortized cost using the effective interest rate method. The effective interest rate shall be the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost shall be calculated taking into account any discount or premium on acquisition, transaction costs and fees that shall be an integral part of the effective interest rate. Amortization shall be included in Interest income in the Consolidated Statement of profit or loss and other comprehensive Income. Impairment on financial assets measured at amortized cost shall be calculated using the expected credit loss approach.

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

**b) Financial assets measured at FVOCI**

Financial assets shall be measured at FVOCI if they are to be held within a business model whose objective shall be to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that shall be solely payments of principal and interest.

Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI shall be recorded in Other Comprehensive Income (OCI).

**c) Financial assets measured at FVTPL**

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

**d) Equity Investments**

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

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

**B. Classification of Financial Liabilities**

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

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

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

Financial liabilities accounted for at fair value through profit or loss fall into two categories:

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

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

**(b) Financial Liabilities at amortized cost**

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

**C. Reclassifications**

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

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

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

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

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

When reclassification occurs, the Group shall reclassify all affected financial assets in accordance with the new business model. Reclassification shall be applied prospectively from the 'reclassification date'. Reclassification date shall be 'the first day of the first reporting period following the change in business model. For example, if the Group decides to shut down the retail business segment on 30 April 2026, the reclassification date will be 1 January, 2027 (i.e. the first day of the entity's next reporting period), the Group shall not engage in activities consistent with its former business model after 30 April, 2026. Gains, losses or interest previously recognized shall not be restated when reclassification occurs.

**2.3.3 IMPAIRMENT OF FINANCIAL ASSETS**

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

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

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

**Expected Credit Loss Impairment Model**

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

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

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

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

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

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

#### Measurement of Expected Credit Losses

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

Details of these statistical parameters/inputs are as follows:

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

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

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

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

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

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

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

The Group shall determine allowance for credit losses using three probability-weighted forward looking scenarios. The Group shall consider both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Nigeria Insurers Association, Financial Markets Dealers Quotation (FMDQ), and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) - Normal, Upturn and Downturn, which in turn shall be used in the estimation of the multiple scenario ECLs. The 'normal case' represents the most likely outcome and shall be aligned with information used by the company for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

#### Assessment of significant increase in credit risk (SICR)

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

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

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

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

#### Definition of Default and Credit Impaired Financial Assets

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

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

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

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

#### Presentation of allowance for ECL in the statement of financial position

Allowances for ECL shall be presented in the statement of financial position as follows:

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

#### Write-off

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

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

### 2.4 PREMIUM RECEIVABLES

Premium receivables relates to premium due from brokers. Premium receivables are initially recognized at fair value and subsequently measured at amortized cost less provision for impairment. Premium receivables are assessed for impairment by recognising 12-month expected credit losses, based on the credit risk and ageing profile of the outstanding balances. Allowances are made based on an impairment model which consider the loss given default for each customer, probability of default for the sectors in which the customer belongs and emergence period which serves as an impairment trigger based on the age of the debt. Impaired debts are derecognized when they are assessed as uncollectible. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previous recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortized cost at the reversed date. Any subsequent reversal of an impairment loss is recognized in the profit or loss.

### 2.5 REINSURANCE PREMIUM PAYABLES

Reinsurance premium payables relates to outstanding balances to the Group's reinsurance brokers. These amounts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. The amount of reinsurance premium payable is included as part of reinsurance contract balance

### 2.6 OTHER RECEIVABLES AND PREPAYMENTS

#### 2.6.1 Other receivables

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

#### 2.6.2 Prepayments

Prepayments are carried at cost less amortization.

### 2.7 INVESTMENT PROPERTIES

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

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

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

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

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

## 2.8 STATUTORY DEPOSIT

Statutory deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) , in accordance with Nigerian Insurance Industry Reform Act 2025, Statutory deposit is measured at cost. Hence, at initial recognition the statutory deposit was recognised using fair value.

## 2.9 INTANGIBLE ASSETS

### (i) Software

Software acquired by the Group is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognized as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. Development costs previously expensed cannot be capitalized.

The capitalized costs of internally developed software include all costs attributable to developing the software and capitalized borrowing costs and are amortized over its useful life. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

All other expenditure is expensed as incurred. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The maximum useful life of software is five years. Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

### (ii) Goodwill

Goodwill represents the residual excess of the consideration transferred, non-controlling interest (NCI), and previous equity interest over the fair value of the net identifiable assets of the Company acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses in goodwill are not reversed.

## 2.10 PROPERTY, PLANT AND EQUIPMENT

### (i) Recognition and measurement

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

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

### (ii) Subsequent costs

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

**(iii) Depreciation**

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

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

**(iv) De-recognition**

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

**2.11 LEASES**

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

**Group as a lessee**

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

**(i) Right-of-use assets**

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

**(ii) Lease liabilities**

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

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

**2.12 OTHER PAYABLES**

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

## 2.13 RETIREMENT OBLIGATIONS AND EMPLOYEE BENEFITS

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

### (i) Defined benefit gratuity scheme

The Group has no defined benefit gratuity scheme for management and non-management staff.

### (ii) Defined contribution pension scheme

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

### (iii) Short-term benefits

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

## 2.14 INCOME TAX

Income tax expense comprises current and deferred tax

### (i) Current income tax

Income tax payable comprises of company income tax (at 30% of net income), education tax (at 3% of assessable profit), information technology levy (at 1% of profit before tax), and police trust fund levy (at 0.005% of the net profit) . It is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognized as an expense for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity.

### (ii) Deferred income tax

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

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

However, deferred income tax is not recognized for:

- (a) Temporary differences arising on the initial recognition of goodwill
- (b) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- (c) Temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

## 2.15 SHARE CAPITAL AND PREMIUM

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

## 2.16 CONTINGENCY RESERVE

Contingency reserve is credited at the higher of 3% of total premiums during the year and 20% of net profit per year, until it reaches the higher of the minimum paid up capital or 50% of net premium in accordance with the Nigerian Insurance Industry Reform Act 2025

**2.17 ASSET REVALUATION RESERVE**

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

**2.18 RETAINED EARNINGS**

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

**2.19 FVOCI RESERVE**

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

**2.20 FOREIGN CURRENCY TRANSLATION**

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

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

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

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

**2.21 INVESTMENT INCOME**

**(a) Dividend income**

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

**(b) Interest revenue calculated using the effective interest method**

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

**2.22 MANAGEMENT EXPENSES**

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

CERTIFIED BY:



DIRECTOR



SECRETARY

#### 2.23 SEGMENT REPORTING

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



#### 2.24 CONTINGENT LIABILITIES

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

#### 2.25 OTHER TECHNICAL LIABILITIES

Other technical liabilities (2024; Other Insurance contract liabilities) refers to financial obligations arising from the group's insurance business that are basically outside the scope of the definition of insurance contracts. The group consistently evaluates these liabilities and measures them at fair value at each reporting date.

IFRS 17-INSURANCE CONTRACTS ACCOUNTING POLICIES

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

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

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

The Group accounts for these contracts by applying the principles underlying IFRS 17-*Insurance Contracts*, and other relevant accounting standards issued by the International Accounting Standards Board( IASB). The Group also holds appropriate types of reinsurance contracts to mitigate risk exposure, including: proportional and non-proportional facultative arrangements.

2.28 Definition and Classification of Insurance contracts

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

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

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

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

2.29 Separating components from insurance and reinsurance contracts

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

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

2.30 Level of aggregation

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

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

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

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

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

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

All the Group's short-term contracts currently held have been assessed as having no possibility of becoming onerous (except for the motor portfolio that was onerous in 2024). In subsequent periods, non-onerous contracts are re-assessed based on the likelihood of prevailing facts and circumstances leading to significant possibility of becoming onerous.

### 2.31 Reinsurance contracts held

Reinsurance contracts held (loss-occurring reinsurance contracts) are for one year or less. For Risk-attaching reinsurance contracts, the Group reasonably expects that the resulting measurement of the assets for remaining coverage would not differ materially from the result of applying the accounting policies that are the same as those underlying the measurement model for their respective insurance contracts. Reinsurance contracts are assessed for aggregation on an individual contract basis and are assessed separately from insurance contracts. The smallest unit of account is a reinsurance contract, even where this contract covers more than one type of insurance product.

### 2.32 Recognition of Insurance contracts

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

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

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

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

### 2.33 Contract Boundaries

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

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

Both of the following criteria are satisfied:

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

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

### 2.34 Measurement of insurance contracts issued.

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

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

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

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

#### (i) Liability for Remaining Coverage

The LRC represents the Group’s obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, amounts that relate to other insurance contract services not yet provided and other amounts not related to insurance contract services that have not yet been transferred to the LIC.

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

The Group measures the liability for remaining coverage at each subsequent reporting date as follows: Sum of:

- (a) Previous carrying amount,
- (b) Premium received in the period
- (c) Amortization of insurance acquisition cashflows

Less:

- (d) Capitalized insurance acquisition cashflows
- (e) insurance revenue recognized and

(ii) **Liability for Incurred claims (LIC)**

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

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

**2.35 Discount Rate**

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

For all insurance contracts the Group agrees to adopt the Premium allocation approach, for which it measures the liability for remaining coverage without discounting, as permitted under IFRS 17 where the time between providing each part of the service and the related premium due date is one year or less, or where the effect of discounting is not material. Accordingly, no discount rate is applied at initial recognition, and no interest is accreted on the liability for remaining coverage, including any loss component. Changes in fulfilment cash flows relating to future service are recognised by adjusting the liability for remaining coverage.

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

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

**2.36 Risk adjustment(RA) for non-financial risk**

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

For the purposes of the financials, a bootstrap approach was adopted in determining the risk adjustment margin. A confidence level of the 75th percentile was adopted to be 34.61%, 2.82%, 1.53%, 10.44%, 1.73%, 3.55%, 3.55%, and 24.08% for General accident, Engineering, Fire, Marine, Motor, Agriculture, Bond, and Oil and gas respectively (2024: 8.3% across broad).

**2.37 PAA Eligibility Calculation and Materiality**

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

- (a) That such simplification would produce a measurement of the liability for remaining coverage that would not differ materially from that produced applying the General Model; or

(b) That the coverage period of each contract in the group is one year or less.

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

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

During the year, the group identified contracts whose coverage period exceeded one year and proceeded to test them using the General measurement model and the results are summarised in the table below:

| Policy class     | Premium<br>(exceeding 1<br>year) | Liability for Remaining<br>coverage |                  | Liability for Incurred Claims |                  | Insurance Contract Liability |                   |
|------------------|----------------------------------|-------------------------------------|------------------|-------------------------------|------------------|------------------------------|-------------------|
|                  |                                  | GMM                                 | PAA              | GMM                           | PAA              | GMM                          | PAA               |
| Motor            | -                                | -                                   | -                | -                             | -                | -                            | -                 |
| Marine           | 391,951                          | 360,352                             | 345,433          | 81,135                        | 81,135           | 441,488                      | 426,568           |
| Fire             | 44,567                           | 40,974                              | 39,278           | 28,740                        | 28,740           | 69,714                       | 68,017            |
| General accident | 67,136                           | 61,724                              | 59,168           | 40,080                        | 40,080           | 101,803                      | 99,248            |
| Oil & gas        | 9,751,952                        | 8,965,770                           | 8,594,559        | 3,014,135                     | 3,014,135        | 11,979,905                   | 11,608,693        |
| Agriculture      | 10,518                           | 9,670                               | 9,270            | 9                             | 9                | 9,679                        | 9,279             |
| Engineering      | 218,758                          | 201,122                             | 192,795          | 36,087                        | 36,087           | 237,209                      | 228,882           |
| Bond             | 6,711                            | 6,170                               | 5,914            | 32                            | 32               | 6,202                        | 5,947             |
| <b>Total</b>     | <b>10,491,593</b>                | <b>9,645,782</b>                    | <b>9,246,416</b> | <b>3,200,218</b>              | <b>3,200,218</b> | <b>12,846,000</b>            | <b>12,446,634</b> |

The results as postulated above shows that the results of the PAA approach closely approximates that of the GMM as the variances under the two models for all policy classes is less than 4% which is less than the 10% materiality threshold stipulated by NAICOM.

Furthermore, based on quantitative assessment carried out by the group, the portion that is above one year based on volume of premium is 0.97% (2024; 0.63%), while the portion above 365 days based on policy count is 0.73% (2024; 0.46%), and the group considers these to be immaterial as to significantly impact the result of the premium allocation approach.

Following from the foregoing, the Group has applied the Premium allocation approach to all the insurance contracts which it issues during the course of the financial year.

### 2.38 Insurance acquisition cash flows

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

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

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

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

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

### 2.39 Changes in fulfilment cash flows

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

The Group applies an accounting policy under the Premium Allocation Approach (PAA) to update fulfilment cash flows at the end of each reporting period. Changes in fulfilment cash flows arising from financial assumptions and discount rates are measured first, based on the cash flows expected at the beginning of the period. Subsequently, adjustments are made for changes in non-financial assumptions affecting those updated cash flows. This approach ensures that the effects of changes in financial and non-financial assumptions are separately identified and appropriately reflected in the measurement of the liability for remaining coverage.

Experience adjustments are the difference between:

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

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

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

#### 2.40 Onerous Contracts

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

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

For insurance contracts measured under the Premium Allocation Approach (PAA), the Group assumes that contracts are not onerous at initial recognition unless facts and circumstances indicate otherwise, in accordance with IFRS 17 requirements. The assessment of onerousness is performed at the level of the liability for remaining coverage (LRC). Adverse experience recognised in the liability for incurred claims (LIC) does not, in itself, indicate that the LRC is onerous. However, where facts and circumstances suggest that future fulfilment cash outflows relating to remaining coverage may exceed the carrying amount of the LRC, the Group performs an onerous contract test and recognises a loss component where required.

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

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

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

#### 2.41 Measurement of Reinsurance Contracts Held

##### (a) Recognition

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

For example, if we enter a surplus fire reinsurance contract on 1 January 2025 and the first fire insurance policy in the treaty is written in February 2025, then the date of recognition of the surplus reinsurance contract will be February 2025. Though the contract agreement is in place in January, cashflows on the contract don't start until February.

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

##### (b) Reinsurance contracts held measured under the PAA.

The Group measures groups of reinsurance contracts held in accordance with IFRS 17, applying accounting policies consistent with those for insurance contracts issued, adapted to reflect the specific features of reinsurance. Reinsurance contracts held are recognised separately from the underlying insurance contracts and are generally presented as assets. A group of reinsurance contracts held is recognised at the earlier of the beginning of its coverage period and the date the underlying insurance contracts are initially recognised, where proportionate coverage is provided; otherwise, recognition occurs at the beginning of the coverage period unless the contract is onerous. The Group applies the Premium Allocation Approach (PAA) to its reinsurance contracts held. Under the PAA, the asset for remaining coverage is recognised over the coverage period in a systematic manner reflecting the receipt of reinsurance services. Where a loss component is recognised on underlying insurance contracts, a corresponding loss-recovery component is recognised for reinsurance contracts held to the extent of coverage. Measurement, including changes in expected recoveries, and derecognition of reinsurance contracts held are performed in accordance with IFRS 17.

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

The Group treats the actual incurred cost as insurance service expense. Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Group adjusts the carrying amount of the asset for remaining coverage and recognizes a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The recognition of this gain results in the recognition for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held.

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

For reinsurance contracts held, the group has an accounting policy of presenting income or expenses from reinsurance contracts held (other than insurance finance income or expenses) as separate amounts: the amounts recovered from the reinsurer and allocation of the premiums paid. Both the recovered amount and the allocated premiums paid together should give a net amount equal to the equivalent single amount option. Premiums paid for reinsurance contracts held are recognised as part of the measurement of the asset for remaining coverage and are not presented as a direct reduction of insurance revenue from underlying insurance contracts.

(d) **Accounting for Fixed Commissions by the Reinsurer**

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

**2.42 Modification and Derecognition**

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

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

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

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

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

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

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

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

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

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

When the Group transfers an insurance contract to a third party and the transfer results in derecognition, the Group derecognises the related portion of the liability for remaining coverage and liability for incurred claims. Any difference between the carrying amount of the derecognised liabilities and the consideration received or paid is recognised in profit or loss at the date of derecognition.

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

**2.43 Presentation**

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

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

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

#### 2.44 Insurance Revenue

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

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

#### 2.45 Insurance Service Expenses

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

- Incurred claims and other insurance service expenses which includes changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components (if any).
- Changes in the LIC related to claims and expenses incurred in prior periods (related to past service)
- Other directly attributable insurance service expenses incurred in the period. This includes technical salaries and wages and 30% of other administrative and overhead expenses.
- Loss component of onerous groups of contracts initially recognized in the period.

#### 2.46 Net expenses from reinsurance contracts held.

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

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

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

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

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

#### 2.47 Insurance finance income and expenses

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

#### 2.48 The presentation for insurance finance income and expenses

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

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

3. Cash and Cash Equivalents

|  | Group             |                   | Parent            |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 2025<br>N'000     | 2024<br>N'000     | 2025<br>N'000     | 2024<br>N'000     |
| Cash - petty cash                              | 7,616             | 2,728             | 7,615             | 2,727             |
| Balances with Local banks                      | 4,772,163         | 4,334,062         | 4,409,375         | 3,945,540         |
| Domiciliary accounts with local banks          | 16,023,965        | 3,833,900         | 15,806,648        | 3,833,900         |
| Domiciliary accounts with Foreign banks        | 184,612           | 196,293           | 184,612           | 196,293           |
| Placement with banks                           | 8,399,471         | 4,620,858         | 5,581,975         | 3,801,329         |
| Placement with other institutions              | 1,612,840         | 1,120,794         | 1,612,840         | 1,120,794         |
| Interest receivable                            | 278,656           | 114,054           | 278,656           | 114,054           |
| Cash and Cash equivalent for cashflow purposes | 31,279,323        | 14,222,691        | 27,881,721        | 13,014,637        |
| Allowance for credit losses (Note 3(c))        | (281,688)         | (243,792)         | (275,558)         | (242,981)         |
| <b>Total cash and cash equivalents</b>         | <b>30,997,635</b> | <b>13,978,899</b> | <b>27,606,163</b> | <b>12,771,656</b> |
| Current  | 30,997,635        | 13,978,899        | 27,606,163        | 12,771,656        |
| Non-current                                    | -                 | -                 | -                 | -                 |

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Placements are made for varying periods averaging between 1 - 90 days depending on the immediate cash requirements of the Group. All deposits are subject to an average interest rate of 12.8%. A total interest of N985,789,986 (2024 547m) was earned during the year. The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

(a) Attributable to policyholders

|                                       | N'000             | N'000             | N'000             | N'000             |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Balances with Local Banks             | 4,779,779         | 4,336,791         | 4,416,990         | 3,948,267         |
| Domiciliary Accounts with local banks | 16,023,965        | 3,833,900         | 15,806,648        | 3,833,900         |
| Placement with Banks                  | 8,399,471         | 4,620,858         | 5,581,975         | 3,801,329         |
| Placement with other institutions     | 1,612,840         | 1,120,794         | 1,612,840         | 1,120,794         |
| Accrued interest                      | 278,656           | 114,054           | 278,656           | 114,054           |
| Allowance for credit losses           | (281,688)         | (243,792)         | (275,558)         | (242,981)         |
|                                       | <b>30,813,023</b> | <b>13,782,606</b> | <b>27,421,551</b> | <b>12,575,363</b> |

(b) Attributable to shareholders

|                                   | N'000          | N'000          | N'000          | N'000          |
|-----------------------------------|----------------|----------------|----------------|----------------|
| Balances with Foreign banks       | 184,612        | 196,293        | 184,612        | 196,293        |
| Placement with other institutions | -              | -              | -              | -              |
|                                   | <b>184,612</b> | <b>196,293</b> | <b>184,612</b> | <b>196,293</b> |

Cash and cash equivalents

|  |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | <b>30,997,635</b> | <b>13,978,899</b> | <b>27,606,163</b> | <b>12,771,656</b> |
|--|-------------------|-------------------|-------------------|-------------------|

(c) Impairment allowance for cash & cash equivalents

|  | N'000          | N'000          | N'000          | N'000          |
|--|----------------|----------------|----------------|----------------|
| ECL allowance as at 1 January                        | 243,792        | 25,718         | 242,981        | 25,718         |
| (Write-backs)/Additions during the year (Note 36(c)) | 37,896         | 218,074        | 32,577         | 217,263        |
| Balance as at the 31 December                        | <b>281,688</b> | <b>243,792</b> | <b>275,558</b> | <b>242,981</b> |

4. Financial Investments

The Company's financial investments are summarised by categories as follows:

|  | N'000             | N'000             | N'000             | N'000             |
|--|-------------------|-------------------|-------------------|-------------------|
| Fair value through profit or loss (Note 4.1)             | 18,396,389        | 11,409,434        | 18,396,389        | 11,409,434        |
| Fair value through other comprehensive income (Note 4.2) | 3,711,980         | 64,431            | 3,711,980         | 64,431            |
| Financial investments at amortised cost (Note 4.3)       | 77,054,169        | 68,577,216        | 76,780,633        | 68,577,216        |
|  | <b>99,162,538</b> | <b>80,051,082</b> | <b>98,889,002</b> | <b>80,051,082</b> |
| Current  | 3,711,980         | 64,431            | 3,711,980         | 64,431            |
| Non-current  | 95,177,022        | 79,986,651        | 95,177,022        | 79,986,651        |
|  | <b>98,889,002</b> | <b>80,051,082</b> | <b>98,889,002</b> | <b>80,051,082</b> |

4.1 Financial investments at fair value through profit or loss  
(Quoted equity)

|                                      | 2025<br>N'000     | 2024<br>N'000     | 2025<br>N'000     | 2024<br>N'000     |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Balance at the beginning of the year | 11,409,434        | 10,463,494        | 11,409,434        | 10,463,494        |
| Addition during the year             | 181,170           | 560,437           | 181,170           | 560,437           |
| Fair value gains (Note 34)           | 6,805,785         | 385,503           | 6,805,785         | 385,503           |
| Balance at the end of the year       | <b>18,396,389</b> | <b>11,409,434</b> | <b>18,396,389</b> | <b>11,409,434</b> |

|                               | Group         |               | Parent        |               |
|-------------------------------|---------------|---------------|---------------|---------------|
|                               | 2025<br>N'000 | 2024<br>N'000 | 2025<br>N'000 | 2024<br>N'000 |
| Attributable to policyholders | 18,396,389    | 11,409,434    | 18,396,389    | 11,409,434    |
| Attributable to shareholders  | -             | -             | -             | -             |

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The group's equity securities comprises of shares and stock holdings of listed companies. Management valued the Company's quoted investments at market value which is a reasonable measurement of fair value since the prices of the shares are quoted in an active market. The instruments are measured and evaluated on a fair value basis and fair value is determined by reference to published price quotations in an active market - classified as level 1 in the fair value hierarchy.

#### 4.2 Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- (a) Equity securities which are not held for trading, and which the group has elected at initial recognition to recognise as FVOCI. These are strategic investments and the group considers this classification to be more relevant.

Equity investments at FVOCI comprise the following individual investments:

| Equity securities          | Group            |               | Parent           |               |
|----------------------------|------------------|---------------|------------------|---------------|
|                            | 2025<br>N'000    | 2024<br>N'000 | 2025<br>N'000    | 2024<br>N'000 |
| Fair value                 |                  |               |                  |               |
| CSCS                       | 83,300           | 50,218        | 83,300           | 50,218        |
| WAMCO                      | 16,450           | 14,213        | 16,450           | 14,213        |
| Alpha Morgan Bank Limited* | 3,612,230        | -             | 3,612,230        | -             |
|                            | <b>3,711,980</b> | <b>64,431</b> | <b>3,711,980</b> | <b>64,431</b> |

The fair value gains in the carrying amount of financial assets at fair value through other comprehensive income (FVOCI) are recognized in other comprehensive income and accumulated under the heading of FVOCI reserve.

\*Following the commencement of operations of Alpha Morgan Bank Limited, the Group reclassified its 6.34% equity investment in the company from other receivables (Note 8(g)) to financial assets measured at fair value through other comprehensive income (FVOCI), in accordance with its accounting policies.

| (b) Equity instrument measured at fair value through other comprehensive income | Group            |               | Parent           |               |
|---|------------------|---------------|------------------|---------------|
|   | 2025<br>N'000    | 2024<br>N'000 | 2025<br>N'000    | 2024<br>N'000 |
| Balance at the beginning of the year  | 64,431           | 75,219        | 64,431           | 75,219        |
| Reclassification during the year (Note 8g)                                      | 3,612,230        | -             | 3,612,230        | -             |
| Fair value gain/(loss) (Note 24)  | 35,319           | (10,788)      | 35,319           | (10,788)      |
| Balance at the end of the year  | <b>3,711,980</b> | <b>64,431</b> | <b>3,711,980</b> | <b>64,431</b> |
| Attributable to policy holders  | -                | -             | -                | -             |
| Attributable to shareholders  | <b>3,711,980</b> | <b>64,431</b> | <b>3,711,980</b> | <b>64,431</b> |

#### 4.3 Financial investments at amortised cost

|                                       | Group             |                   | Parent            |                   |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | 2025<br>N'000     | 2024<br>N'000     | 2025<br>N'000     | 2024<br>N'000     |
| Bonds (Note 4.3(a))                   | 26,765,819        | 27,024,645        | 26,765,819        | 27,024,645        |
| Placement above 90 days (Note 4.3(d)) | 29,923,658        | 26,505,860        | 29,923,658        | 26,505,860        |
| Treasury bills (Note 4.3(e))          | 14,064,042        | 8,033,471         | 14,064,042        | 8,033,471         |
| Commercial papers (Note 4.3(f))       | 6,300,650         | 7,013,240         | 6,027,114         | 7,013,240         |
|                                       | <b>77,054,169</b> | <b>68,577,216</b> | <b>76,780,633</b> | <b>68,577,216</b> |
| Attributable to policyholders         | 52,548,035        | 64,711,467        | 52,274,499        | 64,711,467        |
| Attributable to shareholders          | <b>24,506,134</b> | <b>3,865,750</b>  | <b>24,506,134</b> | <b>3,865,750</b>  |

#### (a) Bonds

|   | 2025<br>N'000     | 2024<br>N'000     | 2025<br>N'000     | 2024<br>N'000     |
|---|-------------------|-------------------|-------------------|-------------------|
| Balance at the beginning of the year      | 27,951,183        | 17,456,873        | 27,951,183        | 17,456,873        |
| Purchases during the year                 | 7,673,176         | 3,810,035         | 7,673,176         | 3,810,035         |
| Accrued interest                          | 775,741           | 607,235           | 775,741           | 607,235           |
| Redemption                                | (7,244,276)       | (1,168,451)       | (7,244,276)       | (1,168,451)       |
| Foreign exchange gain (Note 26)           | (1,800,760)       | 7,245,490         | (1,800,760)       | 7,245,490         |
|   | <b>27,355,064</b> | <b>27,951,183</b> | <b>27,355,064</b> | <b>27,951,183</b> |
| Allowance for credit losses (Note 4.3(g)) | (589,245)         | (926,538)         | (589,245)         | (926,538)         |
| Balance at the end of the year            | <b>26,765,819</b> | <b>27,024,645</b> | <b>26,765,819</b> | <b>27,024,645</b> |

#### (b) Breakdown of the bonds

| Institution                         | Maturity date | Coupon Rate | Frequency   | 2025    | 2024    |
|-------------------------------------|---------------|-------------|-------------|---------|---------|
|                                     |               |             |             | N'000   | N'000   |
| Fidelity(Eurobond)                  | October 2026  | 7.63%       | Half yearly | 234,891 | 252,683 |
| Sterling Bond(Corporate Bond)       | October 2025  | 16.25%      | Half yearly | -       | 30,949  |
| Ondo State Bond                     | January 2027  | 13.00%      | Half yearly | 15,422  | 23,526  |
| Capital Express(FGN BOND)           | Various       | Various     | Half yearly | 77,228  | 346,408 |
| MBC(Flourmill Bond)(Corporate Bond) | February 2025 | 11.10%      | Half yearly | -       | 103,983 |
| Apel Asset(FGN Bond)                | June 2027     | 11.20%      | Half yearly | 146,395 | 151,351 |

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| Breakdown of the bonds                   | Maturity date  | Coupon Rate Frequency | 2025<br>N'000     | 2024<br>N'000     |
|--|----------------|-----------------------|-------------------|-------------------|
| UBA Capital (Bond)(Corporate Bond)       | May 2025       | 12.50% Half yearly    | -                 | 15,268            |
| Nova Merchant Bank(Bond)(Corporate Bond) | June 2027      | 12.00% Half yearly    | 52,501            | 52,501            |
| FSDH(Euro Bond)(first Bank Nigeria)      | Various        | Various Half yearly   | 1,813,542         | 6,727,328         |
| Lagos State(Bond)                        | Various        | Various Half yearly   | 54,407            | 61,193            |
| Edo State Bond                           | December 2025  | 9.00% Half yearly     | -                 | 50,123            |
| CardinalStone Bond(Corporate Bond)       | December 2025  | 7.00% Half yearly     | -                 | 53,492            |
| Powercorp Green Bond                     | April 2031     | 12.00% Half yearly    | 227,957           | 280,890           |
| Kwara State Bond                         | July 2028      | 15.00% Half yearly    | 31,038            | 36,929            |
| (Ecobank Euro Bond)                      | February 2026  | 7.13% Half yearly     | 143,537           | 416,860           |
| Chapel Hill Bond                         | September 2028 | 6.13% Half yearly     | 83,256            | 83,367            |
| Presco Bond                              | March 2029     | 12.85% Half yearly    | 25,472            | 29,111            |
| Niger State Bond                         | February 2029  | 15.50% Half yearly    | 34,586            | 40,132            |
| FGN BOND(ZEDCREST)                       | January 2026   | 12.50% Half yearly    | 159,956           | 158,292           |
| Fidelity(Eurobond)                       | October 2026   | 7.63% Half yearly     | 866,252           | 941,546           |
| Minaret Sukuk Bond                       | September 2028 | 15.00% Half yearly    | 46,353            | 56,885            |
| Gombe Bond(Jewel Sukuk)                  | August 2029    | 14.50% Half yearly    | 38,112            | 41,323            |
| PAT Digital Infra Fund(Bond)             | February 2032  | 13.25% Half yearly    | 95,207            | 105,451           |
| Dangote Cement                           | April 2027     | 11.85% Half yearly    | 118,872           | 118,799           |
| FGN BOND(Apel Capital)                   | March 2027     | 16.29% Half yearly    | 263,099           | 262,247           |
| Eurobond(ZEDCREST)                       | October 2026   | 7.63% Half yearly     | 378,914           | 392,366           |
| Eurobond(Access bank 2026)Zedcrest       | September 2026 | 6.13% Half yearly     | 497,072           | 472,524           |
| Apel Capital(FGN Bond)                   | January 2026   | 12.50% Half yearly    | 119,532           | 118,520           |
| Geregu Power Plc                         | July 2029      | 14.50% Half yearly    | 82,873            | 106,166           |
| Dangote Bond                             | July 2029      | 12.75% Half yearly    | 52,337            | 52,873            |
| Cross River State Bond                   | August 2029    | 15.50% Half yearly    | 58,537            | 79,689            |
| MTN Bond                                 | September 2026 | 13.50% Half yearly    | 103,310           | 103,348           |
| Zamfara State Bond                       | October 2029   | 17.00% Half yearly    | 148,224           | 207,967           |
| Alagbaka Power Bond                      | September 2029 | 19.00% Half yearly    | 158,355           | 158,356           |
| FGN Eurobond                             | November 2025  | 7.63% Half yearly     | 435,538           | 468,528           |
| Edo State Bond (River Jamieson)          | March 2030     | 18.15% Half yearly    | 403,903           | 473,757           |
| Lagos State Government                   | May 2033       | 15.25% Half yearly    | 178,437           | 189,817           |
| FGN SUKUK VI                             | October 20233  | 15.75% Half yearly    | 307,235           | 310,011           |
| Amplitude Telecoms                       | June 2026      | 18.50% Half yearly    | 503,166           | 521,272           |
| Flour Mills Of Nigeria                   | May 2026       | 14.50% Half yearly    | 98,870            | 408,068           |
| Amplitude Telecoms                       | October 2026   | 18.50% Half yearly    | 257,629           | 260,042           |
| Amplitude Telecoms                       | December 2026  | 18.50% Half yearly    | 100,243           | 200,485           |
| TAB Funding SPV                          | December 2027  | 16.75% Half yearly    | 401,771           | 401,772           |
| Zimvest Capital(Eurobond)                | June 2026      | 8.75% Half yearly     | 765,997           | 777,051           |
| FSDH (FGN Eurobond 2025)                 | November 2025  | 7.63% Half yearly     | -                 | 1,171,324         |
| Zedcrest (Access Bank Eurobond)          | October 2033   | 6.13% Half yearly     | 3,331,060         | 3,150,163         |
| FSDH (Fidelity 2026 Eurobond)            | October 2026   | 7.63% Half yearly     | 852,661           | 877,540           |
| FSDH (Fidelity 2026 Eurobond)            | October 2026   | 7.63% Half yearly     | 749,032           | 784,738           |
| Acob Hybrid Ltd / Infra Fund             | January 2031   | 16.25% Half yearly    | 160,218           | 159,680           |
| Flour Mills Of Nigeria                   | May 2029       | 22.00% Half yearly    | 219,130           | 254,468           |
| Gombe Bond(G.O.S)                        | April 2031     | 22.50% Half yearly    | 451,217           | 509,920           |
| FSDH(Access2026 Euro Bond)               | September 2026 | 6.13% Half yearly     | 1,497,621         | 1,573,455         |
| NONREN(Fidelity Eurobond)                | October 2026   | 7.63% Half yearly     | 1,453,274         | 1,540,212         |
| NONREN(Access Eurobond)                  | February 2026  | 7.13% Half yearly     | 590,285           | 631,416           |
| FSDH(Access2026 Euro Bond)               | September 2026 | 6.13% Half yearly     | 1,003,028         | 1,065,297         |
| Apel Eurobond Trust(Access Bond)         | Perpetual      | 9.13% Half yearly     | 82,997            | 89,723            |
| FSDH (Ecobank 2029)                      | October 2026   | 10.13% Half yearly    | 716,587           | -                 |
| FSDH(Euro Bond)(Ecobank)                 | February 2026  | 34.18% Half yearly    | 267,734           | -                 |
| FSDH (Euro Bond)(Ecobank)                | October 2026   | 10.13% Half yearly    | 2,130,907         | -                 |
| FSDH(Euro Bond)(Ecobank)                 | February 2026  | 26.79% Half yearly    | 264,739           | -                 |
| FSDH(Euro Bond)(Ecobank)                 | February 2026  | 12.17% Half yearly    | 528,399           | -                 |
| FSDH (Seplat Eurobond)                   | March 2030     | 7.15% Half yearly     | 1,582,027         | -                 |
| FSDH (Ecobank 2029)                      | October 2029   | 6.87% Half yearly     | 1,438,357         | -                 |
| Presco Bond                              | January 2032   | 23.75% Half yearly    | 435,352           | -                 |
| FGN SUKUK                                | May 2032       | 19.75% Half yearly    | 20,410            | -                 |
|  |                |                       | <b>27,355,064</b> | <b>27,951,183</b> |

(c) The bonds comprises of fully amortising bonds, partially amortising bonds and bullet bonds. All bonds are redeemable at par on their respective due dates. In line with the business model test and its cashflow characteristics (SPPI) management measures its bonds at amortised cost in accordance with IFRS 9 with subsequent ECL provisions made in accordance with the standard.

|  | Group         |               | Parent        |               |
|--|---------------|---------------|---------------|---------------|
|  | 2025          | 2024          | 2025          | 2024          |
|  | N'000         | N'000         | N'000         | N'000         |
| (d) Placements above 90 days   |               |               |               |               |
| Opening balance  | 26,584,373    | 11,461,910    | 26,584,373    | 11,461,910    |
| Addition during the year   | 61,537,582    | 46,288,481    | 61,537,582    | 46,288,481    |
| Accrued interest   | 827,309       | 770,394       | 827,309       | 770,394       |
| Matured during the year  | (57,208,956)  | (38,396,849)  | (57,208,956)  | (38,396,849)  |
| Foreign exchange gain (Note 26)  | (1,501,439)   | 6,460,437     | (1,501,439)   | 6,460,437     |
|  | 30,238,869    | 26,584,373    | 30,238,869    | 26,584,373    |
| Allowance for credit losses (Note 4.3(h))  | (315,211)     | (78,512)      | (315,211)     | (78,512)      |
| Balance at the end of the year   | 29,923,658    | 26,505,860    | 29,923,658    | 26,505,860    |
| (e) Treasury bills   |               |               |               |               |
| Opening balance  | 8,080,607     | 533,063       | 8,080,607     | 533,063       |
| Addition during the year   | 16,717,113    | 8,195,544     | 16,717,113    | 8,195,544     |
| Disposals during the year  | (10,655,614)  | (648,000)     | (10,655,614)  | (648,000)     |
|  | 14,142,106    | 8,080,607     | 14,142,106    | 8,080,607     |
| Allowance for credit losses (Note 4.3(i))  | (78,064)      | (47,136)      | (78,064)      | (47,136)      |
| Balance at the end of the year   | 14,064,042    | 8,033,471     | 14,064,042    | 8,033,471     |
| (f) Commercial papers  |               |               |               |               |
| Opening balance  | 7,052,810     | 7,162,790     | 7,052,810     | 7,162,790     |
| Addition during the year   | 11,583,128    | 4,071,002     | 11,307,237    | 4,071,002     |
| Matured during the year  | (12,307,902)  | (4,180,981)   | (12,307,902)  | (4,180,981)   |
| Balance  | 6,328,036     | 7,052,810     | 6,052,145     | 7,052,810     |
| Allowance for credit losses (Note 4.3(j))  | (27,386)      | (39,570)      | (25,031)      | (39,570)      |
| Balance at the end of the year   | 6,300,650     | 7,013,240     | 6,027,114     | 7,013,240     |
| (g) Impairment allowance on Bond:  |               |               |               |               |
| ECL allowance as at 1 January  | 926,538       | 216,029       | 926,538       | 216,029       |
| (Write back)/Allowance during the year (Note 36(c))  | (337,293)     | 710,509       | (337,293)     | 710,509       |
| Balance at the end of the year (Note 4.3(a))   | 589,245       | 926,538       | 589,245       | 926,538       |
| (h) Impairment allowance on Placements above 90 days:  |               |               |               |               |
| ECL allowance as at 1 January  | 78,512        | 11,417        | 78,512        | 11,417        |
| Allowance during the year (Note 36(c))   | 236,699       | 67,096        | 236,699       | 67,096        |
| Balance at the end of the year (Note 4.3(d))   | 315,211       | 78,512        | 315,211       | 78,512        |
| (i) Impairment allowance on Treasury bills:  |               |               |               |               |
| ECL allowance as at 1 January  | 47,136        | 478           | 47,136        | 478           |
| Allowance during the year (Note 36(c))   | 30,928        | 46,658        | 30,928        | 46,658        |
| Balance at the end of the year (Note 4.3(e))   | 78,064        | 47,136        | 78,064        | 47,136        |
| (j) Impairment allowance on Commercial papers:   |               |               |               |               |
| ECL allowance as at 1 January  | 39,570        | 31,478        | 39,570        | 31,478        |
| (Write back)/Allowance during the year (Note 36(c))  | (12,184)      | 8,092         | (14,539)      | 8,092         |
| Balance at the end of the year (Note 4.3(f))   | 27,386        | 39,570        | 25,031        | 39,570        |
| <b>5 Premium Receivable</b>  |               |               |               |               |
| (a) Balance at the beginning of the year   | 1,271,090     | 450,143       | 253,022       | 354,531       |
| Premium written during the year*   | 166,812,090   | 110,718,945   | 157,885,896   | 108,389,774   |
| Premium deposit received in the prior period**   | (718,236)     | (726,865)     | (666,240)     | (653,385)     |
| Premium received in the year   | (163,920,058) | (109,171,133) | (157,394,890) | (107,837,898) |
| Balance at the end of the year   | 3,444,886     | 1,271,090     | 77,788        | 253,022       |
| Current  | 3,139,466     | 965,670       | 77,788        | 253,022       |
| Non-current  | 305,420       | 305,420       | -             | -             |
| * Premium written during the year relates to all policies the insurer has received for policies issued during the year.  |               |               |               |               |
| **Premium deposit received in the prior year period relates to the money paid in advance by customers in an prior year, which will be applied as premium in the current or future period.  |               |               |               |               |
| (b) Analysis of Premium Receivables  |               |               |               |               |
| Amount due from Insurance Brokers  | 3,444,886     | 1,271,090     | 77,788        | 253,022       |
| (c) The Company's policy in line with the provisions of "No Premium, No Cover" on impairment of trade receivables recognizes, premium receivables from Brokers only. Such receivables should not exceed a period of 30 days. Deposit premium also represent premium deposited by brokers |               |               |               |               |
| <b>Age of Premium Receivables</b>  |               |               |               |               |
| Within 14 days   | 5,780         | 90,598        | 5,780         | 90,598        |
| Within 15 - 30 days  | 72,008        | 875,072       | 72,008        | 162,424       |
| Above 30 days  | 3,367,098     | 305,420       | -             | -             |
|  | 3,444,886     | 1,271,090     | 77,788        | 253,022       |
| (d) Premium receivables are receivables from insurance brokers as at the year end and these have been collected subsequent to the year ended 31 December 2025.   |               |               |               |               |

|   | Group             |                   | Parent            |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | 2025              | 2024              | 2025              | 2024              |
| <b>6 Reinsurance Contract Assets</b>  |                   |                   |                   |                   |
| Assets for Remaining Coverage (6(b))  | 17,195,967        | 8,200,607         | 17,195,967        | 8,200,607         |
| Asset for incurred claims (Note 6(c))   | 10,404,442        | 7,709,954         | 10,404,442        | 7,709,954         |
|   | <u>27,600,408</u> | <u>15,910,561</u> | <u>27,600,409</u> | <u>15,910,561</u> |
| Current   | 17,195,967        | 8,200,607         | 17,195,967        | 8,200,607         |
| Non-current   | 10,404,442        | 7,709,954         | 10,404,442        | 7,709,954         |
|   | <u>2025</u>       | <u>2024</u>       | <u>2025</u>       | <u>2024</u>       |
|   | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      |
| (a) <b>Summary of Reinsurance Contract Assets</b>   |                   |                   |                   |                   |
| Reinsurance contract assets (excluding reinsurance deferred acquisition income cashflows, other preresognition cashflows, and reinsurance payables) | 30,162,263        | 17,209,701        | 30,162,263        | 17,209,701        |
| Reinsurance deferred acquisition income cashflows*  | (2,291,259)       | (1,092,151)       | (2,291,259)       | (1,092,151)       |
| Other pre-recognition cashflows   | -                 | -                 | -                 | -                 |
| Reinsurance payables  | (270,595)         | (206,990)         | (270,595)         | (206,990)         |
|   | <u>27,600,409</u> | <u>15,910,561</u> | <u>27,600,409</u> | <u>15,910,561</u> |
|   | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      |
| <b>*Reinsurance deferred acquisition income cashflows</b>   |                   |                   |                   |                   |
| Balance as at 1 January   | 1,092,151         | 544,236           | 1,092,151         | 544,236           |
| Reinsurance cashflow received during the year   | 6,849,975         | 3,170,415         | 6,849,975         | 3,170,415         |
| Reinsurance cashflow recognized during the year   | (5,650,867)       | (2,622,500)       | (5,650,867)       | (2,622,500)       |
| Balance as at 31 December   | 2,291,259         | 1,092,151         | 2,291,259         | 1,092,151         |
| Transferred to reinsurance contract assets  | (2,291,259)       | (1,092,151)       | (2,291,259)       | (1,092,151)       |
| Carrying amount in the SOFP as at 31 December   | -                 | -                 | -                 | -                 |
|   | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      |
| (b) <b>Asset for remaining coverage</b>   |                   |                   |                   |                   |
| Excluding Loss recovery component (6.1)   | 17,195,968        | 8,200,607         | 17,195,968        | 8,200,607         |
| Loss recovery component (6.1)   | -                 | -                 | -                 | -                 |
|   | <u>17,195,968</u> | <u>8,200,607</u>  | <u>17,195,968</u> | <u>8,200,607</u>  |
|   | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      | <u>N'000</u>      |
| (c) <b>Asset for incurred claims</b>  |                   |                   |                   |                   |
| Estimates of present value of future cashflows (6.1)  | 9,806,351         | 7,121,675         | 9,806,350         | 7,121,675         |
| Risk adjustment for non-financial risk (6.1)  | 598,093           | 588,279           | 598,092           | 588,279           |
|   | <u>10,404,444</u> | <u>7,709,954</u>  | <u>10,404,442</u> | <u>7,709,954</u>  |

6.1 Reconciliation of Reinsurance contracts held from opening to closing, as at December 31 2025

| Group  | Assets for remaining coverage        |                                  | Asset for incurred claims       |                          | Total<br>N'000      |
|--|--------------------------------------|----------------------------------|---------------------------------|--------------------------|---------------------|
|  | Non-loss recovery component<br>N'000 | Loss recovery component<br>N'000 | PV of Future cashflows<br>N'000 | Risk adjustment<br>N'000 |                     |
| Reinsurance contract assets as of January 1, 2025            | 8,200,607                            | -                                | 7,121,675                       | 588,279                  | 15,910,560          |
| Reinsurance contract liabilities as of January 1, 2025       | -                                    | -                                | -                               | -                        | -                   |
| <b>Net Reinsurance contracts as of January 1, 2025</b>       | <b>8,200,607</b>                     | <b>-</b>                         | <b>7,121,675</b>                | <b>588,279</b>           | <b>15,910,560</b>   |
| Allocation of reinsurance premium                            | (55,871,687)                         | -                                | -                               | -                        | (55,871,687)        |
| Effect of changes in the risk of reinsurance non-performance | -                                    | -                                | -                               | -                        | -                   |
| <b>Amounts recovered from reinsurance:</b>                   |                                      |                                  |                                 |                          |                     |
| Recoveries of incurred claims and other attributable income  | -                                    | -                                | 15,046,370                      | 9,814                    | 15,056,184          |
| Changes that relate to past service-adjustment to ARIC       | -                                    | -                                | 1,245,021                       | -                        | -                   |
| Recoveries/(reversals of recoveries) on onerous contracts    | -                                    | -                                | -                               | -                        | -                   |
|  | <u>(55,871,687)</u>                  | <u>-</u>                         | <u>16,291,391</u>               | <u>9,814</u>             | <u>(39,570,482)</u> |
| Insurance Finance Income                                     | -                                    | -                                | 1,297,246                       | -                        | 1,297,246           |
| Insurance finance reserve (changes in discount rate)         | -                                    | -                                | -                               | -                        | -                   |
|  | <u>-</u>                             | <u>-</u>                         | <u>1,297,246</u>                | <u>-</u>                 | <u>1,297,246</u>    |
| <b>Cash flows in the period</b>                              |                                      |                                  |                                 |                          |                     |
| Reinsurance premiums paid*                                   | 65,074,038                           | -                                | -                               | -                        | 65,074,038          |
| Amounts received under reinsurance contracts held            | -                                    | -                                | (14,903,961)                    | -                        | (14,903,961)        |
| <b>Cash flows</b>  | <b>65,074,038</b>                    | <b>-</b>                         | <b>(14,903,961)</b>             | <b>-</b>                 | <b>50,170,077</b>   |
| <b>Non-cashflows in the period</b>                           |                                      |                                  |                                 |                          |                     |
| Impact of reinsurance premium payable                        | (206,990)                            | -                                | -                               | -                        | (206,990)           |
|  | <u>64,867,048</u>                    | <u>-</u>                         | <u>(14,903,961)</u>             | <u>-</u>                 | <u>49,963,087</u>   |
| Reinsurance contracts assets as of December 31, 2025         | 17,195,968                           | -                                | 9,806,351                       | 598,093                  | 27,600,411          |
| Reinsurance contract liabilities as of December 31, 2025     | -                                    | -                                | -                               | -                        | -                   |
| <b>Net Reinsurance contracts as of December 31, 2025</b>     | <b>17,195,968</b>                    | <b>-</b>                         | <b>9,806,351</b>                | <b>598,093</b>           | <b>27,600,411</b>   |

Reconciliation of Reinsurance contracts held, as at December 31 2024

| Group  | Assets for remaining coverage           |                                     | Asset for incurred claims          |                          | Total<br>N'000      |
|--|---|-------------------------------------|------------------------------------|--------------------------|---------------------|
|  | Non-loss recovery<br>component<br>N'000 | Loss recovery<br>component<br>N'000 | PV of Future<br>cashflows<br>N'000 | Risk adjustment<br>N'000 |                     |
| Reinsurance contract assets as of January 1, 2024            | 4,900,356                               | 33,014                              | 4,168,549                          | 331,121                  | 9,433,041           |
| Reinsurance contract liabilities as of January 1, 2024       | -                                       | -                                   | -                                  | -                        | -                   |
| <b>Net Reinsurance contracts as of January 1, 2024</b>       | <b>4,900,356</b>                        | <b>33,014</b>                       | <b>4,168,549</b>                   | <b>331,121</b>           | <b>9,433,041</b>    |
| Allocation of reinsurance premium                            | (30,096,480)                            | -                                   | -                                  | -                        | (30,096,480)        |
| Effect of changes in the risk of reinsurance non-performance | -                                       | -                                   | -                                  | -                        | -                   |
| <b>Amounts recovered from reinsurance:</b>                   | -                                       | -                                   | -                                  | -                        | -                   |
| Recoveries of incurred claims and other attributable income  | -                                       | -                                   | 10,892,565                         | 257,157                  | 11,149,722          |
| Changes that relate to past service-adjustment to ARIC       | -                                       | -                                   | 841,231                            | -                        | -                   |
| Recoveries and reversals of recoveries on onerous contracts  | -                                       | (33,014)                            | -                                  | -                        | (33,014)            |
|  | <b>(30,096,480)</b>                     | <b>(33,014)</b>                     | <b>11,733,796</b>                  | <b>257,157</b>           | <b>(18,138,541)</b> |
| Insurance Finance Income                                     | -                                       | -                                   | 318,947                            | -                        | 318,947             |
| Insurance finance reserve (changes in discount rate)         | -                                       | -                                   | -                                  | -                        | -                   |
|  | -                                       | -                                   | <b>318,947</b>                     | -                        | <b>318,947</b>      |
| <b>Cash flows in the period</b>                              |   |                                     |                                    |                          |                     |
| Reinsurance premiums paid*                                   | 33,527,246                              | -                                   | -                                  | -                        | 33,527,246          |
| Amounts received under reinsurance contracts held            | -                                       | -                                   | (9,099,617)                        | -                        | (9,099,617)         |
| <b>Cash flows</b>  | <b>33,527,246</b>                       | -                                   | <b>(9,099,617)</b>                 | -                        | <b>24,427,629</b>   |
| <b>Non-cashflows in the period</b>                           |   |                                     |                                    |                          |                     |
| Impact of reinsurance premium payable                        | (130,516)                               | -                                   | -                                  | -                        | (130,516)           |
|  | <b>33,396,730</b>                       | -                                   | <b>(9,099,617)</b>                 | -                        | <b>24,297,113</b>   |
| Reinsurance contracts assets as of December 31, 2024         | 8,200,607                               | -                                   | 7,121,675                          | 588,279                  | 15,910,560          |
| Reinsurance contract liabilities as of December 31, 2024     | -                                       | -                                   | -                                  | -                        | -                   |
| <b>Net Reinsurance contracts as of December 31, 2024</b>     | <b>8,200,607</b>                        | -                                   | <b>7,121,675</b>                   | <b>588,279</b>           | <b>15,910,560</b>   |

Reconciliation of Reinsurance contracts held from opening to closing, as at December 31 2025

| Parent   | Assets for remaining coverage           |                                     | Asset for incurred claims          |                          | Total<br>N'000      |
|--|---|-------------------------------------|------------------------------------|--------------------------|---------------------|
|  | Non-loss recovery<br>component<br>N'000 | Loss recovery<br>component<br>N'000 | PV of Future<br>cashflows<br>N'000 | Risk adjustment<br>N'000 |                     |
| Reinsurance contract assets as of January 1, 2025            | 8,200,607                               | -                                   | 7,121,675                          | 588,279                  | 15,910,560          |
| Reinsurance contract liabilities as of January 1, 2025       | -                                       | -                                   | -                                  | -                        | -                   |
| <b>Net Reinsurance contracts as of January 1, 2025</b>       | <b>8,200,607</b>                        | -                                   | <b>7,121,675</b>                   | <b>588,279</b>           | <b>15,910,560</b>   |
| Allocation of reinsurance premium                            | (55,871,687)                            | -                                   | -                                  | -                        | (55,871,687)        |
| Effect of changes in the risk of reinsurance non-performance | -                                       | -                                   | -                                  | -                        | -                   |
| <b>Amounts recovered from reinsurance:</b>                   | -                                       | -                                   | -                                  | -                        | -                   |
| Recoveries of incurred claims and other attributable income  | -                                       | -                                   | 15,046,370                         | 9,814                    | 15,056,184          |
| Changes that relate to past service-adjustment to ARIC       | -                                       | -                                   | 1,245,021                          | -                        | 1,245,021           |
| Recoveries/(reversals of recoveries) on onerous contracts    | -                                       | -                                   | -                                  | -                        | -                   |
|  | <b>(55,871,687)</b>                     | -                                   | <b>16,291,391</b>                  | <b>9,814</b>             | <b>(39,570,482)</b> |
| Insurance Finance Income                                     | -                                       | -                                   | 1,297,246                          | -                        | 1,297,246           |
| Insurance finance reserve (changes in discount rate)         | -                                       | -                                   | -                                  | -                        | -                   |
|  | -                                       | -                                   | <b>1,297,246</b>                   | -                        | <b>1,297,246</b>    |
| <b>Cash flows in the period</b>                              |   |                                     |                                    |                          |                     |
| Reinsurance premiums paid*                                   | 65,074,038                              | -                                   | -                                  | -                        | 65,074,038          |
| Amounts received under reinsurance contracts held            | -                                       | -                                   | (14,903,961)                       | -                        | (14,903,961)        |
| <b>Cash flow</b>   | <b>65,074,038</b>                       | -                                   | <b>(14,903,961)</b>                | -                        | <b>50,170,077</b>   |
| <b>Non-cashflows in the period</b>                           |   |                                     |                                    |                          |                     |
| Impact of reinsurance premium payable                        | (206,990)                               | -                                   | -                                  | -                        | (206,990)           |
| <b>Net cash flow</b>   | <b>64,867,048</b>                       | -                                   | <b>(14,903,961)</b>                | -                        | <b>49,963,087</b>   |
| Reinsurance contracts assets as of December 31, 2025         | 17,195,968                              | -                                   | 9,806,350                          | 598,092                  | 27,600,411          |
| Reinsurance contract liabilities as of December 31, 2025     | -                                       | -                                   | -                                  | -                        | -                   |
| <b>Net Reinsurance contracts as of December 31, 2025</b>     | <b>17,195,968</b>                       | -                                   | <b>9,806,350</b>                   | <b>598,092</b>           | <b>27,600,411</b>   |

Reconciliation of Reinsurance contracts held, as at December 31 2024

| Parent   | Assets for remaining coverage                     |                                     | Asset for incurred claims          |                          | Total<br>N'000      |
|--|---|-------------------------------------|------------------------------------|--------------------------|---------------------|
|  | Non-loss recovery<br>component<br>N'000           | Loss recovery<br>component<br>N'000 | PV of Future<br>cashflows<br>N'000 | Risk adjustment<br>N'000 |                     |
|  | Reinsurance contract assets as of January 1, 2024 | 4,900,356                           | 33,014                             | 4,168,549                |                     |
| Reinsurance contract liabilities as of January 1, 2024       | -   | -                                   | -                                  | -                        | -                   |
| <b>Net Reinsurance contracts as of January 1, 2024</b>       | <b>4,900,356</b>                                  | <b>33,014</b>                       | <b>4,168,549</b>                   | <b>331,121</b>           | <b>9,433,041</b>    |
| Allocation of reinsurance premium                            | (30,096,480)                                      | -                                   | -                                  | -                        | (30,096,480)        |
| Effect of changes in the risk of reinsurance non-performance | -   | -                                   | -                                  | -                        | -                   |
| <b>Amounts recovered from reinsurance:</b>                   |   |                                     |                                    |                          |                     |
| Recoveries of incurred claims and other attributable income  | -   | -                                   | 10,892,565                         | 257,157                  | 11,149,722          |
| Changes that relate to past service-adjustment to ARIC       | -   | -                                   | 841,231                            | -                        | -                   |
| Recoveries and reversals of recoveries on onerous contracts  | -   | (33,014)                            | -                                  | -                        | (33,014)            |
|  | <b>(30,096,480)</b>                               | <b>(33,014)</b>                     | <b>11,733,796</b>                  | <b>257,157</b>           | <b>(18,138,541)</b> |
| Insurance Finance Income                                     | -   | -                                   | 318,947                            | -                        | 318,947             |
| Insurance finance reserve (changes in discount rate)         | -   | -                                   | -                                  | -                        | -                   |
|  | -   | -                                   | <b>318,947</b>                     | -                        | <b>318,947</b>      |
| <b>Cash flows in the period</b>                              |   |                                     |                                    |                          |                     |
| Reinsurance premiums paid*                                   | 33,527,246  | -                                   | -                                  | -                        | 33,527,246          |
| Amounts received under reinsurance contracts held            | -   | -                                   | (9,099,617)                        | -                        | (9,099,617)         |
| <b>Cash flow</b>   | <b>33,527,246</b>                                 | -                                   | <b>(9,099,617)</b>                 | -                        | <b>24,427,629</b>   |
| <b>Non-cashflows in the period</b>                           |   |                                     |                                    |                          |                     |
| Impact of reinsurance premium payable                        | (130,516)   | -                                   | -                                  | -                        | (130,516)           |
|  | <b>33,396,730</b>                                 | -                                   | <b>(9,099,617)</b>                 | -                        | <b>24,297,113</b>   |
| Reinsurance contracts assets as of December 31, 2024         | 8,200,607   | -                                   | 7,121,675                          | 588,279                  | 15,910,560          |
| Reinsurance contract liabilities as of December 31, 2024     | -   | -                                   | -                                  | -                        | -                   |
| <b>Net Reinsurance contracts as of December 31, 2024</b>     | <b>8,200,607</b>                                  | -                                   | <b>7,121,675</b>                   | <b>588,279</b>           | <b>15,910,560</b>   |

\*The treatment of Reinsurance premiums paid in the reconciliation of opening to closing of reinsurance contract assets are based solely on cash paid to reinsurers after considering acquisition cashflow due to the company.

|  | Group             |                  | Parent            |                  |
|--|-------------------|------------------|-------------------|------------------|
|  | 2025<br>N'000     | 2024<br>N'000    | 2025<br>N'000     | 2024<br>N'000    |
| <b>6.2 Breakdown of Asset for incurred claims</b>              |                   |                  |                   |                  |
| Present value of future cashflows                              | 9,806,351         | 7,121,675        | 9,806,351         | 7,121,675        |
|  | 9,806,351         | 7,121,675        | 9,806,351         | 7,121,675        |
| <b>7 Insurance finance reserve</b>                             |                   |                  |                   |                  |
| Opening balance  | -                 | -                | -                 | -                |
| Changes during the year  | -                 | -                | -                 | -                |
| Closing balance  | -                 | -                | -                 | -                |
| <b>8 Other receivables and prepayments</b>                     |                   |                  |                   |                  |
| Prepayments (Note 8(a))  | 90,433            | 89,408           | 89,725            | 38,461           |
| Accounts receivable (Note 8(b))                                | 1,031,219         | 593,188          | 120,170           | 3,719            |
| Staff loans and advances (Note 8(c))                           | 73,563            | 104,067          | 73,563            | 104,067          |
| Deposit for shares in NEM Life Ltd (8(h))                      | 10,181,010        | -                | 10,181,010        | -                |
| Withholding Tax Receivable                                     | 478,292           | 318,605          | 475,612           | 317,418          |
| Deposit for shares in NEM Asset Management Coy Ltd (Note 8(d)) | -                 | -                | 82,500            | 82,500           |
| Receivables from NEM Health Ltd (Note 8(e))                    | -                 | -                | -                 | 213,576          |
| Stock brokers' current accounts (Note 8(f))                    | 19,125            | 2,032            | 19,125            | 2,032            |
| Deposit for shares in Alpha Morgan Bank Ltd (Note 8(g))        | -                 | 2,150,000        | -                 | 2,150,000        |
|  | <b>11,873,642</b> | <b>3,257,300</b> | <b>11,041,705</b> | <b>2,911,773</b> |
| <b>(a) Prepayments</b>   |                   |                  |                   |                  |
| Balance at the beginning of the year                           | 89,408            | 36,347           | 38,461            | 24,738           |
| Payment during the year  | 90,433            | 89,408           | 89,725            | 38,461           |
| Amortisation during the year (Note 8(a)(ii))                   | (89,408)          | (36,347)         | (38,461)          | (24,738)         |
| Balance at the end of the year                                 | 90,433            | 89,408           | 89,725            | 38,461           |
| <b>(i) Breakdown of prepayments</b>                            |                   |                  |                   |                  |
| Prepaid Commission   | -                 | 50,947           | -                 | -                |
| Rent and rates   | 90,433            | 38,461           | 89,725            | 38,461           |
|  | 90,433            | 89,408           | 89,725            | 38,461           |

| (ii) Breakdown of amortisation during the year |   | N'000         | N'000         | N'000         | N'000         |
|--|---|---------------|---------------|---------------|---------------|
| Commission                                     |  | 57,277        | 23,285        | 24,639        | 15,848        |
| Rent and rates                                 |  | 32,131        | 13,062        | 13,822        | 8,890         |
|  |   | <u>89,408</u> | <u>36,347</u> | <u>38,461</u> | <u>24,738</u> |

(iii) Prepaid commission represents commission paid to brokers on deposit premium received during the year which will be recognised respectively when the policy commence. The prepaid commission is amortized over the period of the policy.

| (b) Accounts receivable                   | N'000            | N'000          | N'000          | N'000        |
|---|------------------|----------------|----------------|--------------|
| Balance at the beginning of the year      | 639,740          | 507,674        | 3,719          | 1,690        |
| Additions                                 | 452,418          | 238,453        | 120,170        | 2,028        |
| Received during the year                  | (9,950)          | (27,390)       | (3,719)        | -            |
| Written-off during the year(Note 8(b)iii) | -                | (78,997)       | -              | -            |
|   | <u>1,082,208</u> | <u>639,740</u> | <u>120,170</u> | <u>3,719</u> |
| Provision for impairment (Note 8(b)i)     | (50,989)         | (46,552)       | -              | -            |
|   | <u>1,031,219</u> | <u>593,188</u> | <u>120,170</u> | <u>3,719</u> |

| (i) Provision for Impairment              | N'000         | N'000         | N'000    | N'000    |
|---|---------------|---------------|----------|----------|
| Balance at the beginning of the year      | 46,552        | 88,624        | -        | -        |
| Allowance during the year (Note 36(b))    | 4,437         | 36,924        | -        | -        |
| Written-off during the year(Note 8(b)iii) | -             | (78,997)      | -        | -        |
|   | <u>50,989</u> | <u>46,552</u> | <u>-</u> | <u>-</u> |

(ii) Included in the N1.03 billion group balance is the amount of N749.1 million (800 million less impairment of 50.9 million) due from NEM Asset Management Company Limited's customers. The impairment was necessary as a result of the risk of non-performance of the facilities extended to customers. Management has intensified efforts to ensure the recoverability of these amounts. The N120m balance relates to receivables due from investment custodians.

(iii) The write-off in the prior year was as a result of some irrecoverable loans extended to some NEM Asset Management Ltd customers. These loans have previously been fully impaired and the write-off was approved by the board through a resolution dated 18th March, 2024.

| (c) Staff loans and advances         | 2025<br>N'000 | 2024<br>N'000  | 2025<br>N'000 | 2024<br>N'000  |
|--------------------------------------|---------------|----------------|---------------|----------------|
| Balance at the beginning of the year | 104,067       | 108,114        | 104,067       | 108,114        |
| Additions during the year            | 44,384        | -              | 44,384        | -              |
| Repayment during the year            | (74,887)      | (4,047)        | (74,887)      | (4,047)        |
| Balance at the end of the year       | <u>73,563</u> | <u>104,067</u> | <u>73,563</u> | <u>104,067</u> |

| (d) Deposit for shares in NEM Asset Management Company Ltd | N'000    | N'000    | N'000         | N'000         |
|--|----------|----------|---------------|---------------|
| Balance at the beginning of the year                       | -        | -        | 82,500        | 82,500        |
| Balance at the end of the year                             | <u>-</u> | <u>-</u> | <u>82,500</u> | <u>82,500</u> |

(i) Deposit for shares in NEM Asset Management Ltd represents amount given to NEM Asset Management Company Limited for future increase in shares.

| (e) Receivables from NEM Health Ltd           | N'000    | N'000    | N'000     | N'000          |
|---|----------|----------|-----------|----------------|
| Balance at the beginning of the year          | -        | -        | 213,576   | 53,576         |
| Addition                                      | -        | -        | -         | 160,000        |
| Reclassification during the year (Note 10(b)) | -        | -        | (213,576) | -              |
| Balance at the end of the year                | <u>-</u> | <u>-</u> | <u>-</u>  | <u>213,576</u> |

| Addition in Nem health is broken into: | 2025<br>N'000 | 2024<br>N'000 | 2025<br>N'000 | 2024<br>N'000  |
|--|---------------|---------------|---------------|----------------|
| Cash                                   | -             | -             | -             | 160,000        |
| Assumed liability                      | -             | -             | -             | -              |
|  | <u>-</u>      | <u>-</u>      | <u>-</u>      | <u>160,000</u> |

The assumed liability relates to the outstanding lease balance relating to the acquisition of a vehicle on lease by NEM Insurance Plc for NEM Health Ltd. NEM insurance Plc have fully transferred ownership to NEM Health but has fully retained the liability arising thereof.

(i) The balance on receivables from NEM Health Ltd represents amount given to NEM Health Limited for future increase in shares.

| (f) Stock brokers' current accounts | N'000         | N'000        | N'000         | N'000        |
|-------------------------------------|---------------|--------------|---------------|--------------|
| Centrepont Investment Limited       | 19,125        | 2,032        | 19,125        | 2,032        |
|                                     | <u>19,125</u> | <u>2,032</u> | <u>19,125</u> | <u>2,032</u> |

(i) Stock brokers' current accounts comprise of amount due to NEM Insurance Plc after year end reconciliation with brokers.

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|  | Group       |             | Parent      |             |
|--|-------------|-------------|-------------|-------------|
|  | N'000       | N'000       | N'000       | N'000       |
| <b>(g) Deposit for Shares in Alpha Morgan Bank Ltd</b> | <b>2025</b> | <b>2024</b> | <b>2025</b> | <b>2024</b> |
| Balance at the beginning and end of the year           | 2,150,000   | 1,500,000   | 2,150,000   | 1,500,000   |
| Addition during the year                               | 1,462,230   | 650,000     | 1,462,230   | 650,000     |
| Reclassification to FVOCI (Note 4.2a)                  | (3,612,230) | -           | (3,612,230) | -           |
|  | -           | 2,150,000   | -           | 2,150,000   |

Following the board resolution dated 27th April 2024, NEM Insurance Plc acquired a stake in Alpha Morgan Bank Ltd. Also, given the board resolution dated 23rd October 2025, N1.462 billion was used to acquire an additional stake in the bank. Furthermore, following the bank's commencement of operations, the equity stake in the company was reclassified to financial assets measured through other comprehensive income (FVOCI) in accordance with the company's accounting policies and the requirements of IFRS 9.

|   | N'000      | N'000 | N'000      | N'000 |
|---|------------|-------|------------|-------|
| <b>(h) Deposit for Shares in NEM Life Ltd</b> |            |       |            |       |
| Balance at the beginning of the year          | -          | -     | -          | -     |
| Addition during the year*                     | 10,181,010 | -     | 10,181,010 | -     |
| Balance at the end of the year                | 10,181,010 | -     | 10,181,010 | -     |

\* As at the reporting date, the Group had a 100% interest in NEM Life Limited, a life insurance company incorporated in Nigeria with registration number "8337122" on 13th March 2025. The entity is yet to commence operations as it is in the process of obtaining the required regulatory and operational licences.

|   | N'000   | N'000  | N'000 | N'000 |
|---|---------|--------|-------|-------|
| <b>9 Non-Controlling Interest</b>             |         |        |       |       |
| 115,000,000 ordinary shares in NEM Health Ltd | 69,116  | 42,927 | -     | -     |
| Addition during the year                      | 100,625 | -      | -     | -     |
| Share of Profit/(Loss) for the year           | 66,295  | 26,189 | -     | -     |
| Balance                                       | 236,036 | 69,116 | -     | -     |

This is the component of shareholders' equity as reported on the consolidated statement of financial position which represents the ownership interest of shareholders other than the parent of the subsidiary. As at the reporting date, other shareholders held 28.75% percent of the ordinary share capital (including the voting rights) of NEM Health limited, which was incorporated in Nigeria on 22 November 2022 with registration number "2002868".

|  | N'000 | N'000 | N'000   | N'000   |
|--|-------|-------|---------|---------|
| <b>10 Investment in Subsidiaries</b>                                     |       |       |         |         |
| Investment in subsidiary - NEM Asset Management Company Ltd(Note(10(a))) | -     | -     | 150,000 | 150,000 |
| Investment in subsidiary - NEM Health Limited(Note 10(b))                | -     | -     | 534,375 | 285,000 |
|  | -     | -     | 684,375 | 435,000 |

|   | N'000 | N'000 | N'000   | N'000   |
|---|-------|-------|---------|---------|
| <b>10(a) Investment in subsidiary - NEM Asset</b> |       |       |         |         |
| Balance at the beginning of the year              | -     | -     | 150,000 | 150,000 |
| Reclassification during the year (Note 8(d))      | -     | -     | -       | -       |
| Balance at the end of the year                    | -     | -     | 150,000 | 150,000 |

NEM Insurance Plc acquired 100% interest in NEM Asset Management Company Limited in 2016. NEM Asset Management Company Limited commenced operation in March 2016 and its principal activity is asset leasing and LPO financing. The Assets and Liabilities of the Subsidiary are consolidated in these Financial Statements. Its principal place of business is at NEM House 199 Ikorodu road, Obanikoro, Lagos. During the year, the subsidiary made a profit of N119,029,417 (2024:Profit N65,376,287).

|  | N'000 | N'000 | N'000   | N'000   |
|--|-------|-------|---------|---------|
| <b>10(b) Investment in subsidiary - NEM Health</b> |       |       |         |         |
| Balance at the beginning of the year               | -     | -     | 285,000 | 285,000 |
| Reclassification during the year (Note 8(e))       | -     | -     | 213,576 | -       |
| Addition during the year                           | -     | -     | 35,799  | -       |
| Balance at the end of the year                     | -     | -     | 534,375 | 285,000 |

NEM Insurance Plc incorporated and acquired a 71.25% interest in NEM Health Ltd on 22 November 2022. NEM Health Limited commenced operation in May 2024 and its principal activity is the provision of health management services. In the course of the year, the company's issued share capital was increased to from N400m to N750m to meet regulatory requirements (NEM Insurance Plc maintained its 71.25% stake in the restructured company). The Assets and Liabilities of the Subsidiary are consolidated in these financial statements. Its principal place of business is at NEM House 199 Ikorodu road, Obanikoro, Lagos. During the year, the subsidiary made a profit of N230,590,421 (2024; Profit N91,093,700).

**10(c)** The table below summarises the information of all the Parent's subsidiaries before any intra-group elimination.

**(i) NEM Asset Management Company Limited**

|                              | 2025        | 2024      |
|------------------------------|-------------|-----------|
|                              | N'000       | N'000     |
| Cash and cash Equivalents    | 2,164,172   | 690,507   |
| Trade and other Receivables  | 1,022,713   | 488,754   |
| Property plant and equipment | 11,577      | 9,170     |
| Deferred tax asset           | -           | -         |
| Other liabilities            | (2,905,973) | (993,851) |
| Net assets                   | 292,489     | 194,580   |
|                              | N'000       | N'000     |
| Income                       | 598,465     | 233,327   |
| Expenses                     | (442,834)   | (151,417) |
| Profit/(Loss) before tax     | 155,631     | 81,910    |
| Profit/(Loss) after tax      | 119,029     | 65,376    |

(ii) NEM Health Limited

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|                                   | 2025<br>N'000  | 2024<br>N'000  |
|-----------------------------------|----------------|----------------|
| NCI Percentage                    | 28.75%         | 28.75%         |
| Cash and cash equivalent          | 1,227,301      | 516,737        |
| Trade receivables                 | 3,367,098      | 1,018,068      |
| Other receivables and prepayments | 386,449        | 398,784        |
| Intangible assets                 | 151,921        | 34,096         |
| Property plant and equipment      | 102,458        | 119,988        |
| Insurance contract liabilities    | (3,828,922)    | (1,237,007)    |
| Other liabilities                 | (585,311)      | (260,261)      |
| <b>Net assets</b>                 | <b>820,994</b> | <b>590,405</b> |
| Carrying amount of NCI            | 236,036        | 69,116         |

|   | N'000       | N'000       |
|---|-------------|-------------|
| Income                                  | 6,770,164   | 1,504,147   |
| Expenses                                | (6,510,419) | (1,409,604) |
| Profit/(Loss) before tax                | 259,745     | 94,543      |
| Profit/(Loss) after tax                 | 230,590     | 91,094      |
| Profit/(Loss) allocated to NCI (28.75%) | 66,295      | 26,189      |

10(d) Significant restrictions and impairment

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities asides those resulting from the regulatory frameworks within which the insurance business operates.

The Company's investment in subsidiaries was assessed for impairment as at 31 December 2025 with no trigger of impairment identified. Consequently, no impairment charge was recognised.

|                                       | Group            |                  | Parent           |                  |
|---------------------------------------|------------------|------------------|------------------|------------------|
|                                       | 2025<br>N'000    | 2024<br>N'000    | 2025<br>N'000    | 2024<br>N'000    |
| 11 Investment Properties              |                  |                  |                  |                  |
| Balance at the beginning of the year  | 3,730,585        | 2,353,946        | 3,730,585        | 2,353,946        |
| Addition during the year (Note 11(f)) | -                | -                | -                | -                |
| Revaluation gain (Note 34)            | 3,151,271        | 1,376,639        | 3,151,271        | 1,376,639        |
| Balance at the end of the year        | <b>6,881,856</b> | <b>3,730,585</b> | <b>6,881,856</b> | <b>3,730,585</b> |

| (a) Carrying amount of investment properties   | Status of Title        | Balance at the beginning of the year | Additions | Fair value changes | Carrying amount  |
|--|------------------------|--------------------------------------|-----------|--------------------|------------------|
|  |                        | N'000                                | N'000     | N'000              | N'000            |
| Oniru-Block Xv1, Plot 11, Aremo Adesegun Oniru Crecent, Off Onigefon Road, Oniru, Lagos    | Perfection in progress | 687,376                              | -         | 950,624            | 1,638,000        |
| Ebute-Metta- 22a, Borno Way, Ebute-Metta Lagos   | Perfected              | 571,584                              | -         | 271,648            | 843,232          |
| Zaria- Plot No 34, Liverpool Street, Off River Road, GRA Extension Zaria, Kaduna State     | Perfected              | 71,625                               | -         | 8,999              | 80,624           |
| Plot 10, Elegba Festival Drive, Off Oba Idowu Abiodun Oniru Street, Victoria Island, Lagos | Perfection in progress | 2,400,000                            | -         | 1,920,000          | 4,320,000        |
|  |                        | <b>3,730,585</b>                     | <b>-</b>  | <b>3,151,271</b>   | <b>6,881,856</b> |

|  | Group         |               | Parent        |               |
|--|---------------|---------------|---------------|---------------|
|  | 2025<br>N'000 | 2024<br>N'000 | 2025<br>N'000 | 2024<br>N'000 |

The Company's investment properties are allocated as follows:

|                               |           |           |           |           |
|-------------------------------|-----------|-----------|-----------|-----------|
| Attributable to policyholders | -         | -         | -         | -         |
| Attributable to shareholders  | 6,881,856 | 3,730,585 | 6,881,856 | 3,730,585 |

(b) Investment properties are held at fair value which has been determined based on valuations performed by independent valuation experts, Diya Fatimilehin & Co. Estate Surveyors & Valuers (FRC/2013/NIESV/00000000754) ; Plot 237B, Muri Okunola Street, Victoria Island , Lagos; The Valuers Fatimilehin Adegboyega and Diya Maurice Kolawole are registered with Financial Reporting Council of Nigeria with registration Numbers FRC/2013/NIESV/00000000754 and FRC/2013/NIESV/00000002773 respectively.

(c) The valuers are the industry specialists in valuing these types of investment properties. The fair value is supported by market evidence and represents the amount at which the assets could be exchanged between knowledgeable, willing buyers and knowledgeable, willing sellers in an arm's length transaction at the date of valuation, in accordance with standards issued by International Valuation Standards Committee. Valuations are performed on an annual basis and the fair value gains and losses are recorded within the statement of profit or loss.

- (d) This is an investment in land and building held primarily for generating income or capital appreciation and occupied substantially for use in the operations of the Company. This is carried in the statement of financial position at their market value.
- (e) In the year, there was revaluation fair value gain on investment properties of N3,151,271,000 (2024: N1,376,639,000)
- (g) The fair value measurement for the Group's investment properties has been categorised as a level 3 fair value based on the inputs to the valuation technique used (see below). The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

| Investment Security Hierarchy  | Valuation technique                  | Fair value at 31 December 2025 N'000 | Unobservable inputs             | Range of unobservable inputs (probability weighted average) N'000 | Relationship of unobservable inputs to fair value                |
|--|--------------------------------------|--------------------------------------|---------------------------------|---|--|
| Oniru-Block Xv1, Plot 11, Aremo Adesegun Oniru Crecent, Off Onigefon Road, Oniru, Lagos    | Market Comparison Valuation approach | 1,638,000                            | Forecast price per metre square | N1,202 per metre square   | The higher the price per square metre, the higher the fair value |
| Ebute-Metta- 22a, Borno Way, Ebute-Metta Lagos   | Depreciation Replacement Cost Method | 843,232                              | Future cashflows                | N918 per metre square   | The higher the price per square metre, the higher the fair value |
| Zaria- Plot No 34, Liverpool Street, Off River Road, GRA Extension Zaria, Kaduna State     | Depreciation Replacement Cost Method | 80,624                               | Future cashflows                | N25 per metre square  | The higher the price per square metre, the higher the fair value |
| Plot 10, Elegba Festival Drive, Off Oba Idowu Abiodun Oniru Street, Victoria Island, Lagos | Market Comparison Valuation approach | 4,320,000                            | Forecast price per metre square | N3,631 per metre square   | The higher the price per square metre, the higher the fair value |

|    |                          |              |              |              |              |
|----|--------------------------|--------------|--------------|--------------|--------------|
| 12 | <b>Statutory deposit</b> | <b>N'000</b> | <b>N'000</b> | <b>N'000</b> | <b>N'000</b> |
|    | Statutory deposit        | 320,000      | 320,000      | 320,000      | 320,000      |

This represents the amount deposited with the Central Bank of Nigeria as at 31 December 2025: (2024: N320m) which was in accordance with Nigerian Insurance Industry Reform Act 2025, Statutory deposits are measured at cost. As an outcome of the new NIIRA act, there is a proposed increase in the statutory amount deposited with CBN as required in Section 16(3) of NIIRA 2025, and compliance is required on or before 31st July 2026. Management is actively monitoring the situation to ensure compliance.

|    |  |                |                |                |                |
|----|--|----------------|----------------|----------------|----------------|
| 13 | <b>Intangible assets (Computer software)</b> | <b>N'000</b>   | <b>N'000</b>   | <b>N'000</b>   | <b>N'000</b>   |
|    | <b>Cost</b>                                  |                |                |                |                |
|    | At 1 January                                 | 185,322        | 150,439        | 127,620        | 119,197        |
|    | Addition (Note 13(a))                        | 162,512        | 34,882         | 21,314         | 8,423          |
|    | <b>At 31 December</b>                        | <b>347,834</b> | <b>185,322</b> | <b>148,934</b> | <b>127,620</b> |
|    | <b>Amortisation</b>                          |                |                |                |                |
|    | At 1 January                                 | 113,849        | 96,330         | 90,243         | 77,036         |
|    | Amortisation during the year                 | 35,371         | 17,519         | 17,470         | 13,207         |
|    | <b>At 31 December</b>                        | <b>149,220</b> | <b>113,849</b> | <b>107,713</b> | <b>90,243</b>  |
|    | <b>Carrying Amount</b>                       | <b>198,614</b> | <b>71,473</b>  | <b>41,221</b>  | <b>37,377</b>  |

- (a) The software named "IES" previously acquired by the Company used in posting the business transactions has been fully amortized but still in use with the carrying amount of N10,000. However, additions were made to the software that was acquired during the year to aid its IFRS 17 computations from "Tripple A".

14(a) Property, plant and equipment (Group)

| <u>Cost</u>                               | Land<br>N'000 | Building<br>N'000 | Machinery &<br>equipt<br>N'000 | Motor Vehicles<br>N'000 | Furniture &<br>fittings<br>N'000 | Computer<br>Equipment<br>N'000 | Total<br>N'000 |
|---|---------------|-------------------|--------------------------------|-------------------------|----------------------------------|--------------------------------|----------------|
| At 1 January 2024                         | 763,430       | 2,874,508         | 57,299                         | 1,058,046               | 60,964                           | 327,663                        | 5,141,909      |
| Additions                                 | -             | 5,395             | 5,200                          | 171,218                 | 40,931                           | 200,231                        | 422,975        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 22,046                  | -                                | -                              | 22,046         |
| Disposals                                 | -             | -                 | -                              | (127,271)               | (3,420)                          | (12,216)                       | (142,907)      |
| Revaluation during the year (Note 25)     | 228,470       | 281,497           | -                              | -                       | -                                | -                              | 509,967        |
| At 31 December 2024                       | 991,900       | 3,161,401         | 62,499                         | 1,124,039               | 98,475                           | 515,678                        | 5,953,991      |
| At 1 January 2025                         | 991,900       | 3,161,401         | 62,499                         | 1,124,039               | 98,475                           | 515,678                        | 5,953,991      |
| Additions (Note 14(a)(i))                 | -             | 1,852             | 44,280                         | 277,374                 | 32,413                           | 126,546                        | 482,466        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 140,109                 | -                                | -                              | 140,109        |
| Disposals                                 | -             | -                 | -                              | (49,074)                | (3,624)                          | (1,560)                        | (54,258)       |
| Revaluation during the year (Note 25)     | -             | -                 | -                              | -                       | -                                | -                              | -              |
| At 31 December 2025                       | 991,900       | 3,163,253         | 106,779                        | 1,492,448               | 127,264                          | 640,664                        | 6,522,308      |
| <u>Accumulated depreciation</u>           |               |                   |                                |                         |                                  |                                |                |
| At 1 January 2024                         | -             | 114,272           | 28,838                         | 611,065                 | 24,280                           | 161,280                        | 939,734        |
| Charge for the year                       | -             | 57,598            | 10,197                         | 188,119                 | 18,977                           | 90,778                         | 365,669        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 4,409                   | -                                | -                              | 4,409          |
| On disposals                              | -             | -                 | -                              | (103,007)               | (3,420)                          | (12,140)                       | (118,567)      |
| Transfer to revaluation reserve (Note 25) | -             | (171,870)         | -                              | -                       | -                                | -                              | (171,870)      |
| At 31 December 2024                       | -             | -                 | 39,035                         | 700,586                 | 39,837                           | 239,918                        | 1,019,376      |
| At 1 January 2025                         | -             | -                 | 39,035                         | 700,586                 | 39,837                           | 239,918                        | 1,019,376      |
| Charge for the year                       | -             | 63,265            | 18,074                         | 256,952                 | 22,279                           | 112,099                        | 472,669        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 56,044                  | -                                | -                              | 56,044         |
| On disposals                              | -             | -                 | -                              | (39,714)                | (3,624)                          | (1,983)                        | (45,321)       |
| Transfer to revaluation reserve (Note 25) | -             | -                 | -                              | -                       | -                                | -                              | -              |
| At 31 December 2025                       | -             | 63,265            | 57,109                         | 973,868                 | 58,492                           | 350,034                        | 1,502,768      |
| <u>Carrying amounts at:</u>               |               |                   |                                |                         |                                  |                                |                |
| 31 December 2025                          | 991,900       | 3,099,988         | 49,670                         | 518,580                 | 68,772                           | 290,630                        | 5,019,539      |
| 31 December 2024                          | 991,900       | 3,161,401         | 23,464                         | 423,453                 | 58,638                           | 275,760                        | 4,934,615      |

- (ii) The Group had no capital commitments as at the statement of financial position date (2024: Nil). As at the reporting date land is being carried at revalued amount.
- (iii) Reclassification represents cost and accumulated depreciation of prior year's Right-of-use (ROU) asset (Motor vehicle) reclassified to property, plant and equipment during the year. This was as a result of the transfer of ownership of the leased vehicles following the completion of their respective lease rental payments.

(b) Property, plant and equipment (Parent)

| <u>Cost</u>                               | Land<br>N'000 | Building<br>N'000 | Machinery &<br>equipt<br>N'000 | Motor Vehicles<br>N'000 | Furniture &<br>fittings<br>N'000 | Computer<br>Equipment<br>N'000 | Total<br>N'000 |
|---|---------------|-------------------|--------------------------------|-------------------------|----------------------------------|--------------------------------|----------------|
| At 1 January 2024                         | 763,430       | 2,874,508         | 57,299                         | 944,299                 | 42,961                           | 288,608                        | 4,971,105      |
| Additions                                 | -             | 5,395             | 5,200                          | 121,244                 | 30,639                           | 187,821                        | 350,300        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 22,046                  | -                                | -                              | 22,046         |
| Disposals                                 | -             | -                 | -                              | (127,271)               | (3,420)                          | (12,216)                       | (142,907)      |
| Revaluation during the year (Note 25)     | 228,470       | 281,497           | -                              | -                       | -                                | -                              | 509,967        |
| At 31 December 2024                       | 991,900       | 3,161,401         | 62,499                         | 960,319                 | 70,180                           | 464,213                        | 5,710,511      |
| At 1 January 2025                         | 991,900       | 3,161,401         | 62,499                         | 960,319                 | 70,180                           | 464,213                        | 5,710,511      |
| Additions (Note 14(a)(i))                 | -             | 1,852             | 44,280                         | 29,829                  | 27,221                           | 111,142                        | 214,324        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 140,109                 | -                                | -                              | 140,109        |
| Disposals                                 | -             | -                 | -                              | (49,074)                | (3,624)                          | (1,560)                        | (54,258)       |
| Revaluation during the year (Note 25)     | -             | -                 | -                              | -                       | -                                | -                              | -              |
| At 31 December 2025                       | 991,900       | 3,163,253         | 106,779                        | 1,081,183               | 93,777                           | 573,795                        | 6,010,687      |
| <u>Accumulated depreciation</u>           |               |                   |                                |                         |                                  |                                |                |
| At 1 January 2024                         | -             | 114,272           | 28,838                         | 591,730                 | 21,880                           | 155,035                        | 911,755        |
| Charge for the year                       | -             | 57,598            | 10,197                         | 159,021                 | 12,643                           | 82,345                         | 321,804        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 4,409                   | -                                | -                              | 4,409          |
| On disposals                              | -             | -                 | -                              | (103,007)               | (3,420)                          | (12,140)                       | (118,567)      |
| Transfer to revaluation reserve (Note 25) | -             | (171,870)         | -                              | -                       | -                                | -                              | (171,870)      |
| At 31 December 2024                       | -             | -                 | 39,035                         | 652,153                 | 31,102                           | 225,240                        | 947,531        |
| At 1 January 2025                         | -             | -                 | 39,035                         | 652,153                 | 31,102                           | 225,240                        | 947,531        |
| Charge for the year                       | -             | 63,265            | 18,074                         | 172,200                 | 17,583                           | 98,357                         | 369,478        |
| Reclassification (Note 14(c))             | -             | -                 | -                              | 56,044                  | -                                | -                              | 56,044         |
| On disposals                              | -             | -                 | -                              | (39,714)                | (3,624)                          | (1,983)                        | (45,321)       |
| Transfer to revaluation reserve (Note 25) | -             | -                 | -                              | -                       | -                                | -                              | -              |
| At 31 December 2025                       | -             | 63,265            | 57,109                         | 840,683                 | 45,061                           | 321,614                        | 1,327,732      |
| <u>Carrying amounts at:</u>               |               |                   |                                |                         |                                  |                                |                |
| 31 December 2025                          | 991,900       | 3,099,988         | 49,670                         | 240,500                 | 48,716                           | 252,181                        | 4,682,955      |
| 31 December 2024                          | 991,900       | 3,161,401         | 23,464                         | 308,166                 | 39,078                           | 238,973                        | 4,762,981      |

| 14(c) Right-of-Use Assets          | Group         |               | Parent        |               |
|------------------------------------|---------------|---------------|---------------|---------------|
|                                    | 2025<br>N'000 | 2024<br>N'000 | 2025<br>N'000 | 2024<br>N'000 |
| <b>Cost</b>                        |               |               |               |               |
| At 1 January                       | 1,070,869     | 761,269       | 1,120,843     | 761,269       |
| Additions during the year          | 127,236       | 331,647       | 374,780       | 381,620       |
| Reclassification (Note 14(a)(iii)) | (140,109)     | (22,046)      | (140,109)     | (22,046)      |
| At 31 December                     | 1,057,996     | 1,070,869     | 1,355,514     | 1,120,843     |
| <b>Accumulated depreciation</b>    |               |               |               |               |
| At 1 January                       | 364,517       | 152,254       | 372,013       | 152,254       |
| Charge for the year                | 209,101       | 216,673       | 271,103       | 224,169       |
| Reclassification (Note 14(a)(iii)) | (56,044)      | (4,409)       | (56,044)      | (4,409)       |
| At 31 December                     | 517,574       | 364,517       | 587,072       | 372,013       |
| <b>Carrying amounts at:</b>        |               |               |               |               |
| At 31 December                     | 540,421       | 706,352       | 768,442       | 748,830       |

| 15 Insurance Contract Liabilities             | 2025<br>N'000 | 2024<br>N'000 | 2025<br>N'000 | 2024<br>N'000 |
|---|---------------|---------------|---------------|---------------|
| Liability for Remaining Coverage (Note 15(b)) | 40,044,931    | 26,787,364    | 36,897,011    | 25,597,165    |
| Liability for Incurred claims (Note 15(c))    | 27,282,142    | 15,543,200    | 26,601,141    | 15,496,394    |
|   | 67,327,073    | 42,330,564    | 63,498,152    | 41,093,559    |

The valuation report was prepared by Ernst & Young (FRC/2012/NAS/0000000738), an actuarial service organisation did the valuation for the reporting date. The actuarial valuation reports were authorised by Miller Kingsley, a professional actuary registered with the Financial Reporting Council of Nigeria with registration number FRC/2012/NAS/00000002392.

| (a) Summary of Insurance Contract Liabilities                                    | N'000       | N'000       | N'000       | N'000       |
|--|-------------|-------------|-------------|-------------|
| Insurance contract liabilities (excluding insurance acquisition cashflow assets) | 73,654,478  | 47,458,338  | 69,569,890  | 46,221,333  |
| Insurance acquisition cashflow assets*   | (6,327,403) | (5,127,774) | (6,071,739) | (5,127,774) |
| Insurance contract liabilities   | 67,327,075  | 42,330,564  | 63,498,151  | 41,093,559  |

| *Movement in Insurance acquisition cashflow assets       | N'000        | N'000        | N'000        | N'000        |
|--|--------------|--------------|--------------|--------------|
| Balance as at 1 January                                  | 5,127,774    | 2,977,494    | 5,127,774    | 2,977,494    |
| Insurance acquisition cashflow paid during the year      | 24,287,984   | 18,548,266   | 23,527,806   | 18,460,168   |
| Insurance acquisition cashflow amortized during the year | (23,088,355) | (16,397,986) | (22,583,841) | (16,309,888) |
| Balance as at 31 December                                | 6,327,403    | 5,127,774    | 6,071,739    | 5,127,774    |
| Transferred to insurance contract liabilities            | (6,327,403)  | (5,127,774)  | (6,071,739)  | (5,127,774)  |
| Carrying amount in the SOFP as at 31 December            | -            | -            | -            | -            |

| (b) Liability for Remaining Coverage | N'000      | N'000      | N'000      | N'000      |
|--------------------------------------|------------|------------|------------|------------|
| Excluding loss component (Note 15.1) | 40,044,931 | 26,787,364 | 36,897,011 | 25,597,165 |
| Loss component (Note 15.1)           | -          | -          | -          | -          |
|                                      | 40,044,931 | 26,787,364 | 36,897,011 | 25,597,165 |

| (c) Liability for Incurred claims                          | N'000      | N'000      | N'000      | N'000      |
|--|------------|------------|------------|------------|
| Estimates of present value of future cashflows (Note 15.1) | 23,995,878 | 14,360,807 | 23,379,199 | 14,314,000 |
| Risk adjustment for non-financial risk (Note 15.1)         | 3,286,264  | 1,182,394  | 3,221,942  | 1,182,394  |
|  | 27,282,141 | 15,543,200 | 26,601,141 | 15,496,394 |

15.1 Reconciliation of Insurance contracts issued, 31 December 2025

| Group  | Liability for remaining coverage |                         | Liability for Incurred claims   |                          | Total | N'000               |
|--|----------------------------------|-------------------------|---------------------------------|--------------------------|-------|---------------------|
|  | Non-loss component<br>N'000      | Loss component<br>N'000 | PV of Future cashflows<br>N'000 | Risk adjustment<br>N'000 |       |                     |
| Insurance contract liabilities as at January 1, 2025                                   | 26,787,364                       | -                       | 14,360,807                      | 1,182,394                |       | 42,330,564          |
| Insurance contract assets as of January 1 2025   | -                                | -                       | -                               | -                        |       | -                   |
| Net Insurance Contracts as of January 1 2025   | <b>26,787,364</b>                | -                       | <b>14,360,807</b>               | <b>1,182,394</b>         |       | <b>42,330,564</b>   |
| Insurance Revenue (Note 27)  | (152,354,894)                    | -                       | -                               | -                        |       | (152,354,894)       |
| <b>Insurance Service Expenses:</b>   |                                  |                         |                                 |                          |       |                     |
| Incurred claims (Note 32.1)  | -                                | -                       | 47,749,741                      | 2,103,870                |       | 49,853,611          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                       | 707,539                         | -                        |       | 707,539             |
| Amortization of insurance acquisition cashflows (Note 32.1)                            | 42,927,683                       | -                       | -                               | -                        |       | 42,927,683          |
| Losses and reversals of losses on onerous contracts (Note 32.1)                        | -                                | -                       | -                               | -                        |       | -                   |
| <b>Total Insurance Service Expenses</b>  | <b>42,927,683</b>                | -                       | <b>48,457,280</b>               | <b>2,103,870</b>         |       | <b>93,488,833</b>   |
| <b>Total Gross Insurance Service result</b>  | <b>(109,427,211)</b>             | -                       | <b>48,457,280</b>               | <b>2,103,870</b>         |       | <b>(58,866,061)</b> |
| Insurance finance expenses   | -                                | -                       | 2,435,985                       | -                        |       | 2,435,985           |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                       | -                               | -                        |       | -                   |
|  | -                                | -                       | <b>2,435,985</b>                | -                        |       | <b>2,435,985</b>    |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(109,427,211)</b>             | -                       | <b>50,893,265</b>               | <b>2,103,870</b>         |       | <b>(56,430,076)</b> |
| <b>Cash flows in the period:</b>   |                                  |                         |                                 |                          |       |                     |
| Premiums received (Note 5)   | 163,920,058                      | -                       | -                               | -                        |       | 163,920,058         |
| Insurance acquisition cash flows paid (Note 32.2a)                                     | (24,287,984)                     | -                       | -                               | -                        |       | (24,287,984)        |
| Maintenance cost paid (Note 32.2b)   | (19,839,327)                     | -                       | -                               | -                        |       | (19,839,327)        |
| Claims paid (Note 31(a))   | -                                | -                       | (45,909,763)                    | -                        |       | (45,909,763)        |
| Cash received from salvages (Note 31(c))   | -                                | -                       | 4,651,569                       | -                        |       | 4,651,569           |
| <b>Net cash flow</b>   | <b>119,792,747</b>               | -                       | <b>(41,258,194)</b>             | -                        |       | <b>78,534,553</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                         |                                 |                          |       |                     |
| Premium deposits on policies initially recognized during the year                      | 718,236                          | -                       | -                               | -                        |       | 718,236             |
| Impact of premium receivables on policies recognized during the year                   | 2,173,796                        | -                       | -                               | -                        |       | 2,173,796           |
| <b>Non-Cash flow items</b>   | <b>2,892,032</b>                 | -                       | -                               | -                        |       | <b>2,892,032</b>    |
| Insurance contract liabilities, as at December 31 2025                                 | <b>40,044,931</b>                | -                       | <b>23,995,878</b>               | <b>3,286,264</b>         |       | <b>67,327,073</b>   |
| Insurance contract assets as at December 31 2025                                       | -                                | -                       | -                               | -                        |       | -                   |
| Net Insurance Contracts as at December 31 2025   | <b>40,044,931</b>                | -                       | <b>23,995,878</b>               | <b>3,286,264</b>         |       | <b>67,327,073</b>   |

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Reconciliation of Insurance contracts issued, 31 December 2024

| Group  | Liability for remaining coverage |                         | Liability for Incurred claims   |                          |                     |
|--|----------------------------------|-------------------------|---------------------------------|--------------------------|---------------------|
|  | Non-loss component<br>N'000      | Loss component<br>N'000 | PV of Future cashflows<br>N'000 | Risk adjustment<br>N'000 | Total<br>N'000      |
| Insurance contract liabilities as at January 1, 2024                                   | 16,185,239                       | 199,989                 | 8,245,883                       | 654,614                  | 25,285,725          |
| Insurance contract assets as of January 1 2024   | -                                | -                       | -                               | -                        | -                   |
| Net Insurance Contracts as of January 1 2024   | <b>16,185,239</b>                | <b>199,989</b>          | <b>8,245,883</b>                | <b>654,614</b>           | <b>25,285,725</b>   |
| Insurance Revenue (Note 27)  | (97,966,541)                     | -                       | -                               | -                        | (97,966,541)        |
| <b>Insurance Service Expenses:</b>   |                                  |                         |                                 |                          |                     |
| Incurred claims (Note 32.1)  | -                                | -                       | 30,796,034                      | 527,780                  | 31,323,814          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                       | (1,030,540)                     | -                        | (1,030,540)         |
| Amortization of insurance acquisition cashflows (Note 32.1)                            | 30,915,128                       | -                       | -                               | -                        | 30,915,128          |
| Losses and reversals of losses on onerous contracts (Note 32.1)                        | -                                | (199,989)               | -                               | -                        | (199,989)           |
| <b>Total Insurance Service Expenses</b>  | <b>30,915,128</b>                | <b>(199,989)</b>        | <b>29,765,494</b>               | <b>527,780</b>           | <b>61,008,412</b>   |
| <b>Total Gross Insurance Service result</b>  | <b>(67,051,413)</b>              | <b>(199,989)</b>        | <b>29,765,494</b>               | <b>527,780</b>           | <b>(36,958,128)</b> |
| Insurance finance expenses   | -                                | -                       | 351,320                         | -                        | 351,320             |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                       | -                               | -                        | -                   |
|  | -                                | -                       | <b>351,320</b>                  | -                        | <b>351,320</b>      |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(67,051,413)</b>              | <b>(199,989)</b>        | <b>30,116,814</b>               | <b>527,780</b>           | <b>(36,606,809)</b> |
| <b>Cash flows in the period:</b>   |                                  |                         |                                 |                          |                     |
| Premiums received (Note 5)   | 109,171,133                      | -                       | -                               | -                        | 109,171,133         |
| Insurance acquisition cash flows paid (Note 32.2a)                                     | (18,548,266)                     | -                       | -                               | -                        | (18,548,266)        |
| Maintenance cost paid (Note 32.2b)   | (14,517,142)                     | -                       | -                               | -                        | (14,517,142)        |
| Claims paid (Note 31(a))   | -                                | -                       | (24,993,086)                    | -                        | (24,993,086)        |
| Cash received from salvages (Note 31(c))   | -                                | -                       | 991,196                         | -                        | 991,196             |
| <b>Net cash flow</b>   | <b>76,105,726</b>                | <b>-</b>                | <b>(24,001,890)</b>             | <b>-</b>                 | <b>52,103,836</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                         |                                 |                          |                     |
| Premium deposits on policies initially recognized during the year                      | 726,865                          | -                       | -                               | -                        | 726,865             |
| Impact of premium receivables on policies recognized during the year                   | 820,947                          | -                       | -                               | -                        | 820,947             |
| <b>Non-Cash flow items</b>   | <b>1,547,812</b>                 | <b>-</b>                | <b>-</b>                        | <b>-</b>                 | <b>1,547,812</b>    |
| Insurance contract liabilities, as at December 31 2024                                 | 26,787,364                       | -                       | 14,360,807                      | 1,182,394                | 42,330,564          |
| Insurance contract assets as at December 31 2024                                       | -                                | -                       | -                               | -                        | -                   |
| <b>Net Insurance Contracts as at December 31 2024</b>                                  | <b>26,787,364</b>                | <b>-</b>                | <b>14,360,807</b>               | <b>1,182,394</b>         | <b>42,330,564</b>   |

Reconciliation of Insurance contracts issued, 31 December 2025

| Parent   | Liability for remaining coverage |                      | Liability for Incurred claims |                       | Total | N'000               |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|-------|---------------------|
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 |       |                     |
| Insurance contract liabilities as at January 1, 2025                                   | 25,597,164                       | -                    | 14,314,000                    | 1,182,394             |       | 41,093,558          |
| Insurance contract assets as of January 1 2025   | -                                | -                    | -                             | -                     |       | -                   |
| Net Insurance Contracts as of January 1 2025   | <b>25,597,164</b>                | -                    | <b>14,314,000</b>             | <b>1,182,394</b>      |       | <b>41,093,558</b>   |
| Insurance Revenue (Note 27)  | (145,642,085)                    | -                    | -                             | -                     |       | (145,642,085)       |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |       |                     |
| Incurred claims (Note 32.1)  | -                                | -                    | 42,726,583                    | 2,039,548             |       | 44,766,131          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | 707,539                       | -                     |       | 707,539             |
| Amortization of insurance acquisition cashflows (Note 32.1)                            | 42,201,742                       | -                    | -                             | -                     |       | 42,201,742          |
| Losses and reversals of losses on onerous contracts (Note 32.1)                        | -                                | -                    | -                             | -                     |       | -                   |
| <b>Total Insurance Service Expenses</b>  | <b>42,201,742</b>                | -                    | <b>43,434,122</b>             | <b>2,039,548</b>      |       | <b>87,675,412</b>   |
| <b>Total Gross Insurance Service result</b>  | <b>(103,440,343)</b>             | -                    | <b>43,434,122</b>             | <b>2,039,548</b>      |       | <b>(57,966,673)</b> |
| Insurance finance expenses   | -                                | -                    | 2,435,985                     | -                     |       | 2,435,985           |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     |       | -                   |
|  | -                                | -                    | <b>2,435,985</b>              | -                     |       | <b>2,435,985</b>    |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(103,440,343)</b>             | -                    | <b>45,870,107</b>             | <b>2,039,548</b>      |       | <b>(55,530,688)</b> |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |       |                     |
| Premiums received (Note 5)   | 157,394,890                      | -                    | -                             | -                     |       | 157,394,890         |
| Insurance acquisition cash flows paid (Note 32.2a)                                     | (23,527,806)                     | -                    | -                             | -                     |       | (23,527,806)        |
| Maintenance cost paid (Note 32.2b)   | (19,617,900)                     | -                    | -                             | -                     |       | (19,617,900)        |
| Claims paid (Note 31(a))   | -                                | -                    | (41,456,477)                  | -                     |       | (41,456,477)        |
| Cash received from salvages (Note 31(c))   | -                                | -                    | 4,651,569                     | -                     |       | 4,651,569           |
| <b>Net cash flow</b>   | <b>114,249,184</b>               | -                    | <b>(36,804,908)</b>           | -                     |       | <b>77,444,276</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |       |                     |
| Premium deposits on policies initially recognized during the year                      | 666,240                          | -                    | -                             | -                     |       | 666,240             |
| Impact of premium receivables on policies recognized during the year                   | (175,234)                        | -                    | -                             | -                     |       | (175,234)           |
| <b>Non-Cash flow items</b>   | <b>491,006</b>                   | -                    | -                             | -                     |       | <b>491,006</b>      |
| Insurance contract liabilities, as at December 31 2025                                 | <b>36,897,011</b>                | -                    | <b>23,379,199</b>             | <b>3,221,942</b>      |       | <b>63,498,152</b>   |
| Insurance contract assets as at December 31 2025                                       | -                                | -                    | -                             | -                     |       | -                   |
| <b>Net Insurance Contracts as at December 31 2025</b>                                  | <b>36,897,011</b>                | -                    | <b>23,379,199</b>             | <b>3,221,942</b>      |       | <b>63,498,152</b>   |

Reconciliation of Insurance contracts issued, 31 December 2024

| Parent   | Liability for remaining coverage |                         | Liability for Incurred claims   |                          | Total | N'000               |
|--|----------------------------------|-------------------------|---------------------------------|--------------------------|-------|---------------------|
|  | Non-loss component<br>N'000      | Loss component<br>N'000 | PV of Future cashflows<br>N'000 | Risk adjustment<br>N'000 |       |                     |
| Insurance contract liabilities as at January 1, 2024                                   | 16,002,187                       | 199,989                 | 8,241,058                       | 654,614                  |       | 25,097,848          |
| Insurance contract assets as of January 1 2024   | -                                | -                       | -                               | -                        |       | -                   |
| Net Insurance Contracts as of January 1 2024   | <b>16,002,187</b>                | <b>199,989</b>          | <b>8,241,058</b>                | <b>654,614</b>           |       | <b>25,097,848</b>   |
| Insurance Revenue (Note 27)  | (96,644,516)                     | -                       | -                               | -                        |       | (96,644,516)        |
| <b>Insurance Service Expenses:</b>   |                                  |                         |                                 |                          |       |                     |
| Incurred claims (Note 32.1)  | -                                | -                       | 30,002,221                      | 527,780                  |       | 30,530,000          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                       | (1,030,540)                     | -                        |       | (1,030,540)         |
| Amortization of insurance acquisition cashflows (Note 32.1)                            | 30,827,030                       | -                       | -                               | -                        |       | 30,827,030          |
| Losses and reversals of losses on onerous contracts (Note 32.1)                        | -                                | (199,989)               | -                               | -                        |       | (199,989)           |
| <b>Total Insurance Service Expenses</b>  | <b>30,827,030</b>                | <b>(199,989)</b>        | <b>28,971,681</b>               | <b>527,780</b>           |       | <b>60,126,501</b>   |
| <b>Total Gross Insurance Service result</b>  | <b>(65,817,486)</b>              | <b>(199,989)</b>        | <b>28,971,681</b>               | <b>527,780</b>           |       | <b>(36,518,015)</b> |
| Insurance finance expenses   | -                                | -                       | 351,320                         | -                        |       | 351,320             |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                       | -                               | -                        |       | -                   |
|  | -                                | -                       | <b>351,320</b>                  | -                        |       | <b>351,320</b>      |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(65,817,486)</b>              | <b>(199,989)</b>        | <b>29,323,001</b>               | <b>527,780</b>           |       | <b>(36,166,695)</b> |
| <b>Cash flows in the period:</b>   |                                  |                         |                                 |                          |       |                     |
| Premiums received (Note 5)   | 107,837,898                      | -                       | -                               | -                        |       | 107,837,898         |
| Insurance acquisition cash flows paid (Note 32.2a)                                     | (18,460,168)                     | -                       | -                               | -                        |       | (18,460,168)        |
| Maintenance cost paid (Note 32.2b)   | (14,517,142)                     | -                       | -                               | -                        |       | (14,517,142)        |
| Claims paid (Note 31(a))   | -                                | -                       | (24,241,254)                    | -                        |       | (24,241,254)        |
| Cash received from salvages (Note 31(c))   | -                                | -                       | 991,196                         | -                        |       | 991,196             |
| <b>Net cash flow</b>   | <b>74,860,589</b>                | -                       | <b>(23,250,058)</b>             | -                        |       | <b>51,610,530</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                         |                                 |                          |       |                     |
| Premium deposits on policies initially recognized during the year                      | 653,385                          | -                       | -                               | -                        |       | 653,385             |
| Impact of premium receivables on policies recognized during the year                   | (101,509)                        | -                       | -                               | -                        |       | (101,509)           |
| <b>Non-Cash flow items</b>   | <b>551,876</b>                   | -                       | -                               | -                        |       | <b>551,876</b>      |
| Insurance contract liabilities, as at December 31 2024                                 | 25,597,165                       | -                       | 14,314,000                      | 1,182,394                |       | 41,093,559          |
| Insurance contract assets as at December 31 2024                                       | -                                | -                       | -                               | -                        |       | -                   |
| <b>Net Insurance Contracts as at December 31 2024</b>                                  | <b>25,597,165</b>                | -                       | <b>14,314,000</b>               | <b>1,182,394</b>         |       | <b>41,093,559</b>   |

15.2 Liability for Incurred claims

|                     | Group             |                   | Parent            |                   |
|---------------------|-------------------|-------------------|-------------------|-------------------|
|                     | 2025<br>N'000     | 2024<br>N'000     | 2025<br>N'000     | 2024<br>N'000     |
| Fire                | 6,765,662         | 4,633,377         | 6,765,662         | 4,633,377         |
| Accident            | 6,263,355         | 1,393,349         | 6,263,355         | 1,393,349         |
| Marine and Aviation | 2,171,798         | 2,523,348         | 2,171,798         | 2,523,348         |
| Motor               | 3,145,658         | 3,006,717         | 3,145,658         | 3,006,717         |
| Oil and Gas         | 3,242,743         | 1,552,703         | 3,242,743         | 1,552,703         |
| Agriculture         | 8,578             | 5,994             | 8,578             | 5,994             |
| Engineering         | 1,730,748         | 1,173,147         | 1,730,748         | 1,173,147         |
| Bond                | 50,658            | 25,366            | 50,658            | 25,366            |
| Health Insurance    | 616,678           | 46,807            | -                 | -                 |
|                     | <u>23,995,878</u> | <u>14,360,807</u> | <u>23,379,200</u> | <u>14,314,000</u> |

Liability for incurred claims is composed of reported fulfilment cashflows reserve N9,667,866,229 (31 Dec 2024: N5,316,092,943), unreported fulfilment cashflow reserve of N7,815,513,966 (31 Dec 2024: N7,815,513,966), and risk adjustment of N3,221,941,494 (2024: N1,182,393,571)

(b) The Age Analysis of Liability for Incurred Claims (excluding IBNR) in thousands of Nigerian Naira as at 31 December 2025 is as follows:

|                    | Pending substantiating documents | Related to awaiting adjusters' report | Discharge vouchers not returned by the customers | Total<br>N'000   | 31 Dec 2024<br>N'000 |
|--------------------|----------------------------------|---------------------------------------|--|------------------|----------------------|
| 0 - 90 days        | 169,664                          | 200,236                               | 246,610  | 616,510          | 527,031              |
| 91 - 180 days      | 343,202                          | 376,918                               | 396,138  | 1,116,258        | 639,754              |
| 181 - 270 days     | 379,441                          | 396,195                               | 436,502  | 1,212,138        | 930,328              |
| 270 - 365 days     | 742,553                          | 751,726                               | 842,431  | 2,336,710        | 1,737,710            |
| 365 days and above | 1,471,062                        | 1,454,474                             | 1,460,715  | 4,386,251        | 1,481,271            |
|                    | <u>3,105,922</u>                 | <u>3,179,549</u>                      | <u>3,382,396</u>                                 | <u>9,667,867</u> | <u>5,316,093</u>     |

(c) Risk Adjustment

|                     | Group            |                  | Parent           |                  |
|---------------------|------------------|------------------|------------------|------------------|
|                     | 2025<br>N'000    | 2024<br>N'000    | 2025<br>N'000    | 2024<br>N'000    |
| Fire                | 98,130           | 382,735          | 98,130           | 382,735          |
| Accident            | 2,079,948        | 115,096          | 2,079,948        | 115,096          |
| Marine and Aviation | 213,060          | 208,439          | 213,060          | 208,439          |
| Motor               | 51,418           | 248,367          | 51,418           | 248,367          |
| Oil and Gas         | 731,262          | 128,259          | 731,262          | 128,259          |
| Agriculture         | 290              | 495              | 290              | 495              |
| Engineering         | 46,122           | 96,907           | 46,122           | 96,907           |
| Bond                | 1,712            | 2,095            | 1,712            | 2,095            |
| Health              | 64,322           | -                | -                | -                |
|                     | <u>3,286,264</u> | <u>1,182,394</u> | <u>3,221,942</u> | <u>1,182,394</u> |

**NEM INSURANCE PLC**  
**ANNUAL REPORT, 31 DECEMBER 2025**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

| (d) 2025 AGE ANALYSIS BY REASON                          | 0 - 90 days |                | 91 - 180 days |                  | 181-270 days |                  | 271 -365 days |                  | Above 365 days |                  | Total        |                  |
|--|-------------|----------------|---------------|------------------|--------------|------------------|---------------|------------------|----------------|------------------|--------------|------------------|
|  | Qty         | N'000          | Qty           | N'000            | Qty          | N'000            | Qty           | N'000            | Qty            | N'000            | Qty          | N'000            |
| 1 Discharge Voucher Signed and returned to policyholders | 78          | 88,250         | 65            | 94,725           | 62           | 66,316           | 75            | 245,573          | 57             | 110,465          | 337          | 605,329          |
| 2 Discharge Vouchers not yet Signed                      | 99          | 29,664         | 130           | 82,086           | 105          | 70,180           | 55            | 65,613           | 75             | 30,318           | 464          | 277,862          |
| 3 Claims reported but incomplete documentation           | 85          | 66,884         | 285           | 312,536          | 450          | 351,327          | 458           | 327,384          | 785            | 524,341          | 2,063        | 1,582,472        |
| 4 Claims reported but been adjusted                      | 324         | 120,676        | 225           | 146,612          | 105          | 288,941          | 180           | 196,757          | 95             | 924,129          | 929          | 1,677,115        |
| 5 Claims repudiated                                      | -           | -              | 16            | 1,500            | 15           | 4,500            | -             | -                | 7              | 6,000            | 38           | 12,000           |
| 6 Awaiting adjusters final report                        | 85          | 88,881         | 135           | 132,434          | 152          | 78,096           | 402           | 525,242          | 305            | 2,280,512        | 1,079        | 3,105,165        |
| 7 Litigation award                                       | -           | -              | -             | -                | 15           | 4,175            | 10            | 61,550           | 22             | 176,500          | 47           | 242,225          |
| 8 Awaiting Lead insurer's instruction                    | 234         | 222,155        | 109           | 346,365          | 205          | 97,853           | 369           | 361,209          | 1,033          | 289,758          | 1,950        | 1,317,340        |
| 9 Third party liability outstanding                      | -           | -              | -             | -                | 10           | 250,749          | 40            | 553,381          | 51             | 44,227           | 101          | 848,357          |
| <b>Total</b>   | <b>905</b>  | <b>616,510</b> | <b>965</b>    | <b>1,116,258</b> | <b>1,119</b> | <b>1,212,138</b> | <b>1,589</b>  | <b>2,336,710</b> | <b>2,430</b>   | <b>4,386,250</b> | <b>7,008</b> | <b>9,667,866</b> |

| (d) 2024 AGE ANALYSIS BY REASON                          | 0 - 90 days |                | 91 - 180 days |                | 181-270 days |                | 271 -365 days |                  | Above 365 days |                  | Total        |                  |
|--|-------------|----------------|---------------|----------------|--------------|----------------|---------------|------------------|----------------|------------------|--------------|------------------|
|  | Qty         | N'000          | Qty           | N'000          | Qty          | N'000          | Qty           | N'000            | Qty            | N'000            | Qty          | N'000            |
| 1 Discharge Voucher Signed and returned to policyholders | 62          | 58,251         | 50            | 54,724         | 55           | 53,316         | 70            | 145,573          | 67             | 210,365          | 304          | 522,229          |
| 2 Discharge Vouchers not yet Signed                      | 97          | 19,564         | 124           | 22,082         | 130          | 60,170         | 61            | 65,613           | 65             | 30,318           | 477          | 197,748          |
| 3 Claims reported but incomplete documentation           | 190         | 46,584         | 365           | 216,536        | 403          | 331,227        | 502           | 428,384          | 901            | 524,341          | 2,361        | 1,547,072        |
| 4 Claims reported but been adjusted                      | 250         | 90,676         | 157           | 56,612         | 121          | 197,741        | 170           | 196,757          | 40             | 21,250           | 738          | 563,036          |
| 5 claims repudiated                                      | -           | -              | 15            | 1,000          | 10           | 3,000          | -             | -                | 5              | 4,000            | 30           | 8,000            |
| 6 Awaiting adjusters final report                        | 120         | 100,781        | 175           | 182,434        | 125          | 46,096         | 401           | 325,242          | 305            | 280,512          | 1,126        | 935,065          |
| 7 Litigation award                                       | -           | -              | -             | -              | 8            | 4,175          | 16            | 61,550           | 35             | 176,500          | 59           | 242,225          |
| 8 Awaiting Lead insurer's instruction                    | 134         | 211,175        | 103           | 106,365        | 95           | 83,853         | 269           | 261,209          | 1,033          | 189,758          | 1,634        | 852,360          |
| 9 Third party liability outstanding                      | -           | -              | -             | -              | 25           | 150,749        | 42            | 253,381          | 35             | 44,227           | 102          | 448,357          |
| <b>Total</b>   | <b>853</b>  | <b>527,031</b> | <b>989</b>    | <b>639,754</b> | <b>972</b>   | <b>930,328</b> | <b>1,531</b>  | <b>1,737,710</b> | <b>2,486</b>   | <b>1,481,271</b> | <b>6,831</b> | <b>5,316,093</b> |

|  | Group             |                   | Parent            |                   |             |            |
|--|-------------------|-------------------|-------------------|-------------------|-------------|------------|
|  | 2025              | 2024              | 2025              | 2024              |             |            |
| 15.3(a) Liability for Remaining coverage-  |                   |                   |                   |                   |             | 14,393,796 |
| Non loss   | N'000             | N'000             | N'000             | N'000             |             |            |
| Fire   | 5,013,566         | 5,034,282         | 5,013,566         | 5,034,282         |             | 4          |
| Accident   | 1,867,830         | 1,331,822         | 1,867,830         | 1,331,822         |             | -          |
| Marine and Aviation  | 3,802,795         | 2,352,343         | 3,802,795         | 2,352,343         | -17,392,909 | 9          |
| Motor  | 8,536,728         | 6,952,892         | 8,536,728         | 6,952,892         |             | 8          |
| Oil and Gas  | 15,138,411        | 7,330,416         | 15,138,411        | 7,330,416         |             | 2          |
| Agriculture  | 71,155            | 48,283            | 71,155            | 48,283            |             | 8          |
| Engineering  | 2,143,894         | 2,037,256         | 2,143,894         | 2,037,256         |             | 1          |
| Bond   | 322,633           | 509,870           | 322,633           | 509,870           |             | 5          |
| Health Insurance   | 3,147,922         | 1,190,200         | -                 | -                 |             | 4          |
|  | <u>40,044,933</u> | <u>26,787,365</u> | <u>36,897,011</u> | <u>25,597,164</u> |             |            |
| (b) The above balances represent the unearned premium amount. It represents the company's obligation to investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred. The carrying amounts disclosed above approximate fair value at the reporting date. All amounts are payable within one year. |                   |                   |                   |                   |             |            |
| (c) Liability for Remaining Coverage-  |                   |                   |                   |                   |             |            |
| Onerous contracts  | N'000             | N'000             | N'000             | N'000             |             |            |
| Fire   | -                 | -                 | -                 | -                 |             |            |
| Accident   | -                 | -                 | -                 | -                 |             |            |
| Marine and Aviation  | -                 | -                 | -                 | -                 |             |            |
| Motor  | -                 | -                 | -                 | -                 |             |            |
| Oil and Gas  | -                 | -                 | -                 | -                 |             |            |
| Agriculture  | -                 | -                 | -                 | -                 |             |            |
| Engineering  | -                 | -                 | -                 | -                 |             |            |
| Bond   | -                 | -                 | -                 | -                 |             |            |
| Health   | -                 | -                 | -                 | -                 |             |            |
|  | <u>-</u>          | <u>-</u>          | <u>-</u>          | <u>-</u>          |             |            |
| 16 Other Technical liabilities   | N'000             | N'000             | N'000             | N'000             |             |            |
| Premium Deposits (16(a))   | 12,881,024        | 718,236           | 12,880,471        | 666,240           | 12,227,087  | 51,996     |
|  | <u>12,881,024</u> | <u>718,236</u>    | <u>12,880,471</u> | <u>666,240</u>    |             |            |
| (a) Premium Deposits   | N'000             | N'000             | N'000             | N'000             |             |            |
| Balance at the beginning of the year   | 718,236           | 726,865           | 666,240           | 653,385           |             |            |
| Additions during the year  | 12,881,024        | 718,236           | 12,880,471        | 666,240           |             |            |
| Transferred to premium receivable as part of gross written premium during the year   | (718,236)         | (726,865)         | (666,240)         | (653,385)         |             |            |
| Balance at the end of the year   | <u>12,881,024</u> | <u>718,236</u>    | <u>12,880,471</u> | <u>666,240</u>    |             |            |
| Premium deposit represents advance received in 2025 for 2026 premium production.   |                   |                   |                   |                   |             |            |

|                               | Group            |                  | Parent           |                  |           |           |           |
|-------------------------------|------------------|------------------|------------------|------------------|-----------|-----------|-----------|
|                               | 2025             | 2024             | 2025             | 2024             |           |           |           |
|                               | N'000            | N'000            | N'000            | N'000            |           |           |           |
| <b>17 Other Payables</b>      |                  |                  |                  |                  |           |           |           |
| Accruals (Note 17(b))         | 4,385,837        | 3,302,940        | 4,307,696        | 3,212,195        | 78,141    |           |           |
| Dividend payable (Note 17(c)) | 1,329,007        | 1,271,731        | 1,329,007        | 1,271,731        |           | 938,259   |           |
| Other creditors (Note 17(d))  | 3,312,359        | 1,014,399        | 145,319          | 84,137           |           | 5,391,274 |           |
|                               | <u>9,027,203</u> | <u>5,589,070</u> | <u>5,782,023</u> | <u>4,568,064</u> | 9,027,203 | 1,213,959 | 1,213,959 |

(a) The carrying amount disclosed above reasonably approximates fair value at the reporting date. All amounts are payable within one year except for "Nigerian Content Development Fund Levy".

7,086,709

| (b) Accruals                             | N'000            | N'000            | N'000            | N'000            |               |             |        |
|--|------------------|------------------|------------------|------------------|---------------|-------------|--------|
| Audit fees                               | 41,076           | 26,800           | 34,000           | 23,725           |               |             |        |
| Profit Sharing*                          | 1,259,219        | 1,218,283        | 1,259,219        | 1,218,283        |               | 7,076       |        |
| Performance bonus                        | 80,106           | 92,973           | 80,106           | 64,941           |               |             |        |
| Filing fee                               | 2,500            | 1,000            | 2,500            | 1,000            |               |             |        |
| ICFR Fee                                 | 11,000           | 9,000            | 11,000           | 9,000            |               |             |        |
| NAICOM Levy                              | 532,244          | 494,081          | 532,244          | 494,081          | 53,224,438.05 |             |        |
| PAYE payable                             | -                | 97               | -                | -                |               |             | 4204   |
| WHT payable                              | 71,061           | 7,337            | -                | -                |               |             |        |
| Cooperative                              | -                | 88               | -                | -                |               |             |        |
| Actuarial & Property valuation           | 13,000           | 8,000            | 13,000           | 5,500            |               |             |        |
| Nigerian Content Development Fund Levy** | 1,964,562        | 1,395,666        | 1,964,562        | 1,395,666        |               | 746634591.5 |        |
| National Health Insurance Authority Levy | 4                | 7,399            | -                | -                |               | 746634.5915 |        |
| Policyholder protection fund levy        | 394,715          | -                | 394,715          | -                |               |             |        |
| Legal fees                               | 16,350           | -                | 16,350           | -                |               |             | 0      |
| Others                                   | -                | 42,218           | -                | -                |               |             |        |
|  | <u>4,385,837</u> | <u>3,302,940</u> | <u>4,307,696</u> | <u>3,212,195</u> |               |             | 78,141 |

\*Profit sharing is the provision for the bonus incentive in which the company's employees receive a direct share of the profits.

| **Nigerian Content Development Fund Levy | N'000            | N'000            | N'000            | N'000            |
|--|------------------|------------------|------------------|------------------|
| Opening balance                          | 1,395,666        | -                | 1,395,666        | -                |
| Addition                                 | 746,635          | 1,395,666        | 746,635          | 1,395,666        |
| Exchange gain on translation             | (177,738)        | -                | (177,738)        | -                |
| Payments                                 | -                | -                | -                | -                |
| Closing balances                         | <u>1,964,562</u> | <u>1,395,666</u> | <u>1,964,562</u> | <u>1,395,666</u> |

(c) Dividend payable represents Unclaimed Dividend returned to the Group by Apel Capital & Trust Limited for investment as required by Securities and Exchange Commission.

| Movement in dividend payable:        | N'000            | N'000            | N'000            | N'000            |             |             |  |
|--------------------------------------|------------------|------------------|------------------|------------------|-------------|-------------|--|
| Balance at the beginning of the year | 1,271,731        | 1,064,284        | 1,271,731        | 1,064,284        | 938,259     |             |  |
| Dividend declared (Note 23)          | 5,016,478        | 3,009,887        | 5,016,478        | 3,009,887        | (5,349,950) | 902,965,942 |  |
| Dividend paid                        | (4,959,202)      | (2,802,439)      | (4,959,202)      | (2,802,439)      |             | 781,256,942 |  |
| Balance at the end of the year       | <u>1,329,007</u> | <u>1,271,731</u> | <u>1,329,007</u> | <u>1,271,731</u> |             |             |  |

(d) Other Creditors

|                                  | N'000            | N'000            | N'000          | N'000         | (390,748) |             |  |
|----------------------------------|------------------|------------------|----------------|---------------|-----------|-------------|--|
| Due to NEM Assets Management Ltd | -                | -                | -              | 37,478        | 938,259   |             |  |
| Due to NEM Health Ltd            | -                | -                | 70,799         | -             |           |             |  |
| Unearned Rental income           | 65,316           | 40,938           | 65,316         | 40,938        |           |             |  |
| Outstanding NHF contributions    | 9,205            | 6,132            | 9,205          | 5,722         |           |             |  |
| Payable to suppliers (see (i))   | 628,628          | -                | -              | -             |           |             |  |
| Customer's Deposits (See (ii))   | 2,609,210        | 967,329          | -              | -             | 2,609,210 | 2.04236E-11 |  |
|                                  | <u>3,312,359</u> | <u>1,014,399</u> | <u>145,319</u> | <u>84,137</u> |           |             |  |

(i) Payable to suppliers relates to the amount due to hospitals and other health insurance partners of Nem Health limited for services rendered.

|  | Group              |                  | Parent             |                  |               |
|--|--------------------|------------------|--------------------|------------------|---------------|
|  | N'000              | N'000            | N'000              | N'000            |               |
| <b>(ii) Customer's Deposits</b>  |                    |                  |                    |                  |               |
| Balance at the beginning of the year   | 967,329            | 170,073          | -                  | -                |               |
| Addition during the year   | 1,641,881          | 797,256          | -                  | -                |               |
| Balance as at the end of the year  | <u>2,609,210</u>   | <u>967,329</u>   | -                  | -                |               |
| Included in other creditors is the sum of N3,237,838,107 which are short term deposits due to external customers of NEM Asset Management Company Ltd. The significant increase in this balance marks the increased popularity of the company among the investing public. |                    |                  |                    |                  |               |
|  | 2025               | 2024             | 2025               | 2024             |               |
|  | N'000              | N'000            | N'000              | N'000            |               |
| <b>18 Lease liabilities</b>  |                    |                  |                    |                  |               |
| Balance at the beginning of the year   | 462,408            | 473,241          | 495,722            | 473,241          |               |
| Additions during the year  | 127,236            | 344,694          | 537,703            | 381,620          | 269887457.2   |
| Interest charged during the year (Note 30)   | 105,426            | 135,356          | 139,676            | 137,768          |               |
| Lease payment during the year  | (484,097)          | (490,882)        | (811,737)          | (496,907)        |               |
| Balance as at the end of the year  | <u>210,973</u>     | <u>462,408</u>   | <u>361,364</u>     | <u>495,722</u>   |               |
| <b>19 Taxation</b>   |                    |                  |                    |                  |               |
|  | 2025               | 2024             | 2025               | 2024             |               |
|  | N'000              | N'000            | N'000              | N'000            |               |
| <b>(a) Per Financial Position</b>  |                    |                  |                    |                  |               |
| Balance at the beginning of the year   | 6,968,545          | 1,155,603        | 6,947,308          | 1,154,348        | 21,237        |
| Income tax for the year  | 5,333,863          | 6,008,873        | 5,283,018          | 5,988,890        | 50,845        |
| Education tax for the year   | 551,229            | 621,537          | 549,743            | 621,537          | 1,486         |
| Prior year under/(over)-provision (Note 19(b))   | 13,124             | (726,330)        | -                  | (726,330)        | 13,124        |
| Information technology levy (Note 19(b))   | 275,609            | 335,204          | 275,609            | 335,204          | -             |
| Police Trust Fund Levy   | 1,378              | 1,676            | 1,378              | 1,676            | 5,005,260,245 |
| Paid during the year   | (1,634,102)        | (428,018)        | (1,617,066)        | (428,018)        | (17,036)      |
| Balance at the end of the year   | <u>11,509,644</u>  | <u>6,968,545</u> | <u>11,439,989</u>  | <u>6,947,308</u> | 69,656        |
|  |                    |                  |                    |                  | 5,330,242     |
| <b>(b) Per Income Statement</b>  |                    |                  |                    |                  |               |
| Income tax   | 5,333,863          | 6,008,873        | 5,283,018          | 5,988,890        | (69,655)      |
| Education tax  | 551,229            | 621,537          | 549,743            | 621,537          |               |
| Prior year under/(over)-provision  | 13,124             | (726,330)        | -                  | (726,330)        |               |
| Police Trust Fund Levy   | 1,378              | 1,676            | 1,378              | 1,676            |               |
| Information technology levy  | 275,609            | 335,204          | 275,609            | 335,204          |               |
|  | <u>6,175,203</u>   | <u>6,240,960</u> | <u>6,109,748</u>   | <u>6,220,978</u> |               |
| Deferred tax asset (Note 20 (i))   | -                  | -                | -                  | -                |               |
| Deferred tax liabilities (Note 20 (ii))  | (2,097,863)        | (1,782,881)      | (2,098,164)        | (1,782,881)      |               |
| Charge for the year  | <u>4,077,340</u>   | <u>4,458,079</u> | <u>4,011,584</u>   | <u>4,438,096</u> |               |
| <b>(c) Per Statement of Cash flows</b>   |                    |                  |                    |                  |               |
| Tax Paid during the year   | (1,634,102)        | (428,018)        | (1,617,066)        | (428,018)        |               |
| Withholding tax utilized during the year   | (243,791)          | -                | (242,981)          | -                |               |
| Total Cash paid for Tax liability  | <u>(1,877,893)</u> | <u>(428,018)</u> | <u>(1,860,047)</u> | <u>(428,018)</u> |               |

(d) Effective tax reconciliation

The effective tax reconciliation for the Group is as follows:

|   | Rate       | 2025<br>N'000     | Rate       | 2024<br>N'000     |
|---|------------|-------------------|------------|-------------------|
| <b>Profit before income tax</b>                     |            | <b>27,976,227</b> |            | <b>33,698,653</b> |
| Tax calculated at the corporate tax rate            | 30%        | 8,392,868         | 30%        | 10,109,596        |
| Effect of Education tax levy                        | 2%         | 551,229           | 2%         | 621,537           |
| Effect of:  |            |                   |            |                   |
| Non-deductible expenses                             | 8%         | 2,341,026         | 1%         | 496,961           |
| Tax exempt income                                   | -27%       | (7,484,770)       | -19%       | (6,380,565)       |
| PTF Levy  | 0%         | 1,378             | 0%         | 1,676             |
| Information technology levy (NITDA)                 | 1%         | 275,609           | 1%         | 335,204           |
| Prior year overprovision                            | 0%         | -                 | -2%        | (726,330)         |
| <b>Total income tax expense in income statement</b> | <b>15%</b> | <b>4,077,340</b>  | <b>13%</b> | <b>4,458,079</b>  |

The effective tax reconciliation for the Parent is as follows:

|   | Rate       | 2025<br>N'000     | Rate       | 2024<br>N'000     |
|---|------------|-------------------|------------|-------------------|
| <b>Profit before income tax</b>                     |            | <b>27,560,851</b> |            | <b>33,520,419</b> |
| Tax calculated at the corporate tax rate            | 30%        | 8,268,255         | 30%        | 10,056,126        |
| Tertiary Education tax levy                         | 2%         | 549,743           | 2%         | 621,537           |
| Effect of:  |            |                   |            |                   |
| Non-deductible expenses                             | 8%         | 2,341,026         | 1%         | 496,961           |
| Tax exempt income                                   | -27%       | (7,424,427)       | -19%       | (6,347,078)       |
| PTF levy  | 0%         | 1,378             | 0%         | 1,676             |
| Information technology levy (NITDA)                 | 1%         | 275,609           | 1%         | 335,204           |
| Overprovision in prior years                        | 0%         | -                 | -2%        | (726,330)         |
| <b>Total income tax expense in income statement</b> | <b>15%</b> | <b>4,011,584</b>  | <b>13%</b> | <b>4,438,096</b>  |

(e) Information Technology Levy

The Nigeria Information Technology Development Agency (NITDA) Act was signed into Law on 24 April, 2007. Section 12 (2a) of the Act stipulates that, specified companies contribute 1% of their profit before tax to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

20 Deferred Taxation

|  | N'000       | N'000       | N'000       | N'000       |
|--|-------------|-------------|-------------|-------------|
| <b>i Deferred tax Assets</b>                                   |             |             |             |             |
| Balance at the beginning of the year                           | -           | -           | -           | -           |
| Write back for the year  | -           | -           | -           | -           |
| Balance at the end of the year                                 | -           | -           | -           | -           |
| <b>ii Deferred tax Liabilities</b>                             |             |             |             |             |
| Balance at the beginning of the year                           | 2,723,991   | 4,507,627   | 2,722,816   | 4,505,697   |
| Charge for the year  | (2,097,863) | (1,783,636) | (2,098,164) | (1,782,881) |
| Balance at the end of the year                                 | 626,128     | 2,723,991   | 624,652     | 2,722,816   |
| <b>iii Analysis of deferred tax liabilities as at year end</b> |             |             |             |             |
| Property plant and equipment                                   | 979,363     | 1,060,397   | 978,263     | 1,059,297   |
| Unrealised foreign exchange gain                               | (806,264)   | 1,888,550   | (806,640)   | 1,888,475   |
| Fair value gain on investment property                         | 995,706     | 137,664     | 995,706     | 137,664     |
| Impairment allowance on financial assets                       | (423,426)   | (362,621)   | (423,426)   | (362,621)   |
| Lease liability  | (119,250)   | -           | (119,250)   | -           |
|  | 626,128     | 2,723,991   | 624,652     | 2,722,816   |
| <b>21 Share Capital</b>  |             |             |             |             |
| <b>Ordinary shares issued and fully paid</b>                   |             |             |             |             |
| 5,016,477,767 ordinary shares of N1 each                       | 5,016,477   | 5,016,477   | 5,016,477   | 5,016,477   |
|  | 5,016,477   | 5,016,477   | 5,016,477   | 5,016,477   |
| <b>22 Statutory contingency reserve</b>                        |             |             |             |             |
| Balance at the beginning of the year                           | 15,653,975  | 9,837,510   | 15,653,975  | 9,837,510   |
| Transfer from retained earnings (Note 23)                      | 4,736,577   | 5,816,465   | 4,736,577   | 5,816,465   |
| Balance at the end of the year                                 | 20,390,552  | 15,653,975  | 20,390,552  | 15,653,975  |

Statutory contingency reserve is calculated in accordance with the provisions of Nigerian Insurance Industry Reform Act 2025 at the higher of 3% of the total premium or 20% of total profit after tax. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50% of net premium.

During the current year, this was calculated based on 20% of the profit after tax.

|   | Group             |                   | Parent            |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | 2025<br>N'000     | 2024<br>N'000     | 2025<br>N'000     | 2024<br>N'000     |
| <b>23 Retained earnings</b>               |                   |                   |                   |                   |
| Balance at the beginning of the year      | 41,966,836        | 21,578,802        | 42,035,969        | 21,779,997        |
| Profit for the year                       | 23,832,592        | 29,214,386        | 23,549,267        | 29,082,323        |
| Transfer to contingency reserve (Note 22) | (4,736,577)       | (5,816,465)       | (4,736,577)       | (5,816,465)       |
| Dividend declared (Note 17(b)(i))         | (5,016,478)       | (3,009,887)       | (5,016,478)       | (3,009,887)       |
| Balance at the end of the year            | <u>56,046,374</u> | <u>41,966,836</u> | <u>55,832,181</u> | <u>42,035,969</u> |

(a) The company's profit after tax for the year was after deducting foreign exchange losses of N2,444,365,413 (2024: Gain of N14,785,554,260).

|   | N'000           | N'000           | N'000           | N'000           |
|---|-----------------|-----------------|-----------------|-----------------|
| <b>24 FVOCI reserve</b>                   |                 |                 |                 |                 |
| Balance at the beginning of the year      | (57,065)        | (46,277)        | (57,065)        | (46,277)        |
| (Loss)/Gain during the year (Note 4.2(b)) | 35,319          | (10,788)        | 35,319          | (10,788)        |
| Balance at the end of the year            | <u>(21,746)</u> | <u>(57,065)</u> | <u>(21,746)</u> | <u>(57,065)</u> |

(a) The fair value reserve shows the effect from the fair value measurement of financial instruments of the category FVOCI. Any gains or losses on debt instrument are not recognised in the statement of profit or loss until the asset has been sold or impaired. The negative movement was due to change in the long term Unquoted Investments.

|  | N'000            | N'000            | N'000            | N'000            |
|--|------------------|------------------|------------------|------------------|
| <b>25 Asset revaluation reserve</b>                            |                  |                  |                  |                  |
| Balance at the beginning of the year                           | 2,789,801        | 2,107,964        | 2,789,801        | 2,107,964        |
| Additions during the year: Cost- revaluation surplus (Note 14) | -                | 509,967          | -                | 509,967          |
| Accumulated depreciation (Note 14)                             | -                | 171,870          | -                | 171,870          |
|  | -                | 681,837          | -                | 681,837          |
| Deferred tax (Note 20(ii))                                     | -                | -                | -                | -                |
|  | -                | 681,837          | -                | 681,837          |
| Balance at the end of the year                                 | <u>2,789,801</u> | <u>2,789,801</u> | <u>2,789,801</u> | <u>2,789,801</u> |

(a) The Land and building assets were not revalued during the current year in line with the Group's policy of carrying out a valuation exercise once in every three (3) years. The last valuation exercise was done with respect to December, 2024 financial statements by Jide Taiwo Estate Surveyors and Valuers with FRCN number FRC/2012/00000000254. The report was duly signed by Peter Chime with FRCN number FRC/2015/PRO/NIESV/004/000000114642.

|   | N'000              | N'000             | N'000              | N'000             |
|---|--------------------|-------------------|--------------------|-------------------|
| <b>26 Foreign exchange (losses)/gains</b>                     |                    |                   |                    |                   |
| Exchange gain on foreign denominated cash & cash              | 672,429            | 1,097,748         | 680,096            | 1,079,627         |
| Exchange (loss)/gain on Placements above 90 days(Note 4.3(d)) | (1,501,439)        | 6,460,437         | (1,501,439)        | 6,460,437         |
| Exchange (loss)/gain on Bond instruments (Note 4.3(a))        | (1,800,760)        | 7,245,490         | (1,800,760)        | 7,245,490         |
| Other Exchange (loss)/gain (17(b)*                            | 177,738            | -                 | 177,738            | -                 |
|   | <u>(2,452,032)</u> | <u>14,803,675</u> | <u>(2,444,365)</u> | <u>14,785,554</u> |

(a) Foreign exchange gains arose majorly from retranslation of foreign denominated cash and cash equivalents, placements and bonds with financial institutions as at the reporting date. The company adopted the I&E NAFEX rate for all its foreign currency translation exercise.

\*The other exchange gain arose from the remeasurement of the Nigerian Content Development Fund Levy liability which is maintained in foreign currency.

|                                | N'000              | N'000             | N'000              | N'000             |
|--------------------------------|--------------------|-------------------|--------------------|-------------------|
| <b>27 Insurance Revenue</b>    |                    |                   |                    |                   |
| Insurance revenue (Note 27(a)) | 152,354,894        | 97,966,541        | 145,642,085        | 96,644,516        |
|                                | <u>152,354,894</u> | <u>97,966,541</u> | <u>145,642,085</u> | <u>96,644,516</u> |

(a) Insurance revenue increased when compared with previous year because of the new businesses won during the year and especially due to aggressive marketing embarked upon by the Company. Gross written premium of N157,885,896,024 (2024: N108,389,774,059) was underwritten by the company during the financial year.

| (b) Insurance Revenue                  | N'000              | N'000             | N'000              | N'000             |
|--|--------------------|-------------------|--------------------|-------------------|
| Fire                                   | 22,331,878         | 16,683,026        | 22,331,878         | 16,683,026        |
| Oil and Gas                            | 50,358,370         | 30,858,872        | 50,358,370         | 30,858,872        |
| General accident                       | 11,758,205         | 6,058,577         | 11,758,205         | 6,058,577         |
| Marine                                 | 17,285,190         | 12,263,224        | 17,285,190         | 12,263,224        |
| Motor                                  | 35,497,435         | 24,519,765        | 35,497,435         | 24,519,765        |
| Agriculture                            | 155,325            | 83,321            | 155,325            | 83,321            |
| Engineering                            | 7,195,347          | 5,167,349         | 7,195,347          | 5,167,349         |
| Bond                                   | 1,060,335          | 1,010,382         | 1,060,335          | 1,010,382         |
| Health Insurance Premium (Note 27 (c)) | 6,712,809          | 1,322,025         | -                  | -                 |
|  | <u>152,354,894</u> | <u>97,966,541</u> | <u>145,642,085</u> | <u>96,644,516</u> |
| Total insurance revenue                | <u>152,354,894</u> | <u>97,966,541</u> | <u>145,642,085</u> | <u>96,644,516</u> |

(c) The health insurance revenue relates to earned premium income generated from NEM Health limited.

| 28 Borrowings            | Group |             | Parent |             |
|--------------------------|-------|-------------|--------|-------------|
|                          | N'000 | N'000       | N'000  | N'000       |
| Balance at the Beginning | -     | 1,557,737   | -      | 1,557,737   |
| Addition                 | -     | -           | -      | -           |
| Interest Exp (Note 30)   | -     | -           | -      | -           |
| Repayment                | -     | (1,557,737) | -      | (1,557,737) |
| Closing balance          | -     | -           | -      | -           |

In the prior year, NEM Insurance Plc paid-off the short term loan facility from Alpha Morgan Ltd at 20% interest which was obtained to finance the 15% deposit for shares in Alpha Morgan Bank Ltd.

| 29.1 Net expenses from reinsurance contracts                           | N'000             | N'000             | N'000             | N'000             |
|--|-------------------|-------------------|-------------------|-------------------|
| Allocation of Reinsurance Premium (Note 6.1)                           | 55,871,687        | 30,096,480        | 55,871,687        | 30,096,480        |
| Incurred claims Recovered (Note 6.1)                                   | (15,056,184)      | (11,149,722)      | (15,056,184)      | (11,149,722)      |
| Changes that relate to past service-adjustment to ARIC (Note 6.1)      | (1,245,021)       | (841,231)         | (1,245,021)       | (841,231)         |
| Recoveries and reversals of recoveries on onerous contracts (Note 6.1) | -                 | 33,014            | -                 | 33,014            |
|  | <u>39,570,482</u> | <u>18,138,541</u> | <u>39,570,482</u> | <u>18,138,541</u> |

| 29.2(a) Paid reinsurance expense     | N'000      | N'000      | N'000      | N'000      |
|--------------------------------------|------------|------------|------------|------------|
| Reinsurance premiums paid (Note 6.1) | 65,074,038 | 33,527,246 | 65,074,038 | 33,527,246 |

(b) Reinsurance expenses of N65,074,037,773 was paid during the year, N37,854,880,105 was paid to the foreign insurers while N27,219,157,668 was paid to local insurers. In 2024 reinsurance expense stood at N33,527,246,084 (Foreign N19,503,475,183- Local N14,023,770,901). Ceding commission of N6,849,975,483 (2024; N3,170,414,996 ) was deducted to arrive at the reinsurance premiums paid.

| 30 Finance Cost                        | Group          |                | Parent         |                |
|--|----------------|----------------|----------------|----------------|
|  | N'000          | N'000          | N'000          | N'000          |
| Interest exp on Lease Financing (17.2) | 105,426        | 135,356        | 139,676        | 137,768        |
| Interest expense-Others (Note 30(a))   | 326,092        | 64,627         | -              | -              |
|  | <u>431,518</u> | <u>199,983</u> | <u>139,676</u> | <u>137,768</u> |

(a) Interest expense-others relates to the interest expense paid by NEM Asset Management Company Ltd on its financial commitments.

### 31 Claims Expenses paid

|                                      | N'000             | N'000             | N'000             | N'000             |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Gross Claims paid (Note 31(a))       | 45,909,763        | 24,993,086        | 41,456,477        | 24,241,254        |
| Direct Claims recovered (Note 31(c)) | (4,651,569)       | (991,196)         | (4,651,569)       | (991,196)         |
|                                      | <u>41,258,194</u> | <u>24,001,890</u> | <u>36,804,908</u> | <u>23,250,058</u> |

### 31(a) Claims paid per class

|                  | N'000             | N'000             | N'000             | N'000             |
|------------------|-------------------|-------------------|-------------------|-------------------|
| Motor            | 13,001,595        | 7,802,685         | 13,001,595        | 7,802,685         |
| Marine           | 3,769,575         | 2,295,322         | 3,769,575         | 2,295,322         |
| Fire             | 9,039,118         | 5,299,463         | 9,039,118         | 5,299,463         |
| General Accident | 6,730,913         | 2,733,580         | 6,730,913         | 2,733,580         |
| Oil and Gas      | 7,011,555         | 5,083,117         | 7,011,555         | 5,083,117         |
| Agric            | 152,206           | 26,824            | 152,206           | 26,824            |
| Engineering      | 1,641,489         | 992,470           | 1,641,489         | 992,470           |
| Bond             | 110,026           | 7,793             | 110,026           | 7,793             |
| Health Insurance | 4,453,286         | 751,831           | -                 | -                 |
|                  | <u>45,909,763</u> | <u>24,993,086</u> | <u>41,456,477</u> | <u>24,241,254</u> |

(b) Claims expenses consist of claims paid during the financial year.

### (c) Direct Claims recovered

| Classes          | N'000            | N'000          | N'000            | N'000          |
|------------------|------------------|----------------|------------------|----------------|
| Motor            | 347,189          | 205,152        | 347,189          | 205,152        |
| Marine           | 208,106          | 63,304         | 208,106          | 63,304         |
| Fire             | 1,691,356        | 553,323        | 1,691,356        | 553,323        |
| General Accident | 1,111,733        | 124,699        | 1,111,733        | 124,699        |
| Oil and Gas      | 1,178,213        | 20,000         | 1,178,213        | 20,000         |
| Agric            | 40,315           | -              | 40,315           | -              |
| Engineering      | 16,644           | 24,181         | 16,644           | 24,181         |
| Bond             | 58,013           | 536            | 58,013           | 536            |
| Health           | -                | -              | -                | -              |
|                  | <u>4,651,569</u> | <u>991,196</u> | <u>4,651,569</u> | <u>991,196</u> |

|  | Group              |                   | Parent            |                   |
|--|--------------------|-------------------|-------------------|-------------------|
|  | N'000              | N'000             | N'000             | N'000             |
| <b>32.1 Insurance Service Expenses</b>   |                    |                   |                   |                   |
| Incurred Claims Expenses (Note 15.1)   | 49,853,611         | 31,323,814        | 44,766,131        | 30,530,000        |
| Changes that relate to past service-adjustment (Note 15.1)   | 707,539            | (1,030,540)       | 707,539           | (1,030,540)       |
| Amortization of insurance acquisition cashflows (Note 15.1)*   | 42,927,683         | 30,915,128        | 42,201,742        | 30,827,030        |
| Losses/(reversals of losses) on onerous contracts (Note 15.1)  | -                  | (199,989)         | -                 | (199,989)         |
|  | <u>93,488,833</u>  | <u>61,008,412</u> | <u>87,675,412</u> | <u>60,126,501</u> |
| *Amortization of insurance acquisition cashflows relates to commission expenses and other directly attributable expenses incurred during the year.   |                    |                   |                   |                   |
| <b>32.2 Insurance acquisition cash flows paid</b>  |                    |                   |                   |                   |
| Acquisition cost incurred during the year (Note 32(a))   | 24,287,984         | 18,548,266        | 23,527,806        | 18,460,168        |
| Maintenance incurred during the year (Note 32(b))  | 19,839,327         | 14,517,142        | 19,617,900        | 14,517,142        |
|  | <u>44,127,311</u>  | <u>33,065,408</u> | <u>43,145,706</u> | <u>32,977,310</u> |
| <b>(a) Acquisition expense</b>   |                    |                   |                   |                   |
| The analysis of commission expenses by business class is as follows:   |                    |                   |                   |                   |
| Motor  | 4,670,683          | 3,228,856         | 4,670,683         | 3,228,856         |
| Marine   | 3,739,706          | 2,710,609         | 3,739,706         | 2,710,609         |
| Fire   | 4,542,612          | 3,906,812         | 4,542,612         | 3,906,812         |
| General Accident   | 2,487,989          | 1,361,618         | 2,487,989         | 1,361,618         |
| Oil & Gas  | 6,455,073          | 5,716,850         | 6,455,073         | 5,716,850         |
| Agriculture  | 27,879             | 12,847            | 27,879            | 12,847            |
| Engineering  | 1,438,606          | 1,265,352         | 1,438,606         | 1,265,352         |
| Bond   | 165,258            | 257,224           | 165,258           | 257,224           |
| Health Insurance   | 760,178            | 88,098            | -                 | -                 |
| Acquisition expenses incurred during the year  | 24,287,984         | 18,548,266        | 23,527,806        | 18,460,168        |
| Prepaid commission-opening (Note 8(i))   | -                  | (11,609)          | -                 | -                 |
| Prepaid commission-closing (Note 8(ii))  | -                  | 50,947            | -                 | -                 |
| Acquisition cost per cash flow   | <u>24,287,984</u>  | <u>18,587,604</u> | <u>23,527,806</u> | <u>18,460,168</u> |
| <b>(b) The analysis of Maintenance expenses by business class is as follows:</b>   |                    |                   |                   |                   |
| Motor  | 4,635,355          | 3,453,903         | 4,635,355         | 3,453,903         |
| Marine   | 2,371,729          | 1,879,254         | 2,371,729         | 1,879,254         |
| Fire   | 2,772,100          | 2,559,728         | 2,772,100         | 2,559,728         |
| General Accident   | 1,543,816          | 898,576           | 1,543,816         | 898,576           |
| Oil & Gas  | 7,258,730          | 4,675,794         | 7,258,730         | 4,675,794         |
| Agriculture  | 22,751             | 11,362            | 22,751            | 11,362            |
| Engineering  | 910,750            | 866,328           | 910,750           | 866,328           |
| Bond   | 102,669            | 172,198           | 102,669           | 172,198           |
|  | <u>19,839,327</u>  | <u>14,517,142</u> | <u>19,617,900</u> | <u>14,517,142</u> |
| <b>(c) The analysis of Maintenance expenses for the purpose</b>  |                    |                   |                   |                   |
| <b>Statement of Cash flows:</b>  |                    |                   |                   |                   |
| Maintenance Expenses   | 19,839,327         | 14,517,142        | 19,617,900        | 14,517,142        |
| Total Cash used for Maintenance expenses   | <u>19,839,327</u>  | <u>14,517,142</u> | <u>19,617,900</u> | <u>14,517,142</u> |
| <b>(d) Insurance service expenses consist of claims and claims handling expenses, acquisition and maintenance expenses which include commission and policy expenses, and a proportion of directly attributable costs. Insurance service expenses for insurance contracts are amortized over the coverage period.</b> |                    |                   |                   |                   |
| <b>32.3 Expenses Reconciliation</b>  |                    |                   |                   |                   |
| Incurred claim expenses  | 50,561,150         | 30,293,274        | 45,473,670        | 29,499,460        |
| Commission expenses  | 24,287,984         | 18,548,266        | 23,527,806        | 18,460,168        |
| Losses/ (Reversals of losses) on onerous contracts   | -                  | (199,989)         | -                 | (199,989)         |
| Technical employee benefits  | 792,436            | 660,067           | 792,436           | 660,067           |
| Marketing and Business development expenses  | 14,209,372         | 9,676,284         | 14,032,884        | 9,676,284         |
| Professional and consultancy fees  | 1,810,519          | 859,480           | 1,787,218         | 859,480           |
| Vehicle tracking   | 518,597            | 327,183           | 518,597           | 327,183           |
| VAT Expenses   | 1,124,898          | 1,397,929         | 1,124,898         | 1,397,929         |
| Nigerian Content Development Fund Levy   | 746,635            | 1,395,666         | 746,635           | 1,395,666         |
| Management expenses (Note 36)  | 10,434,148         | 8,523,079         | 9,639,301         | 7,920,820         |
| Policyholder Protection Fund Levy  | 394,715            | -                 | 394,715           | -                 |
| Others   | 242,156            | 200,533           | 220,518           | 200,533           |
|  | <u>105,122,610</u> | <u>71,681,771</u> | <u>98,258,678</u> | <u>70,197,601</u> |
| Amounts attributed to insurance acquisition cashflows incurred during the year   | (4,680,599)        | (3,671,983)       | (4,680,599)       | (3,671,983)       |
| Amortisation of insurance acquisition cashflows  | 3,736,635          | 1,521,703         | 3,736,635         | 1,521,703         |
|  | <u>104,178,646</u> | <u>69,531,491</u> | <u>97,314,714</u> | <u>68,047,321</u> |

|  | Group              |                   | Parent            |                   |
|--|--------------------|-------------------|-------------------|-------------------|
|  | N'000<br>2025      | N'000<br>2024     | N'000<br>2025     | N'000<br>2024     |
| <b>Represented by:</b>   |                    |                   |                   |                   |
| Insurance service expenses   | 93,744,498         | 61,008,412        | 87,675,413        | 60,126,501        |
| Management expenses  | 10,434,148         | 8,523,079         | 9,639,301         | 7,920,820         |
|  | <b>104,178,646</b> | <b>69,531,491</b> | <b>97,314,714</b> | <b>68,047,321</b> |
| <b>33 Investment Income</b>  | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Interest Revenue Calculated using the effective Interest method (Note 33(a))   | 12,134,642         | 6,858,654         | 11,592,620        | 6,789,128         |
| Dividend income (b)  | 824,328            | 771,736           | 824,328           | 771,736           |
| <b>Total Investment income*</b>  | <b>12,958,970</b>  | <b>7,630,390</b>  | <b>12,416,948</b> | <b>7,560,863</b>  |
| Opening Accrued interest-Bond(Note 4.3(a))   | 607,235            | 390,804           | 607,235           | 390,804           |
| Opening Accrued interest-Placements (Note 4.3(d))  | 770,394            | 240,765           | 770,394           | 240,765           |
| Closing Accrued interest-Bond (Note 4.3(a))  | (775,741)          | (607,235)         | (775,741)         | (607,235)         |
| Closing Accrued interest-Placements (Note 4.3(d))  | (827,309)          | (770,394)         | (827,309)         | (770,394)         |
| Opening Withholding tax receivable (Note 8)  | 318,605            | 82,956            | 317,418           | 82,905            |
| Closing Withholding tax receivable (Note 8)  | (478,292)          | (318,605)         | (475,612)         | (317,418)         |
| <b>Cash received from investment income</b>  | <b>12,573,861</b>  | <b>6,648,682</b>  | <b>12,033,332</b> | <b>6,580,291</b>  |
| Broken down into:  |                    |                   |                   |                   |
| Interest received  | 11,749,533         | 5,876,946         | 11,209,004        | 5,808,555         |
| Dividend received  | 824,328            | 771,736           | 824,328           | 771,736           |
| *The increase in Total Investment income was as a result of increased investment in various financial assets as well as the general increase in interest rates in the country. |                    |                   |                   |                   |
| <b>(a) Interest Revenue Calculated using the effective Interest method</b>   | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Interest from fixed deposit  | 1,903,054          | 1,430,559         | 1,361,032         | 1,361,032         |
| Interest from Amortised cost financial assets  | 10,165,694         | 5,390,534         | 10,165,694        | 5,390,534         |
| Interest from statutory deposit  | 65,894             | 37,562            | 65,894            | 37,562            |
| Interest from Investment in NEM Life Ltd   | 184,513            | -                 | 184,513           | -                 |
|  | <b>12,134,642</b>  | <b>6,858,654</b>  | <b>11,592,620</b> | <b>6,789,128</b>  |
| <b>(b) Dividend Income</b>   | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Dividend from quoted equity investments  | 824,328            | 771,736           | 824,328           | 771,736           |
| Dividend from unquoted equity investments  | -                  | -                 | -                 | -                 |
|  | <b>824,328</b>     | <b>771,736</b>    | <b>824,328</b>    | <b>771,736</b>    |
| <b>(c) Investment Income</b>   | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Attributable to Policy holders   | 7,495,513          | 4,303,610         | 6,953,491         | 4,234,084         |
| Attributable to Share holders  | 5,463,457          | 3,326,780         | 5,463,457         | 3,326,780         |
|  | <b>12,958,970</b>  | <b>7,630,390</b>  | <b>12,416,948</b> | <b>7,560,863</b>  |
| <b>34 Net Fair Value Gain</b>  | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| <b>Investment properties:</b>  |                    |                   |                   |                   |
| Fair Value Gain (Note 11)  | 3,151,271.00       | 1,376,639         | 3,151,271         | 1,376,639         |
| <b>Fair Value through Profit or Loss:</b>  |                    |                   |                   |                   |
| Quoted Equity Securities (Note 4.1)  | 6,805,785          | 385,503           | 6,805,785         | 385,503           |
|  | <b>9,957,056</b>   | <b>1,762,142</b>  | <b>9,957,056</b>  | <b>1,762,142</b>  |
| <b>35 Other operating income</b>   | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Sundry income (Note 35(a))   | 80,855             | 251,648           | 25,685            | 100,805           |
| Rental Income (Note 35(b))   | 72,142             | 71,257            | 75,692            | 80,887            |
| Interest and Similar Income (35(c))  | 24,377             | 174,546           | -                 | -                 |
|  | <b>177,374</b>     | <b>497,451</b>    | <b>101,377</b>    | <b>181,693</b>    |
| <b>(a) Sundry Income</b>   | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Provision no longer required (Note 35(a)(i))   | 25,209             | 100,643           | 25,209            | 100,643           |
| Interest earned on current account   | 476                | 163               | 476               | 163               |
| Commission income (Note 35(a)(ii))   | 55,170             | 150,843           | -                 | -                 |
|  | <b>80,855</b>      | <b>251,648</b>    | <b>25,685</b>     | <b>100,805</b>    |

(i) Provision no longer required refers to over-provision on NAICOM levy and other professional fees.

(ii) Commission income relates to amount earned by Nem Health Limited for referring businesses to foreign contemporaries

| (b) Rental income                          | N'000          | N'000          | N'000          | N'000         |
|--|----------------|----------------|----------------|---------------|
| Ebute Meta property                        | 1,581          | 21,226         | 1,581          | 21,226        |
| Head Office                                | 30,294         | 28,322         | 33,844         | 30,350        |
| Zaria Kaduna                               | 267            | 200            | 267            | 200           |
| Oniru property                             | 40,000         | 29,111         | 40,000         | 29,111        |
|  | <u>72,142</u>  | <u>71,257</u>  | <u>75,692</u>  | <u>80,887</u> |
| <b>Reconciliation for cashflow:</b>        |                |                |                |               |
| Opening Prepaid rental income (Note 17(c)) | (40,938)       | (40,812)       | (40,938)       | (40,812)      |
| Closing Prepaid rental income (Note 17(d)) | 65,316         | 40,938         | 65,316         | 40,938        |
| Rental income received during the year     | <u>96,520</u>  | <u>71,382</u>  | <u>100,070</u> | <u>81,013</u> |
| Interest and Similar Income (35(c))        | 24,377         | 174,546        | -              | -             |
| <b>Rental &amp; other Income received</b>  | <u>120,897</u> | <u>245,928</u> | <u>100,070</u> | <u>81,013</u> |

(c) Interest and similar income relates to interest and fee income earned by NEM Asset Management Company limited from its customers for providing asset management services.

| 36 Management Expenses                                  | N'000              | N'000              | N'000              | N'000              |
|---|--------------------|--------------------|--------------------|--------------------|
| Employee benefit expenses (Note 36(a))                  | 4,453,015          | 4,069,355          | 3,899,193          | 3,690,148          |
| Other Management Expenses (Note 36(b))                  | 2,934,169          | 2,181,765          | 2,811,584          | 2,022,519          |
| Directors expenses emoluments                           | 614,899            | 498,532            | 597,025            | 495,032            |
| AGM expenses  | 60,588             | 50,239             | 60,588             | 50,239             |
| NAICOM Levy   | 1,578,859          | 1,075,344          | 1,578,859          | 1,075,344          |
| National Health Insurance Authority Levy                | 35,477             | 15,902             | -                  | -                  |
| Auditors Remuneration (Note 38(a) and (b))              | 40,000             | 32,082             | 34,000             | 28,360             |
| Depreciation of property, plant and equipment (Note 14) | 472,669            | 365,669            | 369,479            | 321,804            |
| Depreciation of Right-of-use Assets (Note 14(c))        | 209,100            | 216,673            | 271,103            | 224,169            |
| Amortisation (Note 13)                                  | 35,372             | 17,519             | 17,470             | 13,207             |
|   | <u>10,434,148</u>  | <u>8,523,079</u>   | <u>9,639,301</u>   | <u>7,920,820</u>   |
| <b>Reconciliations for cashflow purposes</b>            |                    |                    |                    |                    |
| Management Expenses                                     | 10,434,148         | 8,523,079          | 9,639,301          | 7,920,820          |
| Less Employee benefit expenses (Note 36(a))             | <u>(4,453,015)</u> | <u>(4,069,355)</u> | <u>(3,899,193)</u> | <u>(3,690,148)</u> |
|   | <u>5,981,133</u>   | <u>4,453,724</u>   | <u>5,740,108</u>   | <u>4,230,672</u>   |
| Opening Accrued expenses                                | 3,302,940          | 814,499            | 3,212,195          | 801,736            |
| Closing Accrued expenses                                | (4,385,837)        | (3,302,940)        | (4,307,696)        | (3,212,195)        |
| Opening Prepaid expenses                                | (89,408)           | (97,518)           | (38,461)           | (31,221)           |
| Closing Prepaid expenses                                | 90,433             | 89,408             | 89,725             | 38,461             |
|   | <u>4,899,261</u>   | <u>1,957,173</u>   | <u>4,695,871</u>   | <u>1,827,453</u>   |

| (a) Employee benefit expenses                  | N'000            | N'000            | N'000            | N'000            |
|--|------------------|------------------|------------------|------------------|
| Salaries and Wages                             | 2,289,207        | 1,914,414        | 1,848,907        | 1,540,157        |
| Medical Expenses                               | 107,242          | 91,689           | 103,603          | 91,033           |
| Staff Training                                 | 193,689          | 293,798          | 189,232          | 291,442          |
| Staff Welfare                                  | 1,695,540        | 1,654,019        | 1,625,612        | 1,653,804        |
| Employers' Pension Contribution                | 167,337          | 115,434          | 131,839          | 113,712          |
| <b>Cash paid to and on behalf of employees</b> | <u>4,453,015</u> | <u>4,069,355</u> | <u>3,899,193</u> | <u>3,690,148</u> |

|   |               |              |               |               |
|---|---------------|--------------|---------------|---------------|
| (b) Other Management Expenses   | N'000         | N'000        | N'000         | N'000         |
| Advertising   | 780,503       | 517,122      | 780,503       | 507,415       |
| Bank charges  | 600,335       | 373,666      | 580,719       | 364,316       |
| Business permit   | 2,155         | 1,175        | 2,155         | 1,175         |
| Computer Expenses   | 56,200        | 50,974       | 50,270        | 45,476        |
| Dailies and Subscription  | 480,040       | 280,619      | 437,306       | 278,389       |
| Donations   | 11,044        | 46,240       | 11,044        | 46,240        |
| ECOWAS Brown Card   | 54,218        | 57,074       | 54,218        | 57,074        |
| Electricity expenses  | 138,956       | 102,859      | 138,956       | 101,387       |
| Filing Fees   | 6,500         | 1,000        | 6,500         | 1,000         |
| Fine & penalty (Note 36(d))   | 65,338        | 1,500        | 65,338        | 1,500         |
| Generator Expenses  | 52,690        | 108,753      | 52,690        | 81,326        |
| Insurance Expenses  | 157,078       | 106,864      | 152,986       | 100,158       |
| Motor running expenses  | 82,116        | 56,820       | 67,584        | 45,897        |
| Motor Repairs & Maintenance   | 53,826        | 45,661       | 47,199        | 41,346        |
| Nigerian Insurers Association Levy  | 11,369        | 14,307       | 11,369        | 14,307        |
| Office General Expenses   | 261,255       | 268,271      | 248,093       | 239,877       |
| Postages & telephone  | 23,008        | 25,501       | 17,814        | 11,654        |
| Rent, rates and other expenses (Note 8(a)(ii))  | 90,524        | 53,853       | 84,263        | 53,853        |
| Repairs & Maintenance   | 2,577         | 16,946       | 2,577         | 14,494        |
| Impairment allowance (Note 8(b)(i))   | 4,437         | 36,924       | -             | -             |
| Nigerian Social Insurance Trust Fund Levy   | -             | 15,635       | -             | 15,635        |
|   | 2,934,169     | 2,181,765    | 2,811,584     | 2,022,519     |
|   |               |              |               |               |
|   |               | <b>Group</b> |               | <b>Parent</b> |
|   | <b>2025</b>   | <b>2024</b>  | <b>2025</b>   | <b>2024</b>   |
| (c) Expected credit loss expense  | N'000         | N'000        | N'000         | N'000         |
| Allowance for credit losses - Cash (Note 3(c))  | 37,896        | 218,074      | 32,577        | 217,263       |
| (Write back)/Allowance for credit losses - Bonds (Note 4.3(g))  | (337,293)     | 710,509      | (337,293)     | 710,509       |
| Allowance for credit losses - Placement above 90 days (Note 4.3(h))   | 236,699       | 67,096       | 236,699       | 67,096        |
| Allowance for credit losses - Treasury bills(Note 4.3(i))   | 30,928        | 46,658       | 30,928        | 46,658        |
| (Write back)/Allowance for credit losses - Commercial papers (Note 4.3(j))  | (12,184)      | 8,092        | (14,539)      | 8,092         |
|   | (43,954)      | 1,050,429    | (51,629)      | 1,049,618     |
|   |               |              |               |               |
| (d) Fine and penalty  |               | <b>Group</b> |               | <b>Parent</b> |
| <b>Description</b>  | <b>N'000</b>  | <b>N'000</b> | <b>N'000</b>  | <b>N'000</b>  |
| Fine to NAICOM for violation of Paragraph 5.1.0 and 5.2.0 of market conduct guidelines                                      | -             | 1,500        | -             | 1,500         |
| Fine to NAICOM for various violations relating to issues from 2023 Risk Based Supervision market conduct onsite examination | 57,240        | -            | 57,240        | -             |
| Penalty to NAICOM for transacting business with unlicensed brokers  | 1,500         | -            | 1,500         | -             |
| Penalty to NAICOM for the year  | 58,740        | 1,500        | 58,740        | 1,500         |
| Fine to Corporate Affairs Commission for non-compliance with section 729 of CAMA  | 6,598         | -            | 6,598         | -             |
| <b>Total Penalty during the year</b>  | <b>65,338</b> | <b>1,500</b> | <b>65,338</b> | <b>1,500</b>  |
|   |               |              |               |               |
| <b>37 Gain/(loss) on disposal of Property, plant and equipment</b>  | <b>N'000</b>  | <b>N'000</b> | <b>N'000</b>  | <b>N'000</b>  |
| Cost (Note 14(b))   | (54,258)      | (142,907)    | (54,258)      | (142,907)     |
| Accumulated depreciation (Note 14(b))   | 45,321        | 118,567      | 45,321        | 118,567       |
| Carrying amount   | (8,937)       | (24,340)     | (8,937)       | (24,340)      |
| Sale proceeds   | 8,668         | 15,611       | 8,668         | 15,611        |
| Loss on disposal  | (269)         | (8,729)      | (269)         | (8,729)       |

| 38 Supplementary profit or loss information                          | N'000        | N'000        | N'000        | N'000        |
|--|--------------|--------------|--------------|--------------|
| (a) Profit before taxation is arrived at after charging:             |              |              |              |              |
| Depreciation (Note 14)   | 472,669      | 365,669      | 369,479      | 321,804      |
| Amortisation (Note 13)   | 35,372       | 17,519       | 17,470       | 13,207       |
| Auditors' fees (Note 36)   | 40,000       | 32,082       | 34,000       | 28,360       |
| Profit/(Loss) on disposal of property, plant and equipment (Note 37) | (269)        | (8,729)      | (269)        | (8,729)      |
| Directors' emoluments (Note 36)                                      | 614,899      | 498,532      | 597,025      | 495,032      |
| <b>and after crediting:</b>  | <b>N'000</b> | <b>N'000</b> | <b>N'000</b> | <b>N'000</b> |
| Foreign exchange (loss)/gain (Note 35(d))                            | (2,452,032)  | 14,803,675   | (2,444,365)  | 14,785,554   |
| Gain on investment properties (Note 34)                              | 3,151,271    | 1,376,639    | 3,151,271    | 1,376,639    |

(b) KPMG Professional Services carried out the statutory audit of the financial statements and review of the Internal Control over Financial Reporting (ICOFR) of the Company. Asides from these, the Auditors did not provide any other non-audit services to the Company during the year (2024:statutory audit and ICOFR).

| (c) Staff Costs  | Number | Number | Number | Number |
|--|--------|--------|--------|--------|
| The average number of employees (excluding Directors) in the financial year and staff costs were as follows: |        |        |        |        |
| Managerial   | 17     | 17     | 15     | 15     |
| Senior   | 78     | 74     | 73     | 69     |
| Junior   | 184    | 181    | 137    | 134    |
|  | 279    | 272    | 225    | 218    |

| (d) Employees Remunerated at Higher Rates  | Number | Number | Number | Number |
|--|--------|--------|--------|--------|
| The number of employees in receipt of emoluments excluding allowance and pension within the following ranges were: |        |        |        |        |
| N  |        |        |        |        |
| 2,000,001 - 2,500,000  | -      | 6      | -      | -      |
| 2,500,001 - 3,000,000  | 19     | 14     | 3      | 6      |
| 3,000,001 - 3,500,000  | 5      | 4      | -      | -      |
| 3,500,001 - 4,000,000  | 3      | 5      | -      | 3      |
| 4,000,001 - 5,500,000  | 65     | 61     | 10     | 45     |
| 5,500,001 - 6,500,000  | 38     | 38     | 39     | 33     |
| 6,500,001 - 7,500,000  | 1      | 1      | 26     | -      |
| 7,500,001 - 8,500,000  | 34     | 33     | 36     | 28.00  |
| 8,500,001 - 9,500,000  | 23     | 20     | 24     | 19     |
| 9,500,001 - Above  | 91     | 90     | 87     | 84     |
|  | 279    | 272    | 225    | 152    |

| (e) Chairman's and Directors' Emoluments      | Group   |         | Parent  |         |
|---|---------|---------|---------|---------|
|   | 2025    | 2024    | 2025    | 2024    |
| i Aggregate emoluments of the directors were: | N'000   | N'000   | N'000   | N'000   |
| Fees  |         |         |         |         |
| Chairman                                      | 7,500   | 7,500   | 7,500   | 7,500   |
| Other Directors                               | 54,000  | 54,000  | 54,000  | 54,000  |
|   | 61,500  | 61,500  | 61,500  | 61,500  |
| Other Directors expenses                      | 535,525 | 253,998 | 535,525 | 253,998 |
|   | 597,025 | 315,498 | 597,025 | 315,498 |

| ii The number of Directors excluding the Chairman whose emoluments were within the following ranges were: | Number | Number | Number | Number |
|---|--------|--------|--------|--------|
| N   |        |        |        |        |
| 4,000,001 - 6,000,000   | -      | 9      | -      | 9      |
| 6,000,001 - 8,000,000   | -      | -      | -      | -      |
| 8,000,001 - 10,000,000  | 11     | -      | 11     | -      |
| 10,000,001 and above  | -      | -      | -      | -      |
|   | 11     | 9      | 11     | 9      |

The Highest paid Director earned N49,500,000 in 2025 (2024:N45,000,000)

| 39 <u>Basic/Diluted earnings per ordinary share</u>  | N'000            | N'000            | N'000            | N'000            |
|--|------------------|------------------|------------------|------------------|
| Basic/Diluted earnings per share is calculated by dividing the results attributable to shareholders by the weighted average number of ordinary shares in issue and ranking for dividend. |                  |                  |                  |                  |
| Net profit attributable to ordinary shareholders for basic and diluted EPS   | =N=23,832,592    | =N=29,214,386    | =N=23,549,267    | =N=29,082,323    |
| <b>Weighted average number of ordinary shares for EPS</b>  | <b>5,016,477</b> | <b>5,016,477</b> | <b>5,016,477</b> | <b>5,016,477</b> |
| <b>Basic Earnings Per Share (kobo)</b>   | <b>475</b>       | <b>582</b>       | <b>469</b>       | <b>580</b>       |
| <b>Diluted Basic Earnings Per Share (kobo)</b>   | <b>475</b>       | <b>582</b>       | <b>469</b>       | <b>580</b>       |

(a) There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and date of completion of these financial statements.

#### 40 Related party disclosures

##### (a) Parent

The Group is controlled by Nem Insurance Plc (incorporated in Nigeria) which is the parent company, and whose shares are widely held by the investing public.

##### (b) Subsidiaries

During the year, the Parent conducted transactions with its related Company and also with its subsidiary Company, Details of amount due from and to these related parties are as disclosed in Notes 9, 10 and 17(c)) to the financial statements. Lease financing transactions with related parties were carried out in the ordinary course of business and were on an arm's length basis. Where these are eliminated on consolidation, they are not disclosed in the consolidated financial statements.

|   | N'000 | N'000 | N'000   | N'000   |
|---|-------|-------|---------|---------|
| Due to NEM Asset Management Company Limited   | -     | -     | 150,391 | 70,793  |
| Due to NEM Health Limited                     | -     | -     | 70,799  | -       |
| Due from Nem Asset Management Company Limited | -     | -     | -       | 3,719   |
| Due From Nem Health Limited                   | -     | -     | -       | 213,576 |

##### (c) Transactions with key management personnel

The Group's key management personnel and persons connected with them are also considered to be related parties for disclosure purposes. The definition of key management includes close members of family and entity over which control can be exercised. The key management personnel have been identified as the executive directors of the Group. Close members of family are those members who may be expected to influence or be influenced by that individual in their dealings with Nem Insurance Plc.

In the current year, Mr Yemi Mayadenu (executive director Technical) has an outstanding staff loan obligation of N7.3 million.

##### (d) Short term Benefits (Board of Directors)

| Fees:           | N'000         | N'000         | N'000         | N'000         |
|-----------------|---------------|---------------|---------------|---------------|
| Chairman        | 10,000        | 7,500         | 10,000        | 7,500         |
| Other Directors | 45,500        | 45,500        | 45,500        | 45,500        |
|                 | <b>55,500</b> | <b>53,000</b> | <b>55,500</b> | <b>53,000</b> |

|   | Group              |                   | Parent            |                   |
|---|--------------------|-------------------|-------------------|-------------------|
|   | N'000              | N'000             | N'000             | N'000             |
| <b>Other Emoluments:</b>  |                    |                   |                   |                   |
| Other Directors expenses  | 535,525            | 253,998           | 535,525           | 253,998           |
|   | 591,025            | 306,998           | 591,025           | 306,998           |
| Short term Benefits (Management Team)   |                    |                   |                   |                   |
| Salaries and Allowances:  | 600,646            | 446,501           | 547,147           | 400,138           |
| Post Employment Benefits (Management Team)  |                    |                   |                   |                   |
| Pension   | -                  | -                 | -                 | -                 |
| <b>Total Benefits to Key Personnel</b>  | <b>1,191,671</b>   | <b>753,499</b>    | <b>1,138,172</b>  | <b>707,136</b>    |
| The directors' emoluments includes their official travelling expenses, flight travel tickets, life insurance premiums, medical expenses, and fuelling expenditures. |                    |                   |                   |                   |
| <b>41 Cash flow from Operating activities</b>   | <b>N'000</b>       | <b>N'000</b>      | <b>N'000</b>      | <b>N'000</b>      |
| Operating profit before tax   | 27,976,227         | 33,698,653        | 27,560,851        | 33,520,419        |
| <b>Adjustment for non-operating items:</b>  |                    |                   |                   |                   |
| Depreciation - Property, plant & equipment  | 14 472,669         | 365,669           | 369,479           | 321,804           |
| Interest charged during the year  | 36 431,518         | 199,983           | 139,676           | 137,768           |
| Depreciation - Right-of-use Assets  | 14 209,101         | 216,673           | 271,103           | 224,169           |
| Amortisation - Intangible assets  | 13 35,372          | 17,519            | 17,470            | 13,207            |
| Loss on disposal of property and equipment  | 37 269             | 8,729             | 269               | 8,729             |
| Fair value gain on investment properties  | 11 (9,957,056)     | (1,762,142)       | (9,957,056)       | (1,762,142)       |
| Fair value gain on quoted investment  | 4.1(a) (6,805,785) | (385,503)         | (6,805,785)       | (385,503)         |
| Other operating income  | 35 (177,374)       | (497,451)         | (101,377)         | (181,693)         |
| Exchange loss/(gain)  | 26 2,452,032       | (14,803,675)      | 2,444,365         | (14,785,554)      |
| Allowance for credit losses   | 36(c) (43,954)     | 1,050,429         | (51,629)          | 1,049,618         |
| Interest income   | 33(a) (12,134,642) | (6,858,654)       | (11,592,620)      | (6,789,128)       |
| Dividend income   | 33(b) (824,328)    | (771,736)         | (824,328)         | (771,736)         |
| <b>Cash flow changes before changes in working capital</b>  | <b>1,634,049</b>   | <b>10,478,493</b> | <b>1,470,419</b>  | <b>10,599,957</b> |
| <b>Changes in operating assets and liabilities</b>  |                    |                   |                   |                   |
| Decrease/(increase) in Trade receivables  | (2,173,796)        | (820,947)         | 175,234           | 101,509           |
| Increase in Reinsurance contract assets   | (11,689,847)       | (6,477,519)       | (11,689,848)      | (6,477,519)       |
| (Increase)/decrease in Other receivables and prepayments  | 5,167,269          | (455,489)         | 5,771,019         | (322,999)         |
| Increase in Insurance contract liabilities  | 24,996,509         | 17,044,840        | 22,404,593        | 15,995,711        |
| Increase/(decrease) in Other Insurance Contract liabilities   | 12,162,788         | (139,145)         | 12,214,231        | (117,661)         |
| Increase in Other payables  | 3,438,133          | 3,495,600         | 1,213,959         | 2,552,542         |
| <b>Net cash inflow from operating activities</b>  | <b>33,535,104</b>  | <b>23,125,833</b> | <b>31,559,606</b> | <b>22,331,541</b> |
| Tax paid  | 19(c) (1,634,102)  | (428,018)         | (1,617,066)       | (428,018)         |
|   | <b>31,901,002</b>  | <b>22,697,815</b> | <b>29,942,540</b> | <b>21,903,523</b> |

#### 42 Capital Commitments

There were no material capital commitments at 31 December 2025 (2024: Nil).

#### 43 Contingent liabilities

There were contingent liabilities in respect of legal actions against the Group, the monetary amount of which cannot be quantified. No provision has been made in these financial statements in respect of the legal actions as the directors, having taken legal advice, do not believe any material liability will eventually be borne by the Group.

#### 44 Legal proceedings and regulations

##### (a) Legal Proceedings

The Parent operates in the insurance industry and is subject to legal proceeding in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigation) will have a material effect on its results and financial position.

##### (b) Regulations

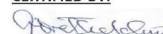

The Parent is also subject to insurance solvency regulations in all the territories where it operates and has complied with all these solvency regulations. There are no contingencies associated with the Parent's compliance or lack of compliance with such regulations.

##### (c) The directors are of the opinion that the Parent will not incur any significant loss with respect to these claims and accordingly, no provision has been made in these Consolidated Financial Statements.

#### 45 Events after the reporting date

The directors are not aware of any events which occurred since 31 December 2025 which may have material effect on the financial statements at that date or which may need to be mentioned in the financial statements in order not to make them misleading as to the operations or financial position at 31 December 2025.

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

#### 46 SEGMENT REPORTING

##### Identification of reportable segments

The business activities of NEM Insurance Plc Group are first organized by product and type of service: Non-life insurance activities, Health insurance and Asset management services.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (or loss) before income taxes, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within this industry. Inter-segment pricing is determined on an arm's length basis.

Information reported to the chief operating decision maker (the CEO) for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Company's reportable segments under IFRS 8 are therefore as follow:

##### \*Non-life Insurance business

The non-life reportable segment offers a wide variety of insurance products for both individual and corporate customers. The products offer range from engineering, aviation, marine liability, motor liability, oil and energy, fire and property. The main source of income in this segment is the premium received from the insured on risk covered by the entity and the investment income earned on placements and deposit with financial institutions. The business of this segment is undertaken by NEM Insurance Plc.

##### \*Health insurance:

This includes health insurance policies with individual and corporate customers. The business of this segment is undertaken by NEM Health limited.

##### \*Asset leasing and Asset Management

Includes all kinds of services including vehicle Leasing, machinery acquisition, asset management, hire purchase of diverse assets as well as a host of other services for both individual & corporate organizations. The business of this segment is undertaken by NEM Asset Management limited.

#### 2025 Financial year

| <i>In thousands of naira</i>                                    | Non Life Insurance | Health Insurance | Asset leasing and asset management | Adjustments      | Consolidated       |
|---|--------------------|------------------|------------------------------------|------------------|--------------------|
| Insurance Revenue   | 145,642,085        | 6,712,809        | -                                  | -                | 152,354,894        |
| Insurance Service Expenses                                      | (87,675,412)       | (5,789,370)      | -                                  | (24,051)         | (93,488,833)       |
| Net expenses on Reinsurance contracts                           | (39,570,482)       | -                | -                                  | -                | (39,570,482)       |
| <b>Insurance Service Result</b>                                 | <b>18,396,191</b>  | <b>923,439</b>   | <b>-</b>                           | <b>(24,051)</b>  | <b>19,295,579</b>  |
| Insurance finance expenses from insurance contracts issued      | (2,435,985)        | -                | -                                  | -                | (2,435,985)        |
| Insurance finance Income from reinsurance contracts held        | 1,297,246          | -                | -                                  | -                | 1,297,246          |
| Interest revenue calculated under the effective interest method | 11,592,620         | 14,935           | 561,337                            | (34,250)         | 12,134,642         |
| Dividend Income   | 824,328            | -                | -                                  | -                | 824,328            |
| Net foreign exchange (loss)/gain                                | (2,444,365)        | (7,667)          | -                                  | -                | (2,452,032)        |
| Net Fair value gain   | 9,957,056          | -                | -                                  | -                | 9,957,056          |
| Net impairment write-backs/(losses)                             | 51,629             | -                | (7,674)                            | -                | 43,955             |
| Other operating income  | 101,377            | 42,420           | 37,128                             | (3,550)          | 177,374            |
| Loss on disposal of property, plant and equipment               | (269)              | -                | -                                  | -                | (269)              |
| Management expenses   | (9,639,301)        | (713,382)        | (109,068)                          | 20,501           | (10,441,250)       |
| Finance cost  | (139,676)          | -                | (326,092)                          | 34,250           | (431,518)          |
| <b>Profit before taxation</b>                                   | <b>27,560,851</b>  | <b>259,745</b>   | <b>155,630</b>                     | <b>(7,100)</b>   | <b>27,969,126</b>  |
| Income taxes  | (4,011,584)        | (29,155)         | (36,601)                           | -                | (4,077,340)        |
| <b>Profit for the year after tax</b>                            | <b>23,549,267</b>  | <b>230,590</b>   | <b>119,029</b>                     | <b>(7,100)</b>   | <b>23,891,787</b>  |
| <b>Segment Assets</b>   | <b>178,593,916</b> | <b>5,235,227</b> | <b>3,198,462</b>                   | <b>(988,066)</b> | <b>186,039,539</b> |

|                            |                   |                  |                  |                  |                    |
|----------------------------|-------------------|------------------|------------------|------------------|--------------------|
| <b>Segment Liabilities</b> | <b>94,586,651</b> | <b>4,414,233</b> | <b>2,905,973</b> | <b>(324,812)</b> | <b>101,582,045</b> |
|----------------------------|-------------------|------------------|------------------|------------------|--------------------|

\*All revenues are from external customers. There is no revenue from transactions between operating segments.

2024 Financial year

| <i>In thousands of naira</i>                                    | Non Life<br>Insurance | Health<br>Insurance | Asset leasing and<br>asset<br>management | Adjustments      | Consolidated       |
|---|-----------------------|---------------------|--|------------------|--------------------|
| Insurance Revenue   | 96,644,516            | 1,322,025           | -  | -                | 97,966,541         |
| Insurance Service Expenses                                      | (60,126,501)          | (881,911)           | -  | -                | (61,008,412)       |
| Net expenses on Reinsurance contracts                           | (18,138,541)          | -                   | -  | -                | (18,138,541)       |
| <b>Insurance Service Result</b>                                 | <b>18,379,474</b>     | <b>440,114</b>      | -  | -                | <b>18,819,588</b>  |
| Insurance finance expenses from insurance contracts issued      | (351,320)             | -                   | -  | -                | (351,320)          |
| Insurance finance Income from reinsurance contracts held        | 318,947               | -                   | -  | -                | 318,947            |
| Interest revenue calculated under the effective interest method | 6,789,128             | -                   | 69,526                                   | -                | 6,858,654          |
| Dividend Income   | 771,736               | -                   | -  | -                | 771,736            |
| Net foreign exchange (loss)/gain                                | 14,785,554            | -                   | 18,121                                   | -                | 14,803,675         |
| Net Fair value gain   | 1,762,142             | -                   | -  | -                | 1,762,142          |
| Net impairment write-backs/(losses)                             | (1,049,618)           | -                   | (810)                                    | -                | (1,050,429)        |
| Other operating income  | 181,693               | 182,122             | 136,036                                  | (2,400)          | 497,451            |
| Loss on disposal of property, plant and equipment               | (8,729)               | -                   | -  | -                | (8,729)            |
| Management expenses   | (7,920,820)           | (527,693)           | (78,749)                                 | 2,400            | (8,523,079)        |
| Finance cost  | (137,768)             | -                   | (62,215)                                 | -                | (199,983)          |
| <b>Profit before taxation</b>                                   | <b>33,520,419</b>     | <b>94,543</b>       | <b>81,909</b>                            | -                | <b>33,696,871</b>  |
| Income taxes  | (4,438,096)           | (3,449)             | (16,533)                                 | -                | (4,458,079)        |
| <b>Profit for the year after tax</b>                            | <b>29,082,323</b>     | <b>91,094</b>       | <b>65,376</b>                            | -                | <b>29,238,793</b>  |
| <b>Segment Assets</b>   | <b>121,932,866</b>    | <b>2,087,672</b>    | <b>1,188,431</b>                         | <b>(977,014)</b> | <b>124,231,955</b> |
| <b>Segment Liabilities</b>                                      | <b>56,493,709</b>     | <b>1,497,268</b>    | <b>993,851</b>                           | <b>(192,013)</b> | <b>58,792,815</b>  |

Geographical segment

Nigeria is the Group's primary geographical segment as all the Group's income is derived in Nigeria. Accordingly, no further geographical segments information is reported.

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

(a) Segments Report - Insurance Service Result per product

| Segment reporting (2025)                                    | MOTOR<br>N'000 | MARINE<br>N'000 | FIRE<br>N'000 | GENERAL<br>ACCIDENT<br>N'000 | OIL & GAS<br>N'000 | AGRICULTURE<br>N'000 | ENGINEERING<br>N'000 | BOND<br>N'000 | PARENT<br>N'000 | HEALTH<br>N'000 | GROUP<br>N'000 |
|---|----------------|-----------------|---------------|------------------------------|--------------------|----------------------|----------------------|---------------|-----------------|-----------------|----------------|
| <b>Insurance revenue</b>                                    | 35,497,435     | 17,285,190      | 22,331,878    | 11,758,205                   | 50,358,370         | 155,325              | 7,195,347            | 1,060,335     | 145,642,085     | 6,712,809       | 152,354,894    |
| <b>Insurance service expenses:</b>                          |                |                 |               |                              |                    |                      |                      |               |                 |                 |                |
| Incurring claims expenses                                   | (12,233,595)   | (2,725,931)     | (8,056,585)   | (11,906,418)                 | (7,406,686)        | (114,534)            | (2,223,112)          | (99,271)      | (44,766,132)    | (5,087,480)     | (49,853,612)   |
| Changes that relate to past service-adjustment to LIC       | 228,032        | (98,294)        | (322,187)     | (375,279)                    | (439,241)          | 883                  | 273,181              | 25,366        | (707,539)       | -               | (707,539)      |
| Amortization of acquisition expenses                        | (9,081,730)    | (5,759,279)     | (7,315,870)   | (3,901,302)                  | (13,461,526)       | (45,723)             | (2,321,574)          | (314,736)     | (42,201,740)    | (725,941)       | (42,927,681)   |
| Losses/(reversal of losses onerous contracts)               | -              | -               | -             | -                            | -                  | -                    | -                    | -             | -               | -               | -              |
|   | (21,087,293)   | (8,583,504)     | (15,694,642)  | (16,182,999)                 | (21,307,453)       | (159,374)            | (4,271,505)          | (388,641)     | (87,675,411)    | (5,813,421)     | (93,488,832)   |
| <b>Net Expenses on reinsurance contracts held</b>           |                |                 |               |                              |                    |                      |                      |               |                 |                 |                |
| Allocation of reinsurance premium                           | (28,859)       | (3,000,610)     | (8,326,933)   | (2,727,076)                  | (39,291,721)       | (59,032)             | (2,402,707)          | (34,749)      | (55,871,687)    | -               | (55,871,687)   |
| Recoveries of incurred claims and other attributable income | 263,835        | 2,230,158       | 5,936,083     | 3,873,953                    | 985,363            | 78,135               | 1,664,610            | 24,047        | 15,056,184      | -               | 15,056,184     |
| Changes that relate to past service-adjustment to ARIC      | (637,531)      | (304,223)       | 506,185       | 1,500,019                    | (857,219)          | -                    | 986,951              | 50,838        | 1,245,020       | -               | 1,245,020      |
| Recoveries/(reversal of recoveries) on onerous contracts    | -              | -               | -             | -                            | -                  | -                    | -                    | -             | -               | -               | -              |
|   | (402,555)      | (1,074,675)     | (1,884,665)   | 2,646,896                    | (39,163,577)       | 19,103               | 248,854              | 40,136        | (39,570,483)    | -               | (39,570,483)   |
| <b>Insurance service result</b>                             | 14,007,587     | 7,627,011       | 4,752,571     | (1,777,898)                  | (10,112,660)       | 15,054               | 3,172,696            | 711,830       | 18,396,192      | 899,388         | 19,295,579     |
| Insurance finance expenses from insurance contracts issued  | (590,834)      | (390,316)       | (816,670)     | (172,342)                    | (280,458)          | (619)                | (181,730)            | (3,016)       | (2,435,985)     | -               | (2,435,985)    |
| Insurance finance Income from reinsurance contracts held    | 132,997        | 173,801         | 595,728       | 195,434                      | 150,557            | 479                  | 47,612               | 638           | 1,297,246       | -               | 1,297,246      |
| <b>Total Financial result</b>                               | 13,549,750     | 7,410,496       | 4,531,629     | (1,754,806)                  | (10,242,561)       | 14,914               | 3,038,578            | 709,452       | 17,257,453      | 899,388         | 18,156,840     |
| <b>Segment reporting (2024)</b>                             |                |                 |               |                              |                    |                      |                      |               |                 |                 |                |
|   | MOTOR<br>N'000 | MARINE<br>N'000 | FIRE<br>N'000 | GENERAL<br>ACCIDENT<br>N'000 | OIL & GAS<br>N'000 | AGRICULTURE<br>N'000 | ENGINEERING<br>N'000 | BOND<br>N'000 | PARENT<br>N'000 | HEALTH<br>N'000 | GROUP<br>N'000 |
| <b>Insurance revenue</b>                                    | 24,519,765     | 12,263,224      | 16,683,026    | 6,058,577                    | 30,858,872         | 83,321               | 5,167,349            | 1,010,382     | 96,644,516      | 1,322,025       | 97,966,541     |
| <b>Insurance service expenses:</b>                          |                |                 |               |                              |                    |                      |                      |               |                 |                 |                |
| Incurring claims expenses                                   | (9,066,002)    | (3,828,183)     | (7,016,316)   | (3,274,010)                  | (5,463,280)        | (27,732)             | (1,826,000)          | (28,478)      | (30,530,000)    | (793,813)       | (31,323,814)   |
| LIC   | 347,167        | (209,562)       | 797,300       | 308,477                      | (657,620)          | 2,591                | 391,058              | 51,127        | 1,030,540       | -               | 1,030,540      |
| Amortization of acquisition expenses                        | (6,522,808)    | (4,242,968)     | (5,976,313)   | (2,129,728)                  | (9,637,331)        | (23,695)             | (1,919,826)          | (374,361)     | (30,827,030)    | (88,098)        | (30,915,128)   |
| Losses/(reversal of losses onerous contracts)               | 199,989        | -               | -             | -                            | -                  | -                    | -                    | -             | 199,989         | -               | 199,989        |
|   | (15,041,653)   | (8,280,714)     | (12,195,329)  | (5,095,261)                  | (15,758,231)       | (48,835)             | (3,354,767)          | (351,712)     | (60,126,501)    | (881,911)       | (61,008,412)   |
| <b>Net Expenses on reinsurance contracts held</b>           |                |                 |               |                              |                    |                      |                      |               |                 |                 |                |
| Allocation of reinsurance premium                           | (10,864)       | (2,100,603)     | (4,228,942)   | (1,603,726)                  | (20,862,262)       | (22,278)             | (1,270,667)          | 2,862         | (30,096,480)    | -               | (30,096,480)   |
| Recoveries of incurred claims and other attributable income | 679,131        | 1,943,682       | 4,875,465     | 1,907,610                    | 899,235            | 19,167               | 822,738              | 2,694         | 11,149,722      | -               | 11,149,722     |
| Changes that relate to past service-adjustment to ARIC      | (314,663)      | 313,143         | 634,702       | (54,171)                     | (184,638)          | 204                  | 470,820              | (24,166)      | 841,231         | -               | 841,231        |
| Recoveries/(reversal of recoveries) on onerous contracts    | (33,014)       | -               | -             | -                            | -                  | -                    | -                    | -             | (33,014)        | -               | (33,014)       |
|   | 320,591        | 156,221         | 1,281,224     | 249,713                      | (20,147,665)       | (2,907)              | 22,891               | (18,610)      | (18,138,541)    | -               | (18,138,541)   |
| <b>Insurance Service result</b>                             | 9,798,702      | 4,138,731       | 5,768,922     | 1,213,029                    | (5,047,024)        | 31,579               | 1,835,474            | 640,061       | 18,379,474      | 440,114         | 18,819,588     |
| Insurance finance expenses from insurance contracts issued  | (81,069)       | (35,184)        | (134,618)     | (43,760)                     | (23,676)           | (311)                | (30,524)             | (2,180)       | (351,320)       | -               | (351,320)      |
| Insurance finance Income from reinsurance contracts held    | 29,494         | 38,184          | 156,020       | 56,805                       | 14,127             | 295                  | 21,797               | 2,226         | 318,947         | -               | 318,947        |
| <b>Total Financial result</b>                               | 9,747,127      | 4,141,732       | 5,790,324     | 1,226,074                    | (5,056,573)        | 31,564               | 1,826,747            | 640,107       | 18,347,102      | 440,114         | 18,787,215     |

|  | MOTOR             | MARINE            | FIRE              | GENERAL<br>ACCIDENT | OIL & GAS         | AGRICULTURE    | ENGINEERING      | BOND             | PARENT             | HEALTH           | GROUP              |
|--|-------------------|-------------------|-------------------|---------------------|-------------------|----------------|------------------|------------------|--------------------|------------------|--------------------|
| <b>(b) Insurance Revenue</b>   |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
| <b>2025</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
|  | N'000             | N'000             | N'000             | N'000               | N'000             | N'000          | N'000            | N'000            | N'000              | N'000            | N'000              |
| Insurance contracts measured using PAA   | 35,497,435        | 17,285,190        | 22,331,878        | 11,758,205          | 50,358,370        | 155,325        | 7,195,347        | 1,060,335        | 145,642,085        | 6,712,809        | 152,354,894        |
| Insurance contracts measured using GMM   | -                 | -                 | -                 | -                   | -                 | -              | -                | -                | -                  | -                | -                  |
| Insurance contracts measured using VFA   | -                 | -                 | -                 | -                   | -                 | -              | -                | -                | -                  | -                | -                  |
|  | <b>35,497,435</b> | <b>17,285,190</b> | <b>22,331,878</b> | <b>11,758,205</b>   | <b>50,358,370</b> | <b>155,325</b> | <b>7,195,347</b> | <b>1,060,335</b> | <b>145,642,085</b> | <b>6,712,809</b> | <b>152,354,894</b> |
| <b>Insurance Revenue</b>   |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
| <b>2024</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
|  | N'000             | N'000             | N'000             | N'000               | N'000             | N'000          | N'000            | N'000            | N'000              | N'000            | N'000              |
| Insurance contracts measured using PAA   | 24,519,765        | 12,263,224        | 16,683,026        | 6,058,577           | 30,858,873        | 83,321         | 5,167,349        | 1,010,382        | 96,644,517         | 1,322,025        | 97,966,542         |
| Insurance contracts measured using GMM   | -                 | -                 | -                 | -                   | -                 | -              | -                | -                | -                  | -                | -                  |
| Insurance contracts measured using VFA   | -                 | -                 | -                 | -                   | -                 | -              | -                | -                | -                  | -                | -                  |
|  | <b>24,519,765</b> | <b>12,263,224</b> | <b>16,683,026</b> | <b>6,058,577</b>    | <b>30,858,873</b> | <b>83,321</b>  | <b>5,167,349</b> | <b>1,010,382</b> | <b>96,644,517</b>  | <b>1,322,025</b> | <b>97,966,542</b>  |
| <b>(c) Insurance contract liabilities</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
| <b>2025</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
|  | N'000             | N'000             | N'000             | N'000               | N'000             | N'000          | N'000            | N'000            | N'000              | N'000            | N'000              |
| Insurance contract liabilities (excluding insurance acquisition and other preresognition cashflow) | 12,954,808        | 7,102,842         | 13,163,009        | 10,673,687          | 20,691,211        | 93,979         | 4,434,693        | 455,661          | 69,569,890         | 4,084,587        | 73,654,478         |
| Insurance acquisition cashflows  | (1,221,006)       | (915,189)         | (1,285,652)       | (462,553)           | (1,578,795)       | (13,957)       | (513,929)        | (80,658)         | (6,071,739)        | (255,664)        | (6,327,403)        |
| Other pre-recognition cashflows  | -                 | -                 | -                 | -                   | -                 | -              | -                | -                | -                  | -                | -                  |
| Insurance contract liabilities   | <b>11,733,802</b> | <b>6,187,653</b>  | <b>11,877,357</b> | <b>10,211,134</b>   | <b>19,112,416</b> | <b>80,022</b>  | <b>3,920,764</b> | <b>375,003</b>   | <b>63,498,151</b>  | <b>3,828,923</b> | <b>67,327,074</b>  |
| <b>Insurance contract liabilities</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
| <b>2024</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
|  | N'000             | N'000             | N'000             | N'000               | N'000             | N'000          | N'000            | N'000            | N'000              | N'000            | N'000              |
| Insurance contract liabilities (excluding insurance acquisition and other preresognition cashflow) | 11,204,673        | 5,647,161         | 11,337,205        | 3,172,316           | 10,337,896        | 63,822         | 3,793,458        | 664,800          | 46,221,331         | 1,237,007        | 47,458,338         |
| Insurance acquisition cashflows  | (996,698)         | (563,032)         | (1,286,810)       | (332,050)           | (1,326,518)       | (9,050)        | (486,148)        | (127,468)        | (5,127,774)        | -                | (5,127,774)        |
| Other pre-recognition cashflows  | -                 | -                 | -                 | -                   | -                 | -              | -                | -                | -                  | -                | -                  |
| Insurance contract liabilities   | <b>10,207,975</b> | <b>5,084,129</b>  | <b>10,050,394</b> | <b>2,840,267</b>    | <b>9,011,378</b>  | <b>54,772</b>  | <b>3,307,310</b> | <b>537,332</b>   | <b>41,093,557</b>  | <b>1,237,007</b> | <b>42,330,565</b>  |
| <b>(d) Insurance contract liabilities</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
| <b>2025</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
|  | N'000             | N'000             | N'000             | N'000               | N'000             | N'000          | N'000            | N'000            | N'000              | N'000            | N'000              |
| Liability for remaining coverage   | 8,536,728         | 3,802,796         | 5,013,566         | 1,867,830           | 15,138,410        | 71,154         | 2,143,893        | 322,633          | 36,897,010         | 3,147,922        | 40,044,933         |
| Liability for Incurred claim   | 3,197,074         | 2,384,857         | 6,863,791         | 8,343,304           | 3,974,006         | 8,868          | 1,776,871        | 52,370           | 26,601,141         | 681,001          | 27,282,142         |
|  | <b>11,733,802</b> | <b>6,187,653</b>  | <b>11,877,357</b> | <b>10,211,134</b>   | <b>19,112,416</b> | <b>80,022</b>  | <b>3,920,764</b> | <b>375,003</b>   | <b>63,498,151</b>  | <b>3,828,923</b> | <b>67,327,074</b>  |
| <b>2024</b>  |                   |                   |                   |                     |                   |                |                  |                  |                    |                  |                    |
|  | N'000             | N'000             | N'000             | N'000               | N'000             | N'000          | N'000            | N'000            | N'000              | N'000            | N'000              |
| Liability for remaining coverage   | 6,952,892         | 2,352,343         | 5,034,282         | 1,331,822           | 7,330,416         | 48,283         | 2,037,256        | 509,870          | 25,597,164         | 1,190,200        | 16,385,229         |
| Liability for Incurred claim   | 3,255,083         | 2,731,786         | 5,016,112         | 1,508,445           | 1,680,962         | 6,489          | 1,270,054        | 27,462           | 15,496,393         | 46,807           | 8,900,496          |
|  | <b>10,207,975</b> | <b>5,084,129</b>  | <b>10,050,394</b> | <b>2,840,267</b>    | <b>9,011,378</b>  | <b>54,772</b>  | <b>3,307,310</b> | <b>537,332</b>   | <b>41,093,557</b>  | <b>1,237,007</b> | <b>25,285,725</b>  |

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

| (e) Reinsurance contract assets<br>2025   | MOTOR          | MARINE           | FIRE             | GENERAL<br>ACCIDENT         | OIL & GAS            | AGRICULTURE        | ENGINEERING        | BOND          | PARENT            | HEALTH        | GROUP             |
|---|----------------|------------------|------------------|-----------------------------|----------------------|--------------------|--------------------|---------------|-------------------|---------------|-------------------|
|   | N'000          | N'000            | N'000            | N'000                       | N'000                | N'000              | N'000              | N'000         | N'000             | N'000         | N'000             |
| Reinsurance contract assets (excluding reinsurance deferred acquisition income cashflows, other preresognition cashflows, and reinsurance payables) | 569,384        | 3,127,007        | 6,613,017        | 4,865,990                   | 11,548,247           | 38,289             | 3,357,548          | 42,780        | 30,162,263        | -             | 30,162,263        |
| Reinsurance deferred acquisition income cashflows   | (6)            | (480,415)        | (867,558)        | (355,321)                   | -                    | (6,676)            | (573,619)          | (7,664)       | (2,291,259)       | -             | (2,291,259)       |
| Other pre-recognition cashflows   | -              | -                | -                | -                           | -                    | -                  | -                  | -             | -                 | -             | -                 |
| Reinsurance payables  | -              | -                | (270,595)        | -                           | -                    | -                  | -                  | -             | (270,595)         | -             | (270,595)         |
|   | <b>569,378</b> | <b>2,646,592</b> | <b>5,474,864</b> | <b>4,510,669</b>            | <b>11,548,247</b>    | <b>31,613</b>      | <b>2,783,929</b>   | <b>35,116</b> | <b>27,600,410</b> | <b>-</b>      | <b>27,600,410</b> |
| <b>Reinsurance contract assets</b>  | <b>MOTOR</b>   | <b>MARINE</b>    | <b>FIRE</b>      | <b>GENERAL<br/>ACCIDENT</b> | <b>OIL &amp; GAS</b> | <b>AGRICULTURE</b> | <b>ENGINEERING</b> | <b>BOND</b>   | <b>PARENT</b>     | <b>HEALTH</b> | <b>GROUP</b>      |
| <b>2024</b>   | <b>N'000</b>   | <b>N'000</b>     | <b>N'000</b>     | <b>N'000</b>                | <b>N'000</b>         | <b>N'000</b>       | <b>N'000</b>       | <b>N'000</b>  | <b>N'000</b>      | <b>N'000</b>  | <b>N'000</b>      |
| Reinsurance contract assets (excluding reinsurance deferred acquisition income cashflows, other preresognition cashflows, and reinsurance payables) | 811,395        | 2,016,512        | 5,774,849        | 1,777,856                   | 5,711,386            | 22,918             | 1,064,222          | 30,572        | 17,209,711        | -             | 17,209,711        |
| Reinsurance deferred acquisition income cashflows   | (252)          | (190,767)        | (493,057)        | (220,240)                   | (482)                | (3,756)            | (176,715)          | (6,892)       | (1,092,161)       | -             | (1,092,161)       |
| Other pre-recognition cashflows   | -              | -                | -                | -                           | -                    | -                  | -                  | -             | -                 | -             | -                 |
| Reinsurance payables  | -              | -                | (206,990)        | -                           | -                    | -                  | -                  | -             | (206,990)         | -             | (206,990)         |
|   | <b>811,143</b> | <b>1,825,746</b> | <b>5,074,802</b> | <b>1,557,616</b>            | <b>5,710,903</b>     | <b>19,163</b>      | <b>887,507</b>     | <b>23,680</b> | <b>15,910,561</b> | <b>-</b>      | <b>15,910,561</b> |
| <b>(f) Reinsurance contract Assets</b>  | <b>MOTOR</b>   | <b>MARINE</b>    | <b>FIRE</b>      | <b>GENERAL<br/>ACCIDENT</b> | <b>OIL &amp; GAS</b> | <b>AGRICULTURE</b> | <b>ENGINEERING</b> | <b>BOND</b>   | <b>TOTAL</b>      | <b>HEALTH</b> | <b>GROUP</b>      |
| <b>2025</b>   | <b>N'000</b>   | <b>N'000</b>     | <b>N'000</b>     | <b>N'000</b>                | <b>N'000</b>         | <b>N'000</b>       | <b>N'000</b>       | <b>N'000</b>  | <b>N'000</b>      | <b>N'000</b>  | <b>N'000</b>      |
| Asset for remaining coverage  | 24             | 1,945,666        | 2,141,065        | 946,530                     | 10,341,519           | 26,704             | 1,776,619          | 17,841        | 17,195,968        | -             | 17,195,968        |
| Asset for incurred claims   | 569,354        | 700,926          | 3,333,799        | 3,564,139                   | 1,206,729            | 4,909              | 1,007,310          | 17,275        | 10,404,441        | -             | 10,404,441        |
|   | <b>569,378</b> | <b>2,646,592</b> | <b>5,474,864</b> | <b>4,510,669</b>            | <b>11,548,247</b>    | <b>31,613</b>      | <b>2,783,929</b>   | <b>35,116</b> | <b>27,600,409</b> | <b>-</b>      | <b>27,600,409</b> |
| <b>2024</b>   | <b>MOTOR</b>   | <b>MARINE</b>    | <b>FIRE</b>      | <b>GENERAL<br/>ACCIDENT</b> | <b>OIL &amp; GAS</b> | <b>AGRICULTURE</b> | <b>ENGINEERING</b> | <b>BOND</b>   | <b>TOTAL</b>      | <b>HEALTH</b> | <b>GROUP</b>      |
|   | <b>N'000</b>   | <b>N'000</b>     | <b>N'000</b>     | <b>N'000</b>                | <b>N'000</b>         | <b>N'000</b>       | <b>N'000</b>       | <b>N'000</b>  | <b>N'000</b>      | <b>N'000</b>  | <b>N'000</b>      |
| Asset for remaining coverage  | 1,089          | 639,062          | 1,647,930        | 580,531                     | 4,782,875            | 15,023             | 518,184            | 15,913        | 8,200,607         | -             | 8,200,607         |
| Asset for incurred claims   | 810,054        | 1,186,684        | 3,426,872        | 977,085                     | 928,029              | 4,140              | 369,323            | 7,767         | 7,709,954         | -             | 7,709,954         |
|   | <b>811,143</b> | <b>1,825,746</b> | <b>5,074,802</b> | <b>1,557,616</b>            | <b>5,710,903</b>     | <b>19,163</b>      | <b>887,507</b>     | <b>23,680</b> | <b>15,910,561</b> | <b>-</b>      | <b>15,910,561</b> |

(e) Reconciliation of Insurance contracts issued per product (Contracts measured under PAA)\*  
MOTOR

|  | 2025                             |                      |                               |                       |                     | 2024                             |                      |                               |                       |                    |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|---------------------|----------------------------------|----------------------|-------------------------------|-----------------------|--------------------|
|  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                     | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                    |
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000         | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000        |
| Insurance contract liabilities as at January 1   | 6,952,892                        | -                    | 3,006,717                     | 248,366               | 10,207,975          | 5,844,628                        | 199,989              | 1,901,659                     | 151,054               | 8,097,330          |
| Insurance contract assets as of January 1  | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                  |
| Net Insurance Contracts as of January 1  | <b>6,952,892</b>                 | -                    | <b>3,006,717</b>              | <b>248,366</b>        | <b>10,207,975</b>   | <b>5,844,628</b>                 | <b>199,989</b>       | <b>1,901,659</b>              | <b>151,054</b>        | <b>8,097,330</b>   |
| Insurance Revenue  | (35,497,435)                     | -                    | -                             | -                     | (35,497,435)        | (24,519,765)                     | -                    | -                             | -                     | (24,519,765)       |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |                     |                                  |                      |                               |                       |                    |
| Incurred claims  | -                                | -                    | 12,430,544                    | (196,949)             | 12,233,595          | -                                | -                    | 8,968,690                     | 97,312                | 9,066,002          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | (228,032)                     | -                     | (228,032)           | -                                | -                    | (347,167)                     | -                     | (347,167)          |
| Amortization of insurance acquisition cashflows  | 9,081,730                        | -                    | -                             | -                     | 9,081,730           | 6,522,808                        | -                    | -                             | -                     | 6,522,808          |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                    | -                             | -                     | -                   | -                                | (199,989)            | -                             | -                     | (199,989)          |
| <b>Total Gross Insurance Service result</b>  | <b>(26,415,705)</b>              | -                    | <b>12,202,512</b>             | <b>(196,949)</b>      | <b>(14,410,142)</b> | <b>(17,996,957)</b>              | <b>(199,989)</b>     | <b>8,621,523</b>              | <b>97,312</b>         | <b>(9,478,112)</b> |
| Insurance finance expenses   | -                                | -                    | 590,834                       | -                     | 590,834             | -                                | -                    | 81,069                        | -                     | 81,069             |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                  |
|  | -                                | -                    | <b>590,834</b>                | -                     | <b>590,834</b>      | -                                | -                    | <b>81,069</b>                 | -                     | <b>81,069</b>      |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(26,415,705)</b>              | -                    | <b>12,793,346</b>             | <b>(196,949)</b>      | <b>(13,819,308)</b> | <b>(17,996,957)</b>              | <b>(199,989)</b>     | <b>8,702,591</b>              | <b>97,312</b>         | <b>(9,397,043)</b> |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |                     |                                  |                      |                               |                       |                    |
| Premiums received (Note 5)   | 37,305,579                       | -                    | -                             | -                     | 37,305,579          | 25,787,980                       | -                    | -                             | -                     | 25,787,980         |
| Insurance acquisition cash flows paid (Note 32.2a)                                     | (4,670,683)                      | -                    | -                             | -                     | (4,670,683)         | (3,228,856)                      | -                    | -                             | -                     | (3,228,856)        |
| Claims paid (Note 31(a))   | -                                | -                    | (13,001,595)                  | -                     | (13,001,595)        | -                                | -                    | (7,802,685)                   | -                     | (7,802,685)        |
| Maintenance cost paid (Note 32.2b)   | (4,635,355)                      | -                    | -                             | -                     | (4,635,355)         | (3,453,903)                      | -                    | -                             | -                     | (3,453,903)        |
| Cash received from salvages (Note 31(c))   | -                                | -                    | 347,189                       | -                     | 347,189             | -                                | -                    | 205,152                       | -                     | 205,152            |
| <b>Net cash flow</b>   | <b>27,999,541</b>                | -                    | <b>(12,654,406)</b>           | -                     | <b>19,633,301</b>   | <b>19,105,221</b>                | -                    | <b>(7,597,533)</b>            | -                     | <b>14,756,439</b>  |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |                     |                                  |                      |                               |                       |                    |
| Premium deposits on policies initially recognized during the year                      | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                  |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                  |
| <b>Non-Cash flow items</b>   | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                  |
| Insurance contract liabilities, as at December 31                                      | 8,536,728                        | -                    | 3,145,657                     | 51,417                | 16,021,968          | 6,952,892                        | -                    | 3,006,717                     | 248,366               | 13,456,726         |
| Insurance contract assets as at December 31  | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                  |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>8,536,728</b>                 | -                    | <b>3,145,657</b>              | <b>51,417</b>         | <b>16,021,968</b>   | <b>6,952,892</b>                 | -                    | <b>3,006,717</b>              | <b>248,366</b>        | <b>13,456,726</b>  |

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

MARINE

|  | 2025                             |                               |                                    |                          |                    | 2024               |                                  |                               |                                    |                             |
|--|----------------------------------|-------------------------------|------------------------------------|--------------------------|--------------------|--------------------|----------------------------------|-------------------------------|------------------------------------|-----------------------------|
|  | Liability for remaining coverage | Liability for Incurred claims |                                    |                          |                    | Total<br>N'000     | Liability for remaining coverage | Liability for Incurred claims |                                    |                             |
|  | Non-loss<br>component<br>N'000   | Loss<br>component<br>N'000    | PV of Future<br>cashflows<br>N'000 | Risk adjustment<br>N'000 |                    |                    | Non-loss<br>component<br>N'000   | Loss<br>component<br>N'000    | PV of Future<br>cashflows<br>N'000 | Risk<br>adjustment<br>N'000 |
| Insurance contract liabilities as at January 1   | 2,352,343                        | -                             | 2,523,348                          | 208,439                  | 5,084,129          | 931,329            | -                                | 825,317                       | 65,558                             | 1,822,204                   |
| Insurance contract assets as of January 1  | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
| Net Insurance Contracts as of January 1  | <b>2,352,343</b>                 | -                             | <b>2,523,348</b>                   | <b>208,439</b>           | <b>5,084,129</b>   | <b>931,329</b>     | -                                | <b>825,317</b>                | <b>65,558</b>                      | <b>1,822,204</b>            |
| Insurance Revenue  | (17,285,190)                     | -                             | -                                  | -                        | (17,285,190)       | (12,263,224)       | -                                | -                             | -                                  | (12,263,224)                |
| <b>Insurance Service Expenses:</b>   |                                  |                               |                                    |                          |                    |                    |                                  |                               |                                    |                             |
| Incurred claims  | -                                | -                             | 2,721,309                          | 4,621                    | 2,725,930          | -                  | -                                | 3,685,303                     | 142,881                            | 3,828,183                   |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                             | 98,294                             | -                        | 98,294             | -                  | -                                | 209,562                       | -                                  | 209,562                     |
| Amortization of insurance acquisition cashflows  | 5,759,279                        | -                             | -                                  | -                        | 5,759,279          | 4,242,968          | -                                | -                             | -                                  | 4,242,968                   |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
| <b>Total Gross Insurance Service result</b>  | <b>(11,525,911)</b>              | -                             | <b>2,819,603</b>                   | <b>4,621</b>             | <b>(8,701,687)</b> | <b>(8,020,255)</b> | -                                | <b>3,894,865</b>              | <b>142,881</b>                     | <b>(3,982,510)</b>          |
| Insurance finance expenses   | -                                | -                             | 390,316                            | -                        | 390,316            | -                  | -                                | 35,184                        | -                                  | 35,184                      |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
|  | -                                | -                             | <b>390,316</b>                     | -                        | <b>390,316</b>     | -                  | -                                | <b>35,184</b>                 | -                                  | <b>35,184</b>               |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(11,525,911)</b>              | -                             | <b>3,209,919</b>                   | <b>4,621</b>             | <b>(8,311,371)</b> | <b>(8,020,255)</b> | -                                | <b>3,930,048</b>              | <b>142,881</b>                     | <b>(3,947,326)</b>          |
| <b>Cash flows in the period:</b>   |                                  |                               |                                    |                          |                    |                    |                                  |                               |                                    |                             |
| Premiums received  | 19,087,799                       | -                             | -                                  | -                        | 19,087,799         | 14,031,133         | -                                | -                             | -                                  | 14,031,133                  |
| Insurance acquisition cash flows paid  | (3,739,706)                      | -                             | -                                  | -                        | (3,739,706)        | (2,710,609)        | -                                | -                             | -                                  | (2,710,609)                 |
| Claims paid  | -                                | -                             | (3,769,575)                        | -                        | (3,769,575)        | -                  | -                                | (2,295,322)                   | -                                  | (2,295,322)                 |
| Maintenance cost paid  | (2,371,729)                      | -                             | -                                  | -                        | (2,371,729)        | (1,879,254)        | -                                | -                             | -                                  | (1,879,254)                 |
| Cash received from salvages  | -                                | -                             | 208,106                            | -                        | 208,106            | -                  | -                                | 63,304                        | -                                  | 63,304                      |
| <b>Net cash flow</b>   | <b>12,976,364</b>                | -                             | <b>(3,561,469)</b>                 | -                        | <b>11,578,518</b>  | <b>9,441,269</b>   | -                                | <b>(2,232,018)</b>            | -                                  | <b>9,025,202</b>            |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                               |                                    |                          |                    |                    |                                  |                               |                                    |                             |
| Premium deposits on policies initially recognized during the year                      | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
| <b>Non-Cash flow items</b>   | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
| <b>Insurance contract liabilities, as at December 31</b>                               | <b>3,802,796</b>                 | -                             | <b>2,171,798</b>                   | <b>213,060</b>           | <b>8,351,276</b>   | <b>2,352,343</b>   | -                                | <b>2,523,348</b>              | <b>208,439</b>                     | <b>6,900,079</b>            |
| <b>Insurance contract assets as at December 31</b>                                     | -                                | -                             | -                                  | -                        | -                  | -                  | -                                | -                             | -                                  | -                           |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>3,802,796</b>                 | -                             | <b>2,171,798</b>                   | <b>213,060</b>           | <b>8,351,276</b>   | <b>2,352,343</b>   | -                                | <b>2,523,348</b>              | <b>208,439</b>                     | <b>6,900,079</b>            |

FIRE

|  | 2025                             |                               |                              |                       |                    | 2024                             |                               |                              |                       |                    |
|--|----------------------------------|-------------------------------|------------------------------|-----------------------|--------------------|----------------------------------|-------------------------------|------------------------------|-----------------------|--------------------|
|  | Liability for remaining coverage | Liability for Incurred claims |                              |                       |                    | Liability for remaining coverage | Liability for Incurred claims |                              |                       |                    |
|  | Non-loss component N'000         | Loss component N'000          | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        | Non-loss component N'000         | Loss component N'000          | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        |
| Insurance contract liabilities as at January 1   | 5,034,282                        | -                             | 4,633,377                    | 382,735               | 10,050,394         | 3,095,764                        | -                             | 3,157,786                    | 250,833               | 6,504,383          |
| Insurance contract assets as of January 1  | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| <b>Net Insurance Contracts as of January 1</b>   | <b>5,034,282</b>                 | <b>-</b>                      | <b>4,633,377</b>             | <b>382,735</b>        | <b>10,050,394</b>  | <b>3,095,764</b>                 | <b>-</b>                      | <b>3,157,786</b>             | <b>250,833</b>        | <b>6,504,383</b>   |
| Insurance Revenue  | (22,331,878)                     | -                             | -                            | -                     | (22,331,878)       | (16,683,026)                     | -                             | -                            | -                     | (16,683,026)       |
| <b>Insurance Service Expenses:</b>   |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Incurred claims  | -                                | -                             | 8,341,190                    | (284,606)             | 8,056,584          | -                                | -                             | 6,884,414                    | 131,902               | 7,016,316          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                             | 322,187                      | -                     | 322,187            | -                                | -                             | (797,300)                    | -                     | (797,300)          |
| Amortization of insurance acquisition cashflows  | 7,315,870                        | -                             | -                            | -                     | 7,315,870          | 5,976,313                        | -                             | -                            | -                     | 5,976,313          |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| <b>Total Gross Insurance Service result</b>  | <b>(15,016,008)</b>              | <b>-</b>                      | <b>8,663,377</b>             | <b>(284,606)</b>      | <b>(6,637,237)</b> | <b>(10,706,713)</b>              | <b>-</b>                      | <b>6,087,114</b>             | <b>131,902</b>        | <b>(4,487,697)</b> |
| Insurance finance expenses   | -                                | -                             | 816,670                      | -                     | 816,670            | -                                | -                             | 134,618                      | -                     | 134,618            |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
|  | -                                | -                             | 816,670                      | -                     | 816,670            | -                                | -                             | 134,618                      | -                     | 134,618            |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(15,016,008)</b>              | <b>-</b>                      | <b>9,480,047</b>             | <b>(284,606)</b>      | <b>(5,820,567)</b> | <b>(10,706,713)</b>              | <b>-</b>                      | <b>6,221,731</b>             | <b>131,902</b>        | <b>(4,353,080)</b> |
| <b>Cash flows in the period:</b>   |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Premiums received  | 22,310,004                       | -                             | -                            | -                     | 22,310,004         | 19,111,771                       | -                             | -                            | -                     | 19,111,771         |
| Insurance acquisition cash flows paid  | (4,542,612)                      | -                             | -                            | -                     | (4,542,612)        | (3,906,812)                      | -                             | -                            | -                     | (3,906,812)        |
| Claims paid  | -                                | -                             | (9,039,118)                  | -                     | (9,039,118)        | -                                | -                             | (5,299,463)                  | -                     | (5,299,463)        |
| Maintenance cost paid  | (2,772,100)                      | -                             | -                            | -                     | (2,772,100)        | (2,559,728)                      | -                             | -                            | -                     | (2,559,728)        |
| Cash received from salvages  | -                                | -                             | 1,691,356                    | -                     | 1,691,356          | -                                | -                             | 553,323                      | -                     | 553,323            |
| <b>Net cash flow</b>   | <b>14,995,292</b>                | <b>-</b>                      | <b>(7,347,762)</b>           | <b>-</b>              | <b>8,728,274</b>   | <b>12,645,231</b>                | <b>-</b>                      | <b>(4,746,140)</b>           | <b>-</b>              | <b>9,905,496</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Premium deposits on policies initially recognized during the year                      | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| <b>Non-Cash flow items</b>   |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Insurance contract liabilities, as at December 31                                      | 5,013,566                        | -                             | 6,765,662                    | 98,129                | 12,958,101         | 5,034,282                        | -                             | 4,633,377                    | 382,735               | 12,056,799         |
| Insurance contract assets as at December 31  | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>5,013,566</b>                 | <b>-</b>                      | <b>6,765,662</b>             | <b>98,129</b>         | <b>12,958,101</b>  | <b>5,034,282</b>                 | <b>-</b>                      | <b>4,633,377</b>             | <b>382,735</b>        | <b>12,056,799</b>  |

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

GENERAL ACCIDENT

|  | 2025                             |                      |                               |                       |                   | 2024                             |                      |                               |                       |                  |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|-------------------|----------------------------------|----------------------|-------------------------------|-----------------------|------------------|
|  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                   | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                  |
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000       | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000      |
| Insurance contract liabilities as at January 1   | 1,331,822                        | -                    | 1,393,348                     | 115,096               | 2,840,267         | 811,800                          | -                    | 1,026,495                     | 81,538                | 1,919,833        |
| Insurance contract assets as of January 1  | -                                | -                    | -                             | -                     | -                 | -                                | -                    | -                             | -                     | -                |
| <b>Net Insurance Contracts as of January 1</b>   | <b>1,331,822</b>                 | <b>-</b>             | <b>1,393,348</b>              | <b>115,096</b>        | <b>2,840,267</b>  | <b>811,800</b>                   | <b>-</b>             | <b>1,026,495</b>              | <b>81,538</b>         | <b>1,919,833</b> |
| Insurance Revenue  | (11,758,205)                     | -                    | -                             | -                     | (11,758,205)      | (6,058,577)                      | -                    | -                             | -                     | (6,058,577)      |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |                   |                                  |                      |                               |                       |                  |
| Incurred claims  | -                                | -                    | 9,941,566                     | 1,964,852             | 11,906,418        | -                                | -                    | 3,240,452                     | 33,558                | 3,274,010        |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | 375,279                       | -                     | 375,279           | -                                | -                    | (308,477)                     | -                     | (308,477)        |
| Amortization of insurance acquisition cashflows  | 3,901,302                        | -                    | -                             | -                     | 3,901,302         | 2,129,728                        | -                    | -                             | -                     | 2,129,728        |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                    | -                             | -                     | -                 | -                                | -                    | -                             | -                     | -                |
| <b>Total Gross Insurance Service result</b>  | <b>(7,856,903)</b>               | <b>-</b>             | <b>10,316,845</b>             | <b>1,964,852</b>      | <b>4,424,794</b>  | <b>(3,928,848)</b>               | <b>-</b>             | <b>2,931,974</b>              | <b>33,558</b>         | <b>(963,316)</b> |
| Insurance finance expenses   | -                                | -                    | 172,342                       | -                     | 172,342           | -                                | -                    | 43,760                        | -                     | 43,760           |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     | -                 | -                                | -                    | -                             | -                     | -                |
|  | -                                | -                    | 172,342                       | -                     | 172,342           | -                                | -                    | 43,760                        | -                     | 43,760           |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(7,856,903)</b>               | <b>-</b>             | <b>10,489,187</b>             | <b>1,964,852</b>      | <b>4,597,136</b>  | <b>(3,928,848)</b>               | <b>-</b>             | <b>2,975,734</b>              | <b>33,558</b>         | <b>(919,556)</b> |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |                   |                                  |                      |                               |                       |                  |
| Premiums received  | 12,424,716                       | -                    | -                             | -                     | 12,424,716        | 6,709,064                        | -                    | -                             | -                     | 6,709,064        |
| Insurance acquisition cash flows paid  | (2,487,989)                      | -                    | -                             | -                     | (2,487,989)       | (1,361,618)                      | -                    | -                             | -                     | (1,361,618)      |
| Claims paid  | -                                | -                    | (6,730,913)                   | -                     | (6,730,913)       | -                                | -                    | (2,733,580)                   | -                     | (2,733,580)      |
| Maintenance cost paid  | (1,543,816)                      | -                    | -                             | -                     | (1,543,816)       | (898,576)                        | -                    | -                             | -                     | (898,576)        |
| Cash received from salvages  | -                                | -                    | 1,111,733                     | -                     | 1,111,733         | -                                | -                    | 124,699                       | -                     | 124,699          |
| <b>Net cash flow</b>   | <b>8,392,911</b>                 | <b>-</b>             | <b>(5,619,180)</b>            | <b>-</b>              | <b>2,773,731</b>  | <b>4,448,870</b>                 | <b>-</b>             | <b>(2,608,881)</b>            | <b>-</b>              | <b>1,839,989</b> |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |                   |                                  |                      |                               |                       |                  |
| Premium deposits on policies initially recognized during the year                      | -                                | -                    | -                             | -                     | -                 | -                                | -                    | -                             | -                     | -                |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                    | -                             | -                     | -                 | -                                | -                    | -                             | -                     | -                |
| <b>Non-Cash flow items</b>   | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>          | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>         |
| <b>Insurance contract liabilities, as at December 31</b>                               | <b>1,867,830</b>                 | <b>-</b>             | <b>6,263,355</b>              | <b>2,079,948</b>      | <b>10,211,134</b> | <b>1,331,822</b>                 | <b>-</b>             | <b>1,393,348</b>              | <b>115,096</b>        | <b>2,840,267</b> |
| <b>Insurance contract assets as at December 31</b>                                     | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>          | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>         |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>1,867,830</b>                 | <b>-</b>             | <b>6,263,355</b>              | <b>2,079,948</b>      | <b>10,211,134</b> | <b>1,331,822</b>                 | <b>-</b>             | <b>1,393,348</b>              | <b>115,096</b>        | <b>2,840,267</b> |

OIL & GAS

|  | 2025                             |                      |                               |                       |                     | 2024                             |                      |                               |                       |                     |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|---------------------|----------------------------------|----------------------|-------------------------------|-----------------------|---------------------|
|  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                     | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                     |
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000         | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000         |
| Insurance contract liabilities as at January 1   | 7,330,416                        | -                    | 1,552,703                     | 128,259               | 9,011,378           | 4,033,582                        | -                    | 555,386                       | 44,116                | 4,633,085           |
| Insurance contract assets as of January 1  | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                   |
| <b>Net Insurance Contracts as of January 1</b>   | <b>7,330,416</b>                 | <b>-</b>             | <b>1,552,703</b>              | <b>128,259</b>        | <b>9,011,378</b>    | <b>4,033,582</b>                 | <b>-</b>             | <b>555,386</b>                | <b>44,116</b>         | <b>4,633,085</b>    |
| Insurance Revenue  | (50,358,370)                     | -                    | -                             | -                     | (50,358,370)        | (30,858,872)                     | -                    | -                             | -                     | (30,858,872)        |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |                     |                                  |                      |                               |                       |                     |
| Incurred claims  | -                                | -                    | 6,803,684                     | 603,003               | 7,406,687           | -                                | -                    | 5,379,137                     | 84,143                | 5,463,280           |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | 439,241                       | -                     | 439,241             | -                                | -                    | 657,620                       | -                     | 657,620             |
| Amortization of insurance acquisition cashflows  | 13,461,526                       | -                    | -                             | -                     | 13,461,526          | 9,637,331                        | -                    | -                             | -                     | 9,637,331           |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                   |
| <b>Total Gross Insurance Service result</b>  | <b>(36,896,844)</b>              | <b>-</b>             | <b>7,242,925</b>              | <b>603,003</b>        | <b>(29,050,916)</b> | <b>(21,221,541)</b>              | <b>-</b>             | <b>6,036,756</b>              | <b>84,143</b>         | <b>(15,100,641)</b> |
| Insurance finance expenses   | -                                | -                    | 280,458                       | -                     | 280,458             | -                                | -                    | 23,676                        | -                     | 23,676              |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                   |
|  | -                                | -                    | <b>280,458</b>                | <b>-</b>              | <b>280,458</b>      | <b>-</b>                         | <b>-</b>             | <b>23,676</b>                 | <b>-</b>              | <b>23,676</b>       |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>            | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>            |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |                     |                                  |                      |                               |                       |                     |
| Premiums received  | 58,418,641                       | -                    | -                             | -                     | 58,418,641          | 34,911,018                       | -                    | -                             | -                     | 34,911,018          |
| Insurance acquisition cash flows paid  | (6,455,073)                      | -                    | -                             | -                     | (6,455,073)         | (5,716,850)                      | -                    | -                             | -                     | (5,716,850)         |
| Claims paid  | -                                | -                    | (7,011,555)                   | -                     | (7,011,555)         | -                                | -                    | (5,083,117)                   | -                     | (5,083,117)         |
| Maintenance cost paid  | (7,258,730)                      | -                    | -                             | -                     | (7,258,730)         | (4,675,794)                      | -                    | -                             | -                     | (4,675,794)         |
| Cash received from salvages  | -                                | -                    | 1,178,213                     | -                     | 1,178,213           | -                                | -                    | 20,000                        | -                     | 20,000              |
| <b>Net cash flow</b>   | <b>44,704,838</b>                | <b>-</b>             | <b>(5,833,342)</b>            | <b>-</b>              | <b>38,871,496</b>   | <b>24,518,375</b>                | <b>-</b>             | <b>(5,063,117)</b>            | <b>-</b>              | <b>19,455,258</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |                     |                                  |                      |                               |                       |                     |
| Premium deposits on policies initially recognized during the year                      | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                   |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                   |
| <b>Non-Cash flow items</b>   | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>            | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>            |
| Insurance contract liabilities, as at December 31                                      | 15,138,410                       | -                    | 3,242,744                     | 731,262               | 19,112,416          | 7,330,416                        | -                    | 1,552,703                     | 128,259               | 9,011,378           |
| Insurance contract assets as at December 31  | -                                | -                    | -                             | -                     | -                   | -                                | -                    | -                             | -                     | -                   |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>15,138,410</b>                | <b>-</b>             | <b>3,242,744</b>              | <b>731,262</b>        | <b>19,112,416</b>   | <b>7,330,416</b>                 | <b>-</b>             | <b>1,552,703</b>              | <b>128,259</b>        | <b>9,011,378</b>    |

AGRICULTURE

|  | 2025                             |                      |                               |                       |               | 2024                             |                      |                               |                       |                 |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|---------------|----------------------------------|----------------------|-------------------------------|-----------------------|-----------------|
|  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |               | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                 |
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000   | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000     |
| Insurance contract liabilities as at January 1   | 48,283                           | -                    | 5,994                         | 495                   | 54,772        | 47,288                           | -                    | 7,284                         | 579                   | 55,150          |
| Insurance contract assets as of January 1  | -                                | -                    | -                             | -                     | -             | -                                | -                    | -                             | -                     | -               |
| <b>Net Insurance Contracts as of January 1</b>   | <b>48,283</b>                    | <b>-</b>             | <b>5,994</b>                  | <b>495</b>            | <b>54,772</b> | <b>47,288</b>                    | <b>-</b>             | <b>7,284</b>                  | <b>579</b>            | <b>55,150</b>   |
| Insurance Revenue  | (155,325)                        | -                    | -                             | -                     | (155,325)     | (83,321)                         | -                    | -                             | -                     | (83,321)        |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |               |                                  |                      |                               |                       |                 |
| Incurred claims  | -                                | -                    | 114,739                       | (205)                 | 114,534       | -                                | -                    | 27,815                        | (83)                  | 27,732          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | (883)                         | -                     | (883)         | -                                | -                    | (2,591)                       | -                     | (2,591)         |
| Amortization of insurance acquisition cashflows  | 45,723                           | -                    | -                             | -                     | 45,723        | 23,695                           | -                    | -                             | -                     | 23,695          |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                    | -                             | -                     | -             | -                                | -                    | -                             | -                     | -               |
| <b>Total Gross Insurance Service result</b>  | <b>(109,602)</b>                 | <b>-</b>             | <b>113,856</b>                | <b>(205)</b>          | <b>4,049</b>  | <b>(59,627)</b>                  | <b>-</b>             | <b>25,224</b>                 | <b>(83)</b>           | <b>(34,486)</b> |
| Insurance finance expenses   | -                                | -                    | 619                           | -                     | 619           | -                                | -                    | 311                           | -                     | 311             |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     | -             | -                                | -                    | -                             | -                     | -               |
|  | -                                | -                    | 619                           | -                     | 619           | -                                | -                    | 311                           | -                     | 311             |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(109,602)</b>                 | <b>-</b>             | <b>114,475</b>                | <b>(205)</b>          | <b>4,668</b>  | <b>(59,627)</b>                  | <b>-</b>             | <b>25,534</b>                 | <b>(83)</b>           | <b>(34,176)</b> |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |               |                                  |                      |                               |                       |                 |
| Premiums received  | 183,103                          | -                    | -                             | -                     | 183,103       | 84,830                           | -                    | -                             | -                     | 84,830          |
| Insurance acquisition cash flows paid  | (27,879)                         | -                    | -                             | -                     | (27,879)      | (12,847)                         | -                    | -                             | -                     | (12,847)        |
| Claims paid  | -                                | -                    | (152,206)                     | -                     | (152,206)     | -                                | -                    | (26,824)                      | -                     | (26,824)        |
| Maintenance cost paid  | (22,751)                         | -                    | -                             | -                     | (22,751)      | (11,362)                         | -                    | -                             | -                     | (11,362)        |
| Cash received from salvages  | -                                | -                    | 40,315                        | -                     | 40,315        | -                                | -                    | -                             | -                     | -               |
| <b>Net cash flow</b>   | <b>132,473</b>                   | <b>-</b>             | <b>(111,891)</b>              | <b>-</b>              | <b>20,582</b> | <b>60,622</b>                    | <b>-</b>             | <b>(26,824)</b>               | <b>-</b>              | <b>33,797</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |               |                                  |                      |                               |                       |                 |
| Premium deposits on policies initially recognized during the year                      | -                                | -                    | -                             | -                     | -             | -                                | -                    | -                             | -                     | -               |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                    | -                             | -                     | -             | -                                | -                    | -                             | -                     | -               |
| <b>Non-Cash flow items</b>   | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>      | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>        |
| <b>Insurance contract liabilities, as at December 31</b>                               | <b>71,154</b>                    | <b>-</b>             | <b>8,578</b>                  | <b>290</b>            | <b>80,022</b> | <b>48,283</b>                    | <b>-</b>             | <b>5,994</b>                  | <b>495</b>            | <b>54,772</b>   |
| <b>Insurance contract assets as at December 31</b>                                     | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>      | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>        |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>71,154</b>                    | <b>-</b>             | <b>8,578</b>                  | <b>290</b>            | <b>80,022</b> | <b>48,283</b>                    | <b>-</b>             | <b>5,994</b>                  | <b>495</b>            | <b>54,772</b>   |

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

ENGINEERING

|  | 2025                             |                               |                              |                       |                    | 2024                             |                               |                              |                       |                    |
|--|----------------------------------|-------------------------------|------------------------------|-----------------------|--------------------|----------------------------------|-------------------------------|------------------------------|-----------------------|--------------------|
|  | Liability for remaining coverage | Liability for Incurred claims |                              |                       |                    | Liability for remaining coverage | Liability for Incurred claims |                              |                       |                    |
|  | Non-loss component N'000         | Loss component N'000          | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        | Non-loss component N'000         | Loss component N'000          | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        |
| Insurance contract liabilities as at January 1   | 2,037,256                        | -                             | 1,173,147                    | 96,907                | 3,307,310          | 948,171                          | -                             | 716,003                      | 56,874                | 1,721,048          |
| Insurance contract assets as of January 1  | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| <b>Net Insurance Contracts as of January 1</b>   | <b>2,037,256</b>                 | <b>-</b>                      | <b>1,173,147</b>             | <b>96,907</b>         | <b>3,307,310</b>   | <b>948,171</b>                   | <b>-</b>                      | <b>716,003</b>               | <b>56,874</b>         | <b>1,721,048</b>   |
| Insurance Revenue  | (7,195,347)                      | -                             | -                            | -                     | (7,195,347)        | (5,167,349)                      | -                             | -                            | -                     | (5,167,349)        |
| <b>Insurance Service Expenses:</b>   |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Incurred claims  | -                                | -                             | 2,273,897                    | (50,784)              | 2,223,113          | -                                | -                             | 1,785,967                    | 40,032                | 1,826,000          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                             | (273,181)                    | -                     | (273,181)          | -                                | -                             | (391,058)                    | -                     | (391,058)          |
| Amortization of insurance acquisition cashflows  | 2,321,575                        | -                             | -                            | -                     | 2,321,575          | 1,919,826                        | -                             | -                            | -                     | 1,919,826          |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
| <b>Total Gross Insurance Service result</b>  | <b>(4,873,772)</b>               | <b>-</b>                      | <b>2,000,716</b>             | <b>(50,784)</b>       | <b>(2,923,840)</b> | <b>(3,247,524)</b>               | <b>-</b>                      | <b>1,394,909</b>             | <b>40,032</b>         | <b>(1,812,583)</b> |
| Insurance finance expenses   | -                                | -                             | 181,730                      | -                     | 181,730            | -                                | -                             | 30,524                       | -                     | 30,524             |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                             | -                            | -                     | -                  | -                                | -                             | -                            | -                     | -                  |
|  | -                                | -                             | <b>181,730</b>               | <b>-</b>              | <b>181,730</b>     | <b>-</b>                         | <b>-</b>                      | <b>30,524</b>                | <b>-</b>              | <b>30,524</b>      |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(4,873,772)</b>               | <b>-</b>                      | <b>2,182,446</b>             | <b>(50,784)</b>       | <b>(2,742,110)</b> | <b>(3,247,524)</b>               | <b>-</b>                      | <b>1,425,432</b>             | <b>40,032</b>         | <b>(1,782,059)</b> |
| <b>Cash flows in the period:</b>   |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Premiums received  | 6,838,759                        | -                             | -                            | -                     | 6,838,759          | 5,802,049                        | -                             | -                            | -                     | 5,802,049          |
| Insurance acquisition cash flows paid  | (1,438,606)                      | -                             | -                            | -                     | (1,438,606)        | (1,265,352)                      | -                             | -                            | -                     | (1,265,352)        |
| Claims paid  | -                                | -                             | (1,641,489)                  | -                     | (1,641,489)        | -                                | -                             | (992,470)                    | -                     | (992,470)          |
| Maintenance cost paid  | (910,750)                        | -                             | -                            | -                     | (910,750)          | (866,328)                        | -                             | -                            | -                     | (866,328)          |
| Cash received from salvages  | -                                | -                             | 16,644                       | -                     | 16,644             | -                                | -                             | 24,181                       | -                     | 24,181             |
| <b>Net cash flow</b>   | <b>4,489,403</b>                 | <b>-</b>                      | <b>(1,624,845)</b>           | <b>-</b>              | <b>2,864,558</b>   | <b>3,670,369</b>                 | <b>-</b>                      | <b>(968,289)</b>             | <b>-</b>              | <b>2,702,081</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                               |                              |                       |                    |                                  |                               |                              |                       |                    |
| Premium deposits on policies initially recognized during the year                      | 666,240                          | -                             | -                            | -                     | 666,240            | 666,240                          | -                             | -                            | -                     | 666,240            |
| Impact of premium receivables on policies recognized during the year                   | (175,234)                        | -                             | -                            | -                     | (175,234)          | -                                | -                             | -                            | -                     | -                  |
|  | 491,006                          | -                             | -                            | -                     | 491,006            | 666,240                          | -                             | -                            | -                     | 666,240            |
| <b>Non-Cash flow items</b>   | <b>491,006</b>                   | <b>-</b>                      | <b>-</b>                     | <b>-</b>              | <b>491,006</b>     | <b>666,240</b>                   | <b>-</b>                      | <b>-</b>                     | <b>-</b>              | <b>666,240</b>     |
| <b>Insurance contract liabilities, as at December 31</b>                               | <b>2,143,893</b>                 | <b>-</b>                      | <b>1,730,748</b>             | <b>46,123</b>         | <b>3,920,764</b>   | <b>2,037,256</b>                 | <b>-</b>                      | <b>1,173,147</b>             | <b>96,907</b>         | <b>3,307,310</b>   |
| <b>Insurance contract assets as at December 31</b>                                     | <b>-</b>                         | <b>-</b>                      | <b>-</b>                     | <b>-</b>              | <b>-</b>           | <b>-</b>                         | <b>-</b>                      | <b>-</b>                     | <b>-</b>              | <b>-</b>           |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>2,143,893</b>                 | <b>-</b>                      | <b>1,730,748</b>             | <b>46,123</b>         | <b>3,920,764</b>   | <b>2,037,256</b>                 | <b>-</b>                      | <b>1,173,147</b>             | <b>96,907</b>         | <b>3,307,310</b>   |

BOND

|  | 2025                             |                      |                               |                       |                  | 2024                             |                      |                               |                       |                  |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|------------------|----------------------------------|----------------------|-------------------------------|-----------------------|------------------|
|  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                  |
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000      | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000      |
| Insurance contract liabilities as at January 1   | 509,870                          | -                    | 25,367                        | 2,095                 | 537,332          | 289,625                          | -                    | 51,128                        | 4,061                 | 344,814          |
| Insurance contract assets as of January 1  | -                                | -                    | -                             | -                     | -                | -                                | -                    | -                             | -                     | -                |
| <b>Net Insurance Contracts as of January 1</b>   | <b>509,870</b>                   | <b>-</b>             | <b>25,367</b>                 | <b>2,095</b>          | <b>537,332</b>   | <b>289,625</b>                   | <b>-</b>             | <b>51,128</b>                 | <b>4,061</b>          | <b>344,814</b>   |
| Insurance Revenue  | (1,060,335)                      | -                    | -                             | -                     | (1,060,335)      | (1,010,382)                      | -                    | -                             | -                     | (1,010,382)      |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |                  |                                  |                      |                               |                       |                  |
| Incurring claims   | -                                | -                    | 99,655                        | (384)                 | 99,271           | -                                | -                    | 30,444                        | (1,966)               | 28,478           |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | (25,366)                      | -                     | (25,366)         | -                                | -                    | (51,127)                      | -                     | (51,127)         |
| Amortization of insurance acquisition cashflows  | 314,736                          | -                    | -                             | -                     | 314,736          | 374,361                          | -                    | -                             | -                     | 374,361          |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                    | -                             | -                     | -                | -                                | -                    | -                             | -                     | -                |
| <b>Total Gross Insurance Service result</b>  | <b>(745,599)</b>                 | <b>-</b>             | <b>74,289</b>                 | <b>(384)</b>          | <b>(671,694)</b> | <b>(636,021)</b>                 | <b>-</b>             | <b>(20,684)</b>               | <b>(1,966)</b>        | <b>(658,670)</b> |
| Insurance finance expenses   | -                                | -                    | 3,016                         | -                     | 3,016            | -                                | -                    | 2,180                         | -                     | 2,180            |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     | -                | -                                | -                    | -                             | -                     | -                |
|  | -                                | -                    | 3,016                         | -                     | 3,016            | -                                | -                    | 2,180                         | -                     | 2,180            |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(745,599)</b>                 | <b>-</b>             | <b>77,305</b>                 | <b>(384)</b>          | <b>(668,678)</b> | <b>(636,021)</b>                 | <b>-</b>             | <b>(18,504)</b>               | <b>(1,966)</b>        | <b>(656,491)</b> |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |                  |                                  |                      |                               |                       |                  |
| Premiums received  | 826,289                          | -                    | -                             | -                     | 826,289          | 1,285,689                        | -                    | -                             | -                     | 1,285,689        |
| Insurance acquisition cash flows paid  | (165,258)                        | -                    | -                             | -                     | (165,258)        | (257,224)                        | -                    | -                             | -                     | (257,224)        |
| Claims paid  | -                                | -                    | (110,026)                     | -                     | (110,026)        | -                                | -                    | (7,793)                       | -                     | (7,793)          |
| Maintenance cost paid  | (102,669)                        | -                    | -                             | -                     | (102,669)        | (172,198)                        | -                    | -                             | -                     | (172,198)        |
| Cash received from salvages  | -                                | -                    | 58,013                        | -                     | 58,013           | -                                | -                    | 536                           | -                     | 536              |
| <b>Net cash flow</b>   | <b>558,362</b>                   | <b>-</b>             | <b>(52,013)</b>               | <b>-</b>              | <b>506,349</b>   | <b>856,267</b>                   | <b>-</b>             | <b>(7,257)</b>                | <b>-</b>              | <b>849,009</b>   |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |                  |                                  |                      |                               |                       |                  |
| Premium deposits on policies initially recognized during the year                      | -                                | -                    | -                             | -                     | -                | -                                | -                    | -                             | -                     | -                |
| Impact of premium receivables on policies recognized during the year                   | -                                | -                    | -                             | -                     | -                | -                                | -                    | -                             | -                     | -                |
| <b>Non-Cash flow items</b>   |                                  |                      |                               |                       |                  |                                  |                      |                               |                       |                  |
| Insurance contract liabilities, as at December 31                                      | 322,633                          | -                    | 50,659                        | 1,711                 | 375,003          | 509,870                          | -                    | 25,367                        | 2,095                 | 537,332          |
| Insurance contract assets as at December 31  | -                                | -                    | -                             | -                     | -                | -                                | -                    | -                             | -                     | -                |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>322,633</b>                   | <b>-</b>             | <b>50,659</b>                 | <b>1,711</b>          | <b>375,003</b>   | <b>509,870</b>                   | <b>-</b>             | <b>25,367</b>                 | <b>2,095</b>          | <b>537,332</b>   |

Health

|  | 2025                             |                      |                               |                       |                    | 2024                             |                      |                               |                       |                  |
|--|----------------------------------|----------------------|-------------------------------|-----------------------|--------------------|----------------------------------|----------------------|-------------------------------|-----------------------|------------------|
|  | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                    | Liability for remaining coverage |                      | Liability for Incurred claims |                       |                  |
|  | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000        | Non-loss component N'000         | Loss component N'000 | PV of Future cashflows N'000  | Risk adjustment N'000 | Total N'000      |
| Insurance contract liabilities as at January 1   | 1,190,200                        | -                    | 46,807                        | -                     | 1,237,007          | 183,054                          | -                    | 4,825                         | -                     | 187,878          |
| Insurance contract assets as of January 1  | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| <b>Net Insurance Contracts as of January 1</b>   | <b>1,190,200</b>                 | <b>-</b>             | <b>46,807</b>                 | <b>-</b>              | <b>1,237,007</b>   | <b>183,054</b>                   | <b>-</b>             | <b>4,825</b>                  | <b>-</b>              | <b>187,878</b>   |
| Insurance Revenue  | (6,712,809)                      | -                    | -                             | -                     | (6,712,809)        | (1,322,025)                      | -                    | -                             | -                     | (1,322,025)      |
| <b>Insurance Service Expenses:</b>   |                                  |                      |                               |                       |                    |                                  |                      |                               |                       |                  |
| Incurred claims  | -                                | -                    | 5,023,158                     | 64,322                | 5,087,480          | -                                | -                    | 793,813                       | -                     | 793,813          |
| Changes that relate to past service-adjustment to LIC                                  | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| Amortization of insurance acquisition cashflows  | 504,514                          | -                    | -                             | -                     | 504,514            | 88,098                           | -                    | -                             | -                     | 88,098           |
| Losses and reversals of losses on onerous contracts                                    | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| <b>Total Gross Insurance Service result</b>  | <b>(6,208,295)</b>               | <b>-</b>             | <b>5,023,158</b>              | <b>64,322</b>         | <b>(1,120,815)</b> | <b>(1,233,927)</b>               | <b>-</b>             | <b>793,813</b>                | <b>-</b>              | <b>(440,114)</b> |
| Insurance finance expenses   | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| Insurance finance (income) expenses (Changes in discount rates)                        | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
|  | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>(6,208,295)</b>               | <b>-</b>             | <b>5,023,158</b>              | <b>64,322</b>         | <b>(1,120,815)</b> | <b>(1,233,927)</b>               | <b>-</b>             | <b>793,813</b>                | <b>-</b>              | <b>(440,114)</b> |
| <b>Cash flows in the period:</b>   |                                  |                      |                               |                       |                    |                                  |                      |                               |                       |                  |
| Premiums received  | 6,525,168                        | -                    | -                             | -                     | 6,525,168          | 2,277,175                        | -                    | -                             | -                     | 2,277,175        |
| Insurance acquisition cash flows paid  | (760,178)                        | -                    | -                             | -                     | (760,178)          | (88,098)                         | -                    | -                             | -                     | (88,098)         |
| Claims paid  | -                                | -                    | (4,453,286)                   | -                     | (4,453,286)        | -                                | -                    | (751,831)                     | -                     | (751,831)        |
| Maintenance cost paid  | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| Cash received from salvages  | -                                | -                    | -                             | -                     | -                  | -                                | -                    | -                             | -                     | -                |
| <b>Net cash flow</b>   | <b>5,764,990</b>                 | <b>-</b>             | <b>(4,453,286)</b>            | <b>-</b>              | <b>1,311,704</b>   | <b>2,189,077</b>                 | <b>-</b>             | <b>(751,831)</b>              | <b>-</b>              | <b>1,437,246</b> |
| <b>Items in the SOFP (non-cash flow items):</b>  |                                  |                      |                               |                       |                    |                                  |                      |                               |                       |                  |
| Premium deposits on policies initially recognized during the year                      | 51,996                           | -                    | -                             | -                     | 51,996             | 51,996                           | -                    | -                             | -                     | 51,996           |
| Impact of premium receivables on policies recognized during the year                   | 2,349,030                        | -                    | -                             | -                     | 2,349,030          | -                                | -                    | -                             | -                     | -                |
| <b>Non-Cash flow items</b>   | <b>2,401,026</b>                 | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>2,401,026</b>   | <b>51,996</b>                    | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>51,996</b>    |
| <b>Insurance contract liabilities, as at December 31</b>                               | <b>3,147,922</b>                 | <b>-</b>             | <b>616,679</b>                | <b>64,322</b>         | <b>1,427,896</b>   | <b>1,190,200</b>                 | <b>-</b>             | <b>46,807</b>                 | <b>-</b>              | <b>1,185,011</b> |
| <b>Insurance contract assets as at December 31</b>                                     | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>           | <b>-</b>                         | <b>-</b>             | <b>-</b>                      | <b>-</b>              | <b>-</b>         |
| <b>Net Insurance Contracts as at December 31</b>                                       | <b>3,147,922</b>                 | <b>-</b>             | <b>616,679</b>                | <b>64,322</b>         | <b>3,828,923</b>   | <b>1,190,200</b>                 | <b>-</b>             | <b>46,807</b>                 | <b>-</b>              | <b>1,237,007</b> |

\*All the Group's insurance contracts issued are measured using the Premium Allocation approach

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*[Signature]* DIRECTOR  
*[Signature]* SECRETARY

(f) Reconciliation of Reinsurance contracts held per product (Contracts measured under PAA)\*

| MOTOR  | 2025                          |                      |                              |                       |                    | 2024                          |                      |                              |                       |                  |
|--|-------------------------------|----------------------|------------------------------|-----------------------|--------------------|-------------------------------|----------------------|------------------------------|-----------------------|------------------|
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                    | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      |
| Reinsurance contract assets as of January 1                  | 1,089                         | -                    | 748,245                      | 61,808                | 811,143            | 1,424                         | 33,014               | 385,472                      | 30,619                | 450,530          |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>1,089</b>                  | <b>-</b>             | <b>748,245</b>               | <b>61,808</b>         | <b>811,143</b>     | <b>1,424</b>                  | <b>33,014</b>        | <b>385,472</b>               | <b>30,619</b>         | <b>450,530</b>   |
| Allocation of reinsurance premium                            | (28,859)                      | -                    | -                            | -                     | (28,859)           | (10,864)                      | -                    | -                            | -                     | (10,864)         |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 321,984                      | (58,150)              | 263,834            | -                             | -                    | 647,943                      | 31,189                | 679,131          |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | (637,531)                    | -                     | (637,531)          | -                             | -                    | (314,663)                    | -                     | (314,663)        |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                  | -                             | (33,014)             | -                            | -                     | (33,014)         |
|  | <b>(28,859)</b>               | <b>-</b>             | <b>(315,547)</b>             | <b>(58,150)</b>       | <b>(402,556)</b>   | <b>(10,864)</b>               | <b>(33,014)</b>      | <b>333,280</b>               | <b>31,189</b>         | <b>320,591</b>   |
| Insurance Finance Income                                     | -                             | -                    | 132,997                      | -                     | 132,997            | -                             | -                    | 29,494                       | -                     | 29,494           |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>-</b>                      | <b>-</b>             | <b>132,997</b>               | <b>-</b>              | <b>132,997</b>     | <b>-</b>                      | <b>-</b>             | <b>29,494</b>                | <b>-</b>              | <b>29,494</b>    |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Reinsurance premiums paid net of commission received         | 27,794                        | -                    | -                            | -                     | 27,794             | 10,528                        | -                    | -                            | -                     | 10,528           |
| Amounts received under reinsurance contracts held            | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Net cash flow</b>   | <b>27,794</b>                 | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>27,794</b>      | <b>10,528</b>                 | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>10,528</b>    |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Impact of reinsurance premium payable at the beginning       | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Net cash-flow</b>   | <b>27,794</b>                 | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>27,794</b>      | <b>10,528</b>                 | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>10,528</b>    |
| Reinsurance contracts assets as of December 31,              | 24                            | -                    | 565,695                      | 3,658                 | 569,378            | 1,089                         | -                    | 748,245                      | 61,808                | 811,143          |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>24</b>                     | <b>-</b>             | <b>565,695</b>               | <b>3,658</b>          | <b>569,378</b>     | <b>1,089</b>                  | <b>-</b>             | <b>748,245</b>               | <b>61,808</b>         | <b>811,143</b>   |
| <b>MARINE</b>  |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| MARINE   | 2025                          |                      |                              |                       |                    | 2024                          |                      |                              |                       |                  |
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                    | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      |
| Reinsurance contract assets as of January 1                  | 639,062                       | -                    | 1,096,138                    | 90,545                | 1,825,746          | 258,252                       | -                    | 499,054                      | 39,642                | 796,948          |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>639,062</b>                | <b>-</b>             | <b>1,096,138</b>             | <b>90,545</b>         | <b>1,825,746</b>   | <b>258,252</b>                | <b>-</b>             | <b>499,054</b>               | <b>39,642</b>         | <b>796,948</b>   |
| Allocation of reinsurance premium                            | (3,000,610)                   | -                    | -                            | -                     | (3,000,610)        | (2,100,603)                   | -                    | -                            | -                     | (2,100,603)      |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 2,289,553                    | (59,395)              | 2,230,158          | -                             | -                    | 1,892,778                    | 50,904                | 1,943,682        |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | (304,223)                    | -                     | (304,223)          | -                             | -                    | 313,143                      | -                     | 313,143          |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>(3,000,610)</b>            | <b>-</b>             | <b>1,985,330</b>             | <b>(59,395)</b>       | <b>(1,074,675)</b> | <b>(2,100,603)</b>            | <b>-</b>             | <b>2,205,921</b>             | <b>50,904</b>         | <b>156,221</b>   |
| Insurance Finance Income                                     | -                             | -                    | 173,801                      | -                     | 173,801            | -                             | -                    | 38,184                       | -                     | 38,184           |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>-</b>                      | <b>-</b>             | <b>173,801</b>               | <b>-</b>              | <b>173,801</b>     | <b>-</b>                      | <b>-</b>             | <b>38,184</b>                | <b>-</b>              | <b>38,184</b>    |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Reinsurance premiums paid net of commission received         | 4,307,214                     | -                    | -                            | -                     | 4,307,214          | 2,481,413                     | -                    | -                            | -                     | 2,481,413        |
| Amounts received under reinsurance contracts held            | -                             | -                    | (2,585,494)                  | -                     | (2,585,494)        | -                             | -                    | (1,647,021)                  | -                     | (1,647,021)      |
| <b>Net cash flow</b>   | <b>4,307,214</b>              | <b>-</b>             | <b>(2,585,494)</b>           | <b>-</b>              | <b>1,721,720</b>   | <b>2,481,413</b>              | <b>-</b>             | <b>(1,647,021)</b>           | <b>-</b>              | <b>834,392</b>   |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Impact of reinsurance premium payable at the beginning       | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Net cash-flow</b>   | <b>4,307,214</b>              | <b>-</b>             | <b>(2,585,494)</b>           | <b>-</b>              | <b>1,721,720</b>   | <b>2,481,413</b>              | <b>-</b>             | <b>(1,647,021)</b>           | <b>-</b>              | <b>834,392</b>   |
| Reinsurance contracts assets as of December 31,              | 1,945,666                     | -                    | 669,775                      | 31,150                | 2,646,592          | 639,062                       | -                    | 1,096,138                    | 90,545                | 1,825,746        |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>1,945,666</b>              | <b>-</b>             | <b>669,775</b>               | <b>31,150</b>         | <b>2,646,592</b>   | <b>639,062</b>                | <b>-</b>             | <b>1,096,138</b>             | <b>90,545</b>         | <b>1,825,746</b> |

CERTIFIED BY:

 DIRECTOR  
 SECRETARY

FIRE

|  | 2025                          |                      |                              |                       |                    | 2024                          |                      |                              |                       |                  |
|--|-------------------------------|----------------------|------------------------------|-----------------------|--------------------|-------------------------------|----------------------|------------------------------|-----------------------|------------------|
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                    | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000        | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      |
| Reinsurance contract assets as of January 1                  | 1,647,930                     | -                    | 3,165,398                    | 261,474               | 5,074,802          | 652,153                       | -                    | 2,039,132                    | 161,975               | 2,853,260        |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>1,647,930</b>              | <b>-</b>             | <b>3,165,398</b>             | <b>261,474</b>        | <b>5,074,802</b>   | <b>652,153</b>                | <b>-</b>             | <b>2,039,132</b>             | <b>161,975</b>        | <b>2,853,260</b> |
| Allocation of reinsurance premium                            | (8,326,933)                   | -                    | -                            | -                     | (8,326,933)        | (4,228,942)                   | -                    | -                            | -                     | (4,228,942)      |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 6,038,367                    | (102,284)             | 5,936,083          | -                             | -                    | 4,775,965                    | 99,500                | 4,875,465        |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | 506,185                      | -                     | -                  | -                             | -                    | 634,702                      | -                     | -                |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>(8,326,933)</b>            | <b>-</b>             | <b>6,544,552</b>             | <b>(102,284)</b>      | <b>(1,884,665)</b> | <b>(4,228,942)</b>            | <b>-</b>             | <b>5,410,667</b>             | <b>99,500</b>         | <b>1,281,224</b> |
| Insurance Finance Income                                     | -                             | -                    | 595,728                      | -                     | 595,728            | -                             | -                    | 156,020                      | -                     | 156,020          |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>-</b>                      | <b>-</b>             | <b>595,728</b>               | <b>-</b>              | <b>595,728</b>     | <b>-</b>                      | <b>-</b>             | <b>156,020</b>               | <b>-</b>              | <b>156,020</b>   |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Reinsurance premiums paid net of commission received         | 9,027,058                     | -                    | -                            | -                     | 9,027,058          | 5,224,719                     | -                    | -                            | -                     | 5,224,719        |
| Amounts received under reinsurance contracts held            | -                             | -                    | (7,131,069)                  | -                     | (7,131,069)        | -                             | -                    | (4,440,420)                  | -                     | (4,440,420)      |
| <b>Cash flow</b>   | <b>9,027,058</b>              | <b>-</b>             | <b>(7,131,069)</b>           | <b>-</b>              | <b>1,895,989</b>   | <b>5,224,719</b>              | <b>-</b>             | <b>(4,440,420)</b>           | <b>-</b>              | <b>784,298</b>   |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                    |                               |                      |                              |                       |                  |
| Impact of reinsurance premium payable at the beginning       | (206,990)                     | -                    | -                            | -                     | (206,990)          | -                             | -                    | -                            | -                     | -                |
| <b>Net cash-flow</b>   | <b>8,820,068</b>              | <b>-</b>             | <b>(7,131,069)</b>           | <b>-</b>              | <b>1,688,999</b>   | <b>5,224,719</b>              | <b>-</b>             | <b>(4,440,420)</b>           | <b>-</b>              | <b>784,298</b>   |
| Reinsurance contracts assets as of December 31,              | 2,141,065                     | -                    | 3,174,609                    | 159,190               | 5,474,864          | 1,647,930                     | -                    | 3,165,398                    | 261,474               | 5,074,802        |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                  | -                             | -                    | -                            | -                     | -                |
|  | <b>2,141,065</b>              | <b>-</b>             | <b>3,174,609</b>             | <b>159,190</b>        | <b>5,474,864</b>   | <b>1,647,930</b>              | <b>-</b>             | <b>3,165,398</b>             | <b>261,474</b>        | <b>5,074,802</b> |

GENERAL ACCIDENT

|  | 2025                          |                      |                              |                       |                  | 2024                          |                      |                              |                       |                  |
|--|-------------------------------|----------------------|------------------------------|-----------------------|------------------|-------------------------------|----------------------|------------------------------|-----------------------|------------------|
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      |
| Reinsurance contract assets as of January 1                  | 580,531                       | -                    | 902,532                      | 74,553                | 1,557,616        | 293,760                       | -                    | 742,427                      | 58,973                | 1,095,161        |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -                |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>580,531</b>                | <b>-</b>             | <b>902,532</b>               | <b>74,553</b>         | <b>1,557,616</b> | <b>293,760</b>                | <b>-</b>             | <b>742,427</b>               | <b>58,973</b>         | <b>1,095,161</b> |
| Allocation of reinsurance premium                            | (2,727,076)                   | -                    | -                            | -                     | (2,727,076)      | (1,603,726)                   | -                    | -                            | -                     | (1,603,726)      |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -                |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                  |                               |                      |                              |                       |                  |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 3,638,248                    | 235,704               | 3,873,952        | -                             | -                    | 1,892,031                    | 15,579                | 1,907,610        |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | 1,500,019                    | -                     | 1,500,019        | -                             | -                    | (54,171)                     | -                     | (54,171)         |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -                |
|  | <b>(2,727,076)</b>            | <b>-</b>             | <b>5,138,267</b>             | <b>235,704</b>        | <b>2,646,895</b> | <b>(1,603,726)</b>            | <b>-</b>             | <b>1,837,860</b>             | <b>15,579</b>         | <b>249,713</b>   |
| Insurance Finance Income                                     | -                             | -                    | 195,434                      | -                     | 195,434          | -                             | -                    | 56,805                       | -                     | 56,805           |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -                |
|  | <b>-</b>                      | <b>-</b>             | <b>195,434</b>               | <b>-</b>              | <b>195,434</b>   | <b>-</b>                      | <b>-</b>             | <b>56,805</b>                | <b>-</b>              | <b>56,805</b>    |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                  |                               |                      |                              |                       |                  |
| Reinsurance premiums paid net of commission received         | 3,093,075                     | -                    | -                            | -                     | 3,093,075        | 1,890,497                     | -                    | -                            | -                     | 1,890,497        |
| Amounts received under reinsurance contracts held            | -                             | -                    | (2,982,351)                  | -                     | (2,982,351)      | -                             | -                    | (1,734,560)                  | -                     | (1,734,560)      |
| <b>Net cash flow</b>   | <b>3,093,075</b>              | <b>-</b>             | <b>(2,982,351)</b>           | <b>-</b>              | <b>110,724</b>   | <b>1,890,497</b>              | <b>-</b>             | <b>(1,734,560)</b>           | <b>-</b>              | <b>155,937</b>   |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                  |                               |                      |                              |                       |                  |
| Impact of reinsurance premium payable at the beginning       | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -                |
| <b>Net cash-flow</b>   | <b>3,093,075</b>              | <b>-</b>             | <b>(2,982,351)</b>           | <b>-</b>              | <b>110,724</b>   | <b>1,890,497</b>              | <b>-</b>             | <b>(1,734,560)</b>           | <b>-</b>              | <b>155,937</b>   |
| Reinsurance contracts assets as of December 31,              | 946,530                       | -                    | 3,253,882                    | 310,257               | 4,510,669        | 580,531                       | -                    | 902,532                      | 74,553                | 1,557,616        |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -                |
|  | <b>946,530</b>                | <b>-</b>             | <b>3,253,882</b>             | <b>310,257</b>        | <b>4,510,669</b> | <b>580,531</b>                | <b>-</b>             | <b>902,532</b>               | <b>74,553</b>         | <b>1,557,616</b> |

|  | 2025                          |                      |                              |                       |                     | 2024                          |                      |                              |                       |                     |
|--|-------------------------------|----------------------|------------------------------|-----------------------|---------------------|-------------------------------|----------------------|------------------------------|-----------------------|---------------------|
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                     | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                     |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000         | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000         |
| Reinsurance contract assets as of January 1                  | 4,782,875                     | -                    | 857,219                      | 70,810                | 5,710,903           | 3,496,461                     | -                    | 184,638                      | 14,666                | 3,695,766           |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>4,782,875</b>              | <b>-</b>             | <b>857,219</b>               | <b>70,810</b>         | <b>5,710,903</b>    | <b>3,496,461</b>              | <b>-</b>             | <b>184,638</b>               | <b>14,666</b>         | <b>3,695,766</b>    |
| Allocation of reinsurance premium                            | (39,291,721)                  | -                    | -                            | -                     | (39,291,721)        | (20,862,262)                  | -                    | -                            | -                     | (20,862,262)        |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                     |                               |                      |                              |                       |                     |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 1,026,810                    | (41,448)              | 985,362             | -                             | -                    | 843,092                      | 56,143                | 899,235             |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | (857,219)                    | -                     | (857,219)           | -                             | -                    | (184,638)                    | -                     | (184,638)           |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
|  | <b>(39,291,721)</b>           | <b>-</b>             | <b>169,591</b>               | <b>(41,448)</b>       | <b>(39,163,578)</b> | <b>(20,862,262)</b>           | <b>-</b>             | <b>658,454</b>               | <b>56,143</b>         | <b>(20,147,665)</b> |
| Insurance Finance Income                                     | -                             | -                    | 150,557                      | -                     | 150,557             | -                             | -                    | 14,127                       | -                     | 14,127              |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
|  | <b>-</b>                      | <b>-</b>             | <b>150,557</b>               | <b>-</b>              | <b>150,557</b>      | <b>-</b>                      | <b>-</b>             | <b>14,127</b>                | <b>-</b>              | <b>14,127</b>       |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                     |                               |                      |                              |                       |                     |
| Reinsurance premiums paid net of commission received         | 44,850,365                    | -                    | -                            | -                     | 44,850,365          | 22,148,676                    | -                    | -                            | -                     | 22,148,676          |
| Amounts received under reinsurance contracts held            | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
| <b>Net cash flow</b>   | <b>44,850,365</b>             | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>44,850,365</b>   | <b>22,148,676</b>             | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>22,148,676</b>   |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                     |                               |                      |                              |                       |                     |
| Impact of reinsurance premium payable at the beginning       | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
| <b>Net cash-flow</b>   | <b>44,850,365</b>             | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>44,850,365</b>   | <b>22,148,676</b>             | <b>-</b>             | <b>-</b>                     | <b>-</b>              | <b>22,148,676</b>   |
| Reinsurance contracts assets as of December 31,              | 10,341,519                    | -                    | 1,177,367                    | 29,362                | 11,548,247          | 4,782,875                     | -                    | 857,219                      | 70,810                | 5,710,903           |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                   | -                             | -                    | -                            | -                     | -                   |
|  | <b>10,341,519</b>             | <b>-</b>             | <b>1,177,367</b>             | <b>29,362</b>         | <b>11,548,247</b>   | <b>4,782,875</b>              | <b>-</b>             | <b>857,219</b>               | <b>70,810</b>         | <b>5,710,903</b>    |

AGRICULTURE

|  | 2025                          |                      |                              |                       |                | 2024                          |                      |                              |                       |                |
|--|-------------------------------|----------------------|------------------------------|-----------------------|----------------|-------------------------------|----------------------|------------------------------|-----------------------|----------------|
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000    | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000    |
| Reinsurance contract assets as of January 1                  | 15,023                        | -                    | 3,824                        | 316                   | 19,162         | 16,096                        | -                    | 3,850                        | 306                   | 20,252         |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -              | -                             | -                    | -                            | -                     | -              |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>15,023</b>                 | <b>-</b>             | <b>3,824</b>                 | <b>316</b>            | <b>19,162</b>  | <b>16,096</b>                 | <b>-</b>             | <b>3,850</b>                 | <b>306</b>            | <b>20,252</b>  |
| Allocation of reinsurance premium                            | (59,032)                      | -                    | -                            | -                     | (59,032)       | (22,278)                      | -                    | -                            | -                     | (22,278)       |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -              | -                             | -                    | -                            | -                     | -              |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                |                               |                      |                              |                       |                |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 78,328                       | (193)                 | 78,135         | -                             | -                    | 19,157                       | 10                    | 19,167         |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | -                            | -                     | -              | -                             | -                    | 204                          | -                     | -              |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -              | -                             | -                    | -                            | -                     | -              |
|  | <b>(59,032)</b>               | <b>-</b>             | <b>78,328</b>                | <b>(193)</b>          | <b>19,103</b>  | <b>(22,278)</b>               | <b>-</b>             | <b>19,361</b>                | <b>10</b>             | <b>(2,907)</b> |
| Insurance Finance Income                                     | -                             | -                    | 479                          | -                     | 479            | -                             | -                    | 295                          | -                     | 295            |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -              | -                             | -                    | -                            | -                     | -              |
|  | <b>-</b>                      | <b>-</b>             | <b>479</b>                   | <b>-</b>              | <b>479</b>     | <b>-</b>                      | <b>-</b>             | <b>295</b>                   | <b>-</b>              | <b>295</b>     |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                |                               |                      |                              |                       |                |
| Reinsurance premiums paid net of commission received         | 70,713                        | -                    | -                            | -                     | 70,713         | 21,205                        | -                    | -                            | -                     | 21,205         |
| Amounts received under reinsurance contracts held            | -                             | -                    | (77,845)                     | -                     | (77,845)       | -                             | -                    | (19,682)                     | -                     | (19,682)       |
| <b>Net cash flow</b>   | <b>70,713</b>                 | <b>-</b>             | <b>(77,845)</b>              | <b>-</b>              | <b>(7,132)</b> | <b>21,205</b>                 | <b>-</b>             | <b>(19,682)</b>              | <b>-</b>              | <b>1,522</b>   |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                |                               |                      |                              |                       |                |
| Impact of reinsurance premium payable at the beginning       | -                             | -                    | -                            | -                     | -              | -                             | -                    | -                            | -                     | -              |
| <b>Net cash-flow</b>   | <b>70,713</b>                 | <b>-</b>             | <b>(77,845)</b>              | <b>-</b>              | <b>(7,132)</b> | <b>21,205</b>                 | <b>-</b>             | <b>(19,682)</b>              | <b>-</b>              | <b>1,522</b>   |
| Reinsurance contracts assets as of December 31,              | 26,704                        | -                    | 4,786                        | 123                   | 31,612         | 15,023                        | -                    | 3,824                        | 316                   | 19,162         |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -              | -                             | -                    | -                            | -                     | -              |
|  | <b>26,704</b>                 | <b>-</b>             | <b>4,786</b>                 | <b>123</b>            | <b>31,612</b>  | <b>15,023</b>                 | <b>-</b>             | <b>3,824</b>                 | <b>316</b>            | <b>19,162</b>  |

|  | 2025                          |                      |                              |                       |                  | 2024                          |                      |                              |                       |                 |
|--|-------------------------------|----------------------|------------------------------|-----------------------|------------------|-------------------------------|----------------------|------------------------------|-----------------------|-----------------|
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                 |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000     |
| Reinsurance contract assets as of January 1                  | 518,184                       | -                    | 341,143                      | 28,180                | 887,507          | 118,098                       | -                    | 284,884                      | 22,629                | 425,611         |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>518,184</b>                | <b>-</b>             | <b>341,143</b>               | <b>28,180</b>         | <b>887,507</b>   | <b>118,098</b>                | <b>-</b>             | <b>284,884</b>               | <b>22,629</b>         | <b>425,611</b>  |
| Allocation of reinsurance premium                            | (2,402,708)                   | -                    | -                            | -                     | (2,402,708)      | (1,270,667)                   | -                    | -                            | -                     | (1,270,667)     |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 1,628,873                    | 35,737                | 1,664,610        | -                             | -                    | 817,187                      | 5,551                 | 822,738         |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | 986,951                      | -                     | 986,951          | -                             | -                    | 470,820                      | -                     | 470,820         |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
|  | <b>(2,402,708)</b>            | <b>-</b>             | <b>2,615,824</b>             | <b>35,737</b>         | <b>248,853</b>   | <b>(1,270,667)</b>            | <b>-</b>             | <b>1,288,008</b>             | <b>5,551</b>          | <b>22,891</b>   |
| Insurance Finance Income                                     | -                             | -                    | 47,612                       | -                     | 47,612           | -                             | -                    | 21,797                       | -                     | 21,797          |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
|  | <b>-</b>                      | <b>-</b>             | <b>47,612</b>                | <b>-</b>              | <b>47,612</b>    | <b>-</b>                      | <b>-</b>             | <b>21,797</b>                | <b>-</b>              | <b>21,797</b>   |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
| Reinsurance premiums paid net of commission received         | 3,661,143                     | -                    | -                            | -                     | 3,661,143        | 1,670,753                     | -                    | -                            | -                     | 1,670,753       |
| Amounts received under reinsurance contracts held            | -                             | -                    | (2,061,186)                  | -                     | (2,061,186)      | -                             | -                    | (1,253,545)                  | -                     | (1,253,545)     |
| <b>Net cash flow</b>   | <b>3,661,143</b>              | <b>-</b>             | <b>(2,061,186)</b>           | <b>-</b>              | <b>1,599,957</b> | <b>1,670,753</b>              | <b>-</b>             | <b>(1,253,545)</b>           | <b>-</b>              | <b>417,208</b>  |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
| Impact of reinsurance premium payable                        | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
| <b>Net cash-flow</b>   | <b>3,661,143</b>              | <b>-</b>             | <b>(2,061,186)</b>           | <b>-</b>              | <b>1,599,957</b> | <b>1,670,753</b>              | <b>-</b>             | <b>(1,253,545)</b>           | <b>-</b>              | <b>417,208</b>  |
| Reinsurance contracts assets as of December 31,              | 1,776,619                     | -                    | 943,393                      | 63,917                | 2,783,929        | 518,184                       | -                    | 341,143                      | 28,180                | 887,507         |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
|  | <b>1,776,619</b>              | <b>-</b>             | <b>943,393</b>               | <b>63,917</b>         | <b>2,783,929</b> | <b>518,184</b>                | <b>-</b>             | <b>341,143</b>               | <b>28,180</b>         | <b>887,507</b>  |
| <b>BOND</b>  |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
|  | 2025                          |                      |                              |                       |                  | 2024                          |                      |                              |                       |                 |
|  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                  | Assets for remaining coverage |                      | Asset for incurred claims    |                       |                 |
|  | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000      | Non-loss component N'000      | Loss component N'000 | PV of Future cashflows N'000 | Risk adjustment N'000 | Total N'000     |
| Reinsurance contract assets as of January 1                  | 15,913                        | -                    | 7,175                        | 593                   | 23,680           | 64,112                        | -                    | 29,091                       | 2,311                 | 95,514          |
| Reinsurance contract liabilities as of January 1,            | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
| <b>Net Reinsurance contracts as of January 1,</b>            | <b>15,913</b>                 | <b>-</b>             | <b>7,175</b>                 | <b>593</b>            | <b>23,680</b>    | <b>64,112</b>                 | <b>-</b>             | <b>29,091</b>                | <b>2,311</b>          | <b>95,514</b>   |
| Allocation of reinsurance premium                            | (34,749)                      | -                    | -                            | -                     | (34,749)         | 2,862                         | -                    | -                            | -                     | 2,862           |
| Effect of changes in the risk of reinsurance non-performance | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
| <b>Amounts recovered from reinsurance:</b>                   |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
| Recoveries of incurred claims and other attributable income  | -                             | -                    | 24,206                       | (158)                 | 24,048           | -                             | -                    | 4,413                        | (1,718)               | 2,694           |
| Changes that relate to past service-adjustment to ARIC       | -                             | -                    | 50,838                       | -                     | -                | -                             | -                    | (24,166)                     | -                     | -               |
| Recoveries and reversals of recoveries on onerous contracts  | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
|  | <b>(34,749)</b>               | <b>-</b>             | <b>75,044</b>                | <b>(158)</b>          | <b>40,137</b>    | <b>2,862</b>                  | <b>-</b>             | <b>(19,754)</b>              | <b>(1,718)</b>        | <b>(18,610)</b> |
| Insurance Finance Income                                     | -                             | -                    | 638                          | -                     | 638              | -                             | -                    | 2,226                        | -                     | 2,226           |
| Insurance finance reserve (changes in discount rate)         | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
|  | <b>-</b>                      | <b>-</b>             | <b>638</b>                   | <b>-</b>              | <b>638</b>       | <b>-</b>                      | <b>-</b>             | <b>2,226</b>                 | <b>-</b>              | <b>2,226</b>    |
| <b>Cash flows in the period:</b>                             |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
| Reinsurance premiums paid net of commission received         | 36,677                        | -                    | -                            | -                     | 36,677           | (51,061)                      | -                    | -                            | -                     | (51,061)        |
| Amounts received under reinsurance contracts held            | -                             | -                    | (66,016)                     | -                     | (66,016)         | -                             | -                    | (4,388)                      | -                     | (4,388)         |
| <b>Net cash flow</b>   | <b>36,677</b>                 | <b>-</b>             | <b>(66,016)</b>              | <b>-</b>              | <b>(29,339)</b>  | <b>(51,061)</b>               | <b>-</b>             | <b>(4,388)</b>               | <b>-</b>              | <b>(55,450)</b> |
| <b>Non-cashflows in the period</b>                           |                               |                      |                              |                       |                  |                               |                      |                              |                       |                 |
| Impact of reinsurance premium payable at the beginning       | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
| <b>Net cash-flow</b>   | <b>36,677</b>                 | <b>-</b>             | <b>(66,016)</b>              | <b>-</b>              | <b>(29,339)</b>  | <b>(51,061)</b>               | <b>-</b>             | <b>(4,388)</b>               | <b>-</b>              | <b>(55,450)</b> |
| Reinsurance contracts assets as of December 31,              | 17,841                        | -                    | 16,841                       | 435                   | 35,116           | 15,913                        | -                    | 7,175                        | 593                   | 23,680          |
| Reinsurance contract liabilities as of December 31,          | -                             | -                    | -                            | -                     | -                | -                             | -                    | -                            | -                     | -               |
|  | <b>17,841</b>                 | <b>-</b>             | <b>16,841</b>                | <b>435</b>            | <b>35,116</b>    | <b>15,913</b>                 | <b>-</b>             | <b>7,175</b>                 | <b>593</b>            | <b>23,680</b>   |

\*All the Group's Reinsurance contracts issued are measured using the Premium Allocation approach

#### 47 Claim Development Table

##### Extracts from EY Nigeria Limited Valuation Report

#### 47.1 Data Reconciliation

As part of our verification process, we have reconciled the gross written premium and the claims paid in the technical data, with the figures indicated in the financial accounts. We illustrate both set of figures below.

| (a) Claims Data   | Gross Claims Paid | Gross Claims Paid | Percentage |
|-------------------|-------------------|-------------------|------------|
| Class of Business | Data              | Account           | Difference |
|                   | N'000             | N'000             |            |
| Fire              | 9,039,118         | 9,039,118         | 0%         |
| General Accident  | 6,730,913         | 6,730,913         | 0%         |
| Engineering       | 1,641,489         | 1,641,489         | 0%         |
| Bond              | 110,026           | 110,026           | 0%         |
| Marine            | 3,769,575         | 3,769,575         | 0%         |
| Motor             | 13,001,595        | 13,001,595        | 0%         |
| Oil & gas         | 7,011,555         | 7,011,555         | 0%         |
| Agriculture       | 152,206           | 152,206           | 0%         |
| <b>Total</b>      | <b>41,456,477</b> | <b>41,456,477</b> | <b>0%</b>  |

| (b) Premium Data  | Gross Premium      | Gross Premium      | Percentage |
|-------------------|--------------------|--------------------|------------|
| Class of Business | Written Data       | Written Account    | Difference |
|                   | N'000              | N'000              |            |
| Fire              | 22,310,004         | 22,310,004         | 0%         |
| General Accident  | 12,424,716         | 12,424,716         | 0%         |
| Engineering       | 7,329,765          | 7,329,765          | 0%         |
| Bond              | 826,289            | 826,289            | 0%         |
| Marine            | 19,087,799         | 19,087,799         | 0%         |
| Motor             | 37,305,579         | 37,305,579         | 0%         |
| Oil & gas         | 58,418,641         | 58,418,641         | 0%         |
| Agriculture       | 183,103            | 183,103            | 0%         |
| <b>Total</b>      | <b>157,885,896</b> | <b>157,885,896</b> | <b>0%</b>  |

#### (c) Comments on Claims Data

The claims data was divided into eight risk groups - (Marine, Motor, Fire, General Accident, Engineering, Bond, Agriculture and Oil & Gas) in accordance with the Nigerian Insurance Industry Reform Act 2025

#### (d) Business Trend

We illustrate in the table below, the Gross Written Premium as at 31 December 2025 and 2024 respectively. All lines of business experienced increases and there was an overall increase in GWP by 20%.

| Class of Business | Gross Premium      | Gross Premium      | Percentage |
|-------------------|--------------------|--------------------|------------|
|                   | Written Data       | Written Data       | Difference |
|                   | 2025               | 2024               |            |
|                   | N'000              | N'000              |            |
| Fire              | 22,310,004         | 19,111,771         | 17%        |
| General Accident  | 12,424,716         | 6,709,064          | 85%        |
| Engineering       | 7,329,765          | 6,468,289          | 13%        |
| Bond              | 826,289            | 1,285,689          | -36%       |
| Marine            | 19,087,799         | 14,031,133         | 36%        |
| Motor             | 37,305,579         | 25,787,980         | 45%        |
| Oil & gas         | 58,418,641         | 34,911,018         | 67%        |
| Agriculture       | 183,103            | 84,830             | 116%       |
| <b>Total</b>      | <b>157,885,896</b> | <b>108,389,774</b> | <b>46%</b> |

## 47.2 Valuation Methodology

We describe in this section the methods used for calculating Premium and Claim Reserve.

### (a) Liability for Remaining Coverage (LRC)

- i **Advance Premiums (Unearned Premium Reserve):** This is the portion of the premium set aside to cover the claims and expenses of future accounting periods for which premiums have already been received.
- ii **Advance Commission (Deferred Acquisition Cost):** This is the portion of the premium set aside to cover the acquisition-related expenses of future accounting periods for which commissions have already been paid.
- iii **Unexpired Risk Reserve (URR):** This is the indication of the cost of the future claims expected over the unexpired period of the policies in force on the valuation date.
- iv **Premium Receivables:** An aggregate of all premiums due.

### (b) Claims Reserves

The claim reserves comprise of:

- i Outstanding Claims Reported (OCR)
- ii Incurred But Not Reported (IBNR)

### (c) Reserving method

We present the methodologies that were used in calculating for the IBNR reserves:

- i Inflation Adjusted Basic Chain Ladder Method (IABCL)
- ii Bornhuetter-Ferguson Approach
- iii Loss Ratio
- iv Frequency and Severity Method

## 47.3 Valuation Results

### (a) Inflation Adjusted Chain Ladder Method - Result table

Discounted Inflation Adjusted Basic Chain Ladder Method

| Class of Business                    | LIC<br>N'000      | ARIC<br>N'000       | Net<br>N'000      |
|--------------------------------------|-------------------|---------------------|-------------------|
| General Accident                     | 8,343,304         | (3,564,140)         | 4,779,163         |
| Fire                                 | 6,863,792         | (3,333,799)         | 3,529,993         |
| Marine                               | 2,384,858         | (700,925)           | 1,683,933         |
| Motor                                | 3,197,076         | (569,355)           | 2,627,721         |
| Agriculture*                         | 8,868             | (4,909)             | 3,959             |
| Oil and Gas*                         | 3,974,005         | (1,206,730)         | 2,767,275         |
| Engineering                          | 1,776,870         | (1,007,311)         | 769,559           |
| Bond*                                | 52,370            | (17,276)            | 35,094            |
| <b>Total</b>                         | <b>26,601,141</b> | <b>(10,404,444)</b> | <b>16,196,697</b> |
| <b>Accounts (Outstanding Claims)</b> | <b>9,667,866</b>  | <b>(5,145,124)</b>  | <b>4,522,742</b>  |
| <b>Risk Adjustment</b>               | <b>3,221,941</b>  | <b>(598,093)</b>    | <b>2,623,849</b>  |
| <b>ULAE</b>                          | <b>1,198,747</b>  | <b>-</b>            | <b>1,198,747</b>  |
| <b>NPR</b>                           |                   | <b>401,474</b>      | <b>401,474</b>    |
| <b>Difference (IBNR)</b>             | <b>12,512,586</b> | <b>(5,062,701)</b>  | <b>7,449,885</b>  |

\* Estimated using Expected loss ratio method and discounted

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

*Abdullahi* DIRECTOR  
*Abdullahi* SECRETARY

(b) LIC Table

| Class of Business | LIC(PVFCF)<br>N'000 | LIC(RA)<br>N'000 | LIC<br>N'000      |
|-------------------|---------------------|------------------|-------------------|
| General Accident  | 6,263,355           | 2,079,948        | 8,343,304         |
| Fire              | 6,765,662           | 98,130           | 6,863,792         |
| Marine            | 2,171,798           | 213,060          | 2,384,858         |
| Motor             | 3,145,658           | 51,418           | 3,197,076         |
| Agriculture       | 8,578               | 290              | 8,868             |
| Oil and Gas       | 3,242,743           | 731,262          | 3,974,005         |
| Engineering       | 1,730,748           | 46,122           | 1,776,870         |
| Bond              | 50,658              | 1,712            | 52,370            |
| <b>Total</b>      | <b>23,379,200</b>   | <b>3,221,941</b> | <b>26,601,141</b> |

(c) Amount Recoverable for incurred Claims Table

| Class of Business | ARIC(PVFCF)<br>N'000 | ARIC(RA)<br>N'000 | ARIC<br>N'000     |
|-------------------|----------------------|-------------------|-------------------|
| General Accident  | 3,253,883            | 310,257           | 3,564,140         |
| Fire              | 3,174,608            | 159,191           | 3,333,799         |
| Marine            | 669,774              | 31,150            | 700,925           |
| Motor             | 565,696              | 3,658             | 569,355           |
| Agriculture       | 4,786                | 123               | 4,909             |
| Oil and Gas       | 1,177,368            | 29,362            | 1,206,730         |
| Engineering       | 943,394              | 63,917            | 1,007,311         |
| Bond              | 16,841               | 434               | 17,276            |
| <b>Total</b>      | <b>9,806,351</b>     | <b>598,093</b>    | <b>10,404,444</b> |

(d) Liability for Remaining Coverage(Gross and Reinsurance LRC)-Result Table

| Class of Business | LRC<br>N'000      | ARC<br>N'000      | NET<br>N'000      |
|-------------------|-------------------|-------------------|-------------------|
| General Accident  | 1,867,830         | 946,530           | 921,300           |
| Fire              | 5,013,566         | 2,141,064         | 2,872,502         |
| Marine            | 3,802,795         | 1,945,666         | 1,857,129         |
| Motor             | 8,536,728         | 24                | 8,536,704         |
| Agriculture       | 71,155            | 26,703            | 44,451            |
| Oil and Gas       | 15,138,411        | 10,341,519        | 4,796,892         |
| Engineering       | 2,143,894         | 1,776,619         | 367,275           |
| Bond              | 322,633           | 17,841            | 304,792           |
| <b>Total</b>      | <b>36,897,011</b> | <b>17,195,966</b> | <b>19,701,045</b> |

(e) Liability for Remaining Coverage-Loss component

We derived our expense ratio as the directly attributable expense ratio for the current year using the information provided by NEM Insurance Plc. To derive the Loss Recovery Component (LRC), recovery ratios estimated as an average over the same years for the claims ratios was applied to the Loss Component.

Gross Table

| Class of Business | Claims Ratio | Combined Ratio | LRC(LC)<br>N'000 |
|-------------------|--------------|----------------|------------------|
| General Accident  | 40%          | 87%            | -                |
| Fire              | 47%          | 79%            | -                |
| Marine            | 37%          | 76%            | -                |
| Motor             | 45%          | 71%            | -                |
| Agriculture       | 44%          | 78%            | -                |
| Oil and Gas       | 17%          | 47%            | -                |
| Engineering       | 36%          | 69%            | -                |
| Bond              | 7%           | 32%            | -                |
|                   |              |                | -                |

**Reinsurance Table**

| Class of Business | Recovery ratio | ARC(LC)<br>N'000 |
|-------------------|----------------|------------------|
| General Accident  | 62%            | -                |
| Fire              | 51%            | -                |
| Marine            | 69%            | -                |
| Motor             | 16%            | -                |
| Agriculture       | 48%            | -                |
| Oil and Gas       | 34%            | -                |
| Engineering       | 21%            | -                |
| Bond              | 81%            | -                |
|                   |                | -                |

**47.4 Conclusion**

We are adopting the reserves from the Inflation Adjusted Discounted Chain Ladder method in this report. This method as indicated earlier

- i - anticipates that total claim payments may be exposed to future inflationary pressures
- ii - recognises that reserves should represent the present value and timing of future claim payments

**Technical Reserves**

We are reporting Gross Reserves of N63.5 billion and Reinsurance Contract Assets of N27.6 billion as shown in the table below. Our estimates meet the Liability Adequacy Test.

| Reserves                                     | Gross<br>N'000    | Reinsurance<br>Contract Assets<br>N'000 | Net<br>N'000      |
|--|-------------------|---|-------------------|
| Incurred Claims                              | 26,601,141        | (10,404,444)                            | 16,196,697        |
| Remaining Coverage(Excluding Loss component) | 36,897,011        | (17,195,966)                            | 19,701,045        |
| Remaining Coverage(Loss component)           | -                 | -                                       | -                 |
| <b>Total</b>                                 | <b>63,498,152</b> | <b>(27,600,410)</b>                     | <b>35,897,742</b> |



## 48 Financial Risk Management Policy

### Management of insurance and financial risk

NEM Insurance Plc issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Company manages them.

#### 48.1 Insurance risk

The risk, under any insurance contract, is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable. The Company manages its insurance risk by means of established internal procedures that include underwriting authority levels, pricing policy, approved reinsurers list and monitoring.

NEM is exposed to underwriting risk through the insurance contracts that are underwritten. The risks within the underwriting risk category are associated with both the perils covered by the specific lines of insurance including General Accident, Motor, Fire, Marine and Aviation, Oil and Gas and Miscellaneous insurance, as well as the specific processes associated with the conduct of the insurance business. The various subsets of underwriting risks are listed below;

- i **Underwriting Process Risk:** risk from exposure to financial losses related to the selection and acceptance of risks to be insured.
- ii **Mispricing Risk:** risk that insurance premiums will be too low to cover the Company's expenses related to underwriting, claims, claims handling and administration.
- iii **Individual risk:** This includes the identification of the risk inherent in an insured property (movable or unmovable), we shall ensure surveys are performed and reviewed as at when due and that risks are adequately priced.
- iv **Claims Risk (for each peril):** Risk that many more claims occur than expected or that some claims that occur are much larger than expected claims resulting in unexpected losses to the Company. The underwriting risk assessment shall also determine the likelihood of a claim arising from an insured risk by considering various factors and probabilities, determined by information obtained from the insured party, historical information on similar risks and available external data.
- v **Concentration risk (including geographical risk):** This includes identification of the concentration of risks insured by NEM. NEM utilizes data analysis, software and market knowledge to determine the concentration of its risks by insurance class, geographic location, exposure to a client or business. The assessment of the concentration risk is consistent with the overall risk appetite as established by the Company.

### Underwriting Risk Appetite

- The following statements amongst others shall underpin NEM's underwriting risk appetite:
- We do not underwrite risks which we do not understand;
- We are cautious in underwriting unquantifiable risks;
- We are extremely cautious in underwriting risk observed to poorly managed at proposal state e.g. those with low safety standards, shoddy construction or businesses with excessively high risk profile;
- We carefully evaluate businesses or opportunities that could create systemic risk exposures i.e. incidents of multiple claims occurring from one event e.g. natural catastrophe risks, and risks dependent on the macroeconomic environment);
- We consider all applicable regulatory guidelines while carrying out our underwriting activities;
- We established and adhere to internal standards for co-insurance, reinsurance transactions;
- We exercise extreme caution when underwriting discrete (one-off) risks, particularly where we do not have the requisite experience or know-how;
- Where the broker has inadequate knowledge of the trade of the client or the class of business, we exercise caution in taking on such risks into our books;
- We exercise extreme prudence and caution when dealing with clients with financial difficulties or poor payment records; and with transient clients who change insurers regularly; and
- We ensure compliance with NAICOM's guideline on KYC for consistency.

### 48.2 Underwriting Strategy

The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Any risks exceeding the underwriting limits require Head Office approval. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Company has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of a fraudulent claim. Insurance contracts also entitle the Company to pursue third parties for payment of some or all costs (for example, subrogation).

### 48.3 Products and Services

NEM Insurance Plc is presently operating as a non-life insurance company and we have a wide range of insurance products and services that are tailored to meet the specific needs of the company's clients. Insurance contracts are issued on an annual contract either directly to the customer or through accredited insurance brokers and agents. Premiums from brokers and agents are payable within 30 days, whereas from direct customers immediately. The following is a broad spectrum of the products and services the company is offering:

### Fire/Extraneous Perils Policy

This type of policy will provide indemnity to the insured in the event of loss or damage to property covered under it as a direct result of fire outbreak, lightning or explosion. Other extraneous perils such as social disturbances like strike and riot, and natural disasters like storm damage, flood and earthquake can also be covered by an extension of the standard scope of the cover. The items to be insured are usually made up of the following:

- a) Buildings
- b) Office Furniture, Electrical & Electronic Equipment
- c) Plant and Machinery
- d) Stock of Raw Materials and finished goods
- e) Loss of Annual Rent for alternative accommodation.

The policy also contains various other extensions that are granted at no extra cost to the policyholder. The replacement cost of the items to be insured will have to be supplied to us for assessment to facilitate quotation of the premium payable.

### Consequential Loss Policy

This type of policy, often referred to as "business interruption insurance" is designed to indemnify the insured against loss of productive capacity or future earning power which may occur as a result of loss or damage to the premises and property insured under the Fire/Extraneous Perils in 1 above. This policy is normally taken out in conjunction with the Fire Policy so that when the latter pays for the material damage to property insured under it, this will pick up the intangible loss that will flow from the primary loss of the Fire perils. The items usually covered under this policy are as follows:

- a)Gross Profit
- b)Salary and Wages
- c)Auditor's fees

The sum insured to be indicated against the items of Gross Profit should represent the difference in turnover and the total of standing and variable charges. The sum insured on Salary and Wages will be that which is required to maintain some key staff pending resumption of business while the sum insured on Auditor's Fees will represent charges that any firm of accountants will make in preparing papers for insurance claim.

### Burglary/Housebreaking Policy

This type of policy is designed to indemnify the insured against loss or damage resulting from theft or attempted theft which is accompanied by actual forcible or violent entry into or out of the premises or any attempt theft. The items usually covered under this policy are similar to those under the Fire/Extraneous Perils policy above with the exception of Buildings and Loss of Rent. The replacement cost of the relative items would have to be supplied to enable us submit our quotation.

### Fidelity Guarantee Policy

This is a form of policy that protects an organization against loss of money or valuable stock as a result of dishonesty or fraudulent activity of employees. It is possible to grant cover on named basis, positions basis or on a blanket basis. In any of these cases, the number of persons and the limit of guarantee any one loss would be advised as well as aggregate amount of guarantee in a given year. Once we have this information, we would be in a position to quote for premium payable.

### Public Liability Policy

This policy also covers the insured against legal liability to third party for cost and expenses incurred in respect of accidental death, bodily injury and accidental damage to property occurring within the insured's premises or at work-away premises. The vicarious liability of the insured's employee can also be covered provided it arose in the course of carrying out his official duties. The Company usually require the insured to indicate the limit of cover required to enable her advise the premium payable.

### Money Policy

This is another type of All Risks policy which is designed to cover any fortuitous event that could result in the loss of cash while in the course of transit either to or from the bank. The cover will also operate while the money is on the premises of the insured and while in a securely locked safe. The policy can also be extended to cover cash in the personal custody of selected management staff.

### Goods in Transit Policy

This is also an "All Risks" policy covering goods being carried from one location to another. Any loss not specifically excluded under the policy is covered and the insurance is suitable for any organization that is engaged in movement of goods either by road or rail and the cover will operate when the goods are being conveyed by the insured's owned or hired vehicles. Losses arising from Fire and Theft are covered under this policy.

### Group Personal Accident Policy

This type of policy is designed to foster the welfare of employees as well as reduce the financial constrain that an organization could undergo in the event of death or bodily injury to a member of staff arising as a result of any injury sustained through accidental, violent, external and visible means. The policy provides a world-wide cover on 24 hours basis and benefits payable in respect of Death and Permanent Disability are usually expressed as multiple of salaries. Cover also extends to pay weekly benefit in the event of temporary total disability resulting from bodily injury to the insured person as well as certain allowance for expenses incurred on medical treatment as a result of accidental injury. Death or injuries from natural causes are however not covered.

### Motor Insurance Policy

This class of insurance is made compulsory by Government through the legislation known as the Motor Vehicle (Third Party) Nigerian Insurance Industry Reform Act 2025. Third Party Only cover which is the minimum type of insurance legislated upon provides indemnity to policyholder against legal liability to Third Parties for death, bodily injury and property damage.

The most popular type of cover under this policy is comprehensive insurance which, in addition to the cover provided under the Third Party Only, will also indemnify the policyholder for loss or damage to the vehicle resulting from road accident, fire and theft. The premium payable for the various forms of cover under this policy is regulated by a statistical table of rate known as "tariff" which is approved by Government.

### Marine Policies

**CARGO:** The policy issued here is to provide indemnity for loss or damage to imported goods being conveyed by sea or air. The All Risks type of cover known as Clauses "A" provides indemnity to the insured in the event of total or partial loss of the goods while the restricted cover known as Clauses "C" would provide indemnity in the event of total loss only. To enable us determine the premium payable in this regard, we would require information on the nature and value of goods being imported as well as the type of cover required.

HULL: This type of policy is issued on vessels and yachts to provide indemnity for any loss, damage or liability that may arise from their use. The scope of cover provided is either an "all risks" or "total loss only" while the policy usually carries a deductible of about 10% of the value of the vessel or yacht.

### Aviation Policy

This policy provides comprehensive cover against loss or damage to insured aircraft while operating anywhere in the world. Cover also extends to include the operator's legal liability to Third Parties for death, bodily injury and property damage. Liability to passengers is also covered up to a certain limit selected. In order to ensure full protection for our clients, we reinsure as much as 90% of this type of risk in the London Aviation Market through one of our overseas associates. The essence of this arrangement is to obviate the problem of absorption in the Nigerian Market which has limited capacity for Aviation Insurance and also to afford our clients the opportunity of having a dollar/sterling based insurance policy.

### Machinery Breakdown Policy

This policy is designed to cover any damage to a plant or equipment while working or at rest, or being dismantled for the purpose of cleaning, repairing or overhauling. In the same vein, boiler and pressure vessels can be covered under a separate but similar policy.

### Electronic Equipment Policy

This policy is designed to cover any loss or damage that could result while any computer and or equipment insured is working or at rest. The cover under this policy also extends to include loss or damage to external data media such as diskettes and tapes containing processed information while such are kept within the premises. The increase in cost of working, as a result of damage to the main computer equipment, is also covered and indemnity is provided for alternative means of carrying on operation. With payment of an additional premium, this policy can be extended to cover the risk of theft.

### Energy Risks

The policies on offer in this area have been specifically developed to take advantage of the insurance opportunities created by the Nigerian Content Policy. The Nigerian content policy is aimed at utilizing Nigerian human and material resources in creating values in the country through all contracts awarded in the Oil and Gas industry and the Power sector of the economy. NEM Insurance Plc has carved a niche as the Leader in provision of Oil & Gas and Energy Insurance in Nigeria.

- Our focus is on the following areas:
- Upstream Risks which includes Construction/Erection All Risks, Operators Extra Expense Insurance, Property Insurance and General Third Party Liability Insurance.
- Downstream Risks which include the downstream properties (Refineries and Petrochemical plants, Onshore pipelines, Oil tank farm, Gas processing plants, Pumping and Metering stations, Gas turbines and Boilers, Damage to Asset and other related downstream sector risks.
- Power, Solid Mineral and Other special products.

The above products have been packaged for marketing to the public sector as well as various manufacturing, industrial and commercial concerns. Financial institutions such as banks, mortgage and stock broking firms are also being offered these products. Our Company is innovative in approach and we specialize in packaging policies in line with the needs of the various segments of the economy. NEM Insurance Plc also provides comprehensive risk management services. The Company carries out various risk surveys and make appropriate recommendations towards risk improvement and minimization of loss impacts.

### **Approach to Management of Underwriting Risks**

The Company's underwriting risk shall be managed by adhering to policies, principles and guidelines spelt out in the Annual Underwriting Plan.

Where the broker has inadequate knowledge of the trade of the client or the class of business and the client not willing to disclose such information, the Company shall exercise caution in taking on such risks.

The Company shall exercise extreme prudence and caution when dealing with clients with financial difficulties or poor payment records; and with transient clients who change insurers regularly; and The Company shall ensure compliance with the National Insurance Commission's guidelines on "Know Your Customer" (KYC) requirement to get enough information about the transaction.

The Company carries out timely pre-loss inspection/survey exercise of risks, preferably before commencement of cover but not later than 48 hours after commencement of risks.

We limit acceptance of risks to a more convenient value/share while spreading excess through co-insurance or facultative basis. We ensure application/introduction/review of policy terms and conditions including clauses/warranties that will deal with areas of concern which will at the end of the day make the risk worthy of being in the Company's portfolio.

### **Risk Acceptance Rules**

The Company shall follow the provisions (terms and conditions) of the reinsurance treaties that were arranged for the classes of insurance that any risk offered for insurance falls under in deciding whether to accept the risk or not. This shall be the case on all cases where the sum insured of the risk is more than the Company's retention as contained and evidenced by the treaty cover notes.

For any risk that Reinsurance Treaty could not be arranged for, acceptance of such risks shall be limited to any limit set by the Company for such risks at the beginning of each year and shown in the underwriting plan.

### **Marine Insurance Risks**

No Marine insurance risk (Hull or Cargo), Marine Cargo or any other special risks of different nature but relating to Marine Insurance e.g. Marine Cargo Insurance export, shall be accepted without clarification from the Heads of Technical, Energy and Branch Operations Departments. The Company shall not accept Marine Cargo business in respect of fish head risks whether as import or export. Where it must be covered for any reason, cover shall be limited to ICC "C" and on rate of premium of a minimum of 0.20%.

### Aviation Risks

No Aviation risk, Marine Hull risk, Marine Cargo export and any other special risks of different nature shall be accepted without clarification from the Heads of Technical, Energy and Branch Operations Departments.

#### 48.4 Approaches to Risk Mitigation

Generally, we shall apply any of the following four (4) approaches to risk mitigations:

a) **Risk Termination (Avoidance)**

Under the risk termination approach, we will take measures to avoid risks that are outside our risk appetite, not aligned to our strategy or offer rewards that are unattractive when compared to the risk undertaken. Specifically, we will discontinue activities that generate these risks, such as divesting from certain geographical markets, product lines or businesses. Generally, we will utilise this approach for high-risk events that remain unacceptably high even after we have applied controls.

b) **Risk Treatment (Reduction)**

Under the risk treatment approach, we would accept the risks inherent in our transactions, but shall take measures, through our system of internal controls, to reduce the likelihood and/or impact of these risks. Generally, we would utilise this approach for risks that occur frequently and have low impact. Some of the measures we shall take under this approach may include formulating or enhancing policies, defining boundaries and authority limits, assigning accountabilities and measuring performance, improving processes, strengthening existing controls or implementing new controls and continuing education and training.

c) **Risk Transfer (Sharing)**

Under the risk transfer approach, we would accept the risks inherent in our transactions, but shall take measures to transfer whole or portions of the risk to an independent counterparty. Specifically, we shall transfer our risks to an independent counterparty such as co-insurance and reinsurance companies by utilising contracts and arrangements. We will retain accountability for the outsourced risk and that outsourcing does not eliminate risk but only changes our risk profile. The relevant business units shall be responsible for identifying and incorporating the risks arising from such risk transfer arrangements in their risk registers. The business units shall also be responsible for managing the resultant risks and reviewing the risk transfer arrangement to ensure that it is still capable of mitigating the initial risk.

d) **Risk Tolerance (Acceptance)**

Under the risk tolerance approach, we would accept the risks inherent in our transactions and would not take any action to change the likelihood and/or impact of the risks. We shall adopt this approach where the risk is low and the cost of further managing the risk exceeds the potential benefit should the risk crystallize.

e) **Reinsurance Treaty Cover**

We have arranged very adequate reinsurance treaties to enable us accommodate risks with high necessary support in the event of large claims. Our treaties are arranged by UAIB RE and placed with a consortium of reputable reinsurance companies.

The types of re-insurance on NEM Treaty are:

- 1) Quota share
- 2) Surplus
- 3) Excess of loss

### 1. Quota share

This is the simplest type of Re-insurance whereby a Reinsurer agrees to reinsure a fixed proportion of every risk accepted by the ceding Company, sharing proportionately in all losses and receiving in the same proportion of all direct net premium, less the agreed reinsurance commission.

### 2. Surplus

Under this arrangement the ceding Company can retain a risk up to the level of its agreed Retention amount. The proportion of the risk which is beyond the Retention amount is then ceded into the Surplus treaty and reinsurer receives a proportionate share of the premium, less reinsurance commission.

### 3. Excess of Loss

This arrangement protects the ceding Company against a loss where the ceding Company's claims liability exceeds its retention.

### Concentration of insurance risk

The Company monitors concentrations of insurance risk by product and sector. An analysis of concentrations of insurance risk at 31 December 2025 and 2024 for premium received is set out below:

#### (a) By product

|                   | 2025               | 2024               |
|-------------------|--------------------|--------------------|
|                   | N'000              | N'000              |
| Motor business    | 37,305,579         | 25,787,980         |
| Fire & Property   | 22,310,004         | 19,663,647         |
| Marine & Aviation | 19,087,799         | 14,031,133         |
| General Accident  | 12,424,716         | 6,709,064          |
| Energy business   | 58,418,641         | 34,911,018         |
| Agriculture       | 183,103            | 84,830             |
| Engineering       | 7,329,765          | 5,916,413          |
| Bond              | 826,289            | 1,285,689          |
|                   | <u>157,885,896</u> | <u>108,389,774</u> |

#### (b) By sector

|                           | N'000              | N'000              |
|---------------------------|--------------------|--------------------|
| Energy                    | 55,621,884         | 38,184,813         |
| Financial Services        | 35,639,566         | 24,466,812         |
| IT/Telecoms & Other Corp. | 26,848,656         | 18,431,791         |
| Manufacturing             | 28,837,446         | 19,797,109         |
| Retail                    | 10,938,344         | 7,509,250          |
|                           | <u>157,885,896</u> | <u>108,389,774</u> |

#### 48.5 Assumptions and sensitivities

The risks associated with the non-life insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Group uses several statistical and actuarial techniques based on past claims development experience. This includes indications such as average claims, costs, ultimate claims numbers and expected loss ratios. The Group considers that the liability for non-life insurance claims recognised in the statement of financial position is adequate. However, actual experience will differ from the expected outcome.

Some results of sensitivity testing are set out below:

##### 2025

| Change in assumption             | Impact on profit before tax |                    | Impact on Equity     |                    |
|----------------------------------|-----------------------------|--------------------|----------------------|--------------------|
|                                  | Gross of reinsurance        | Net of reinsurance | Gross of reinsurance | Net of reinsurance |
|                                  | N'000                       | N'000              | N'000                | N'000              |
| Expected Loss to reduce by 10%   | 7,240,682                   | 3,290,092          | 6,516,614            | 2,961,083          |
| Inflation to reduce by 1%        | 539,700                     | 340,090            | 485,730              | 306,081            |
| Expected Loss to increase by 10% | (7,240,682)                 | (3,290,092)        | (6,516,614)          | (2,961,083)        |
| Inflation to increase by 1%      | (539,700)                   | (340,090)          | (485,730)            | (306,081)          |

##### 2024

| Change in assumption             | Impact on profit before tax |                    | Impact on Equity     |                    |
|----------------------------------|-----------------------------|--------------------|----------------------|--------------------|
|                                  | Gross of reinsurance        | Net of reinsurance | Gross of reinsurance | Net of reinsurance |
|                                  | N'000                       | N'000              | N'000                | N'000              |
| Expected Loss to reduce by 10%   | 5,397,004                   | 3,400,902          | 4,857,304            | 3,060,811          |
| Inflation to reduce by 1%        | 399,890                     | 251,197            | 359,901              | 359,901            |
| Expected Loss to increase by 10% | (5,397,004)                 | (3,400,902)        | (4,857,304)          | (3,060,811)        |
| Inflation to increase by 1%      | (399,890)                   | (251,197)          | (359,901)            | (226,077)          |

#### 49 Financial risk management

NEM Insurance Plc operates in a highly complex and competitive environment driven by the need to meet all claim obligations, maximize returns to shareholders and comply with all statutory and regulatory requirements. The Company is in the business of managing risks for public and private entities as well as individuals. In the ordinary course of its business activities, the Company is exposed to a variety of financial risks, including currency risk, liquidity risk, credit risk, country risk and market risk as well as operational and compliance risks.

Risk is the level of exposure to opportunity, threat and uncertainty - that should be identified, understood, measured and effectively managed, in the course of executing the Company's business strategies. In terms of opportunity, we see risk in relation to returns in that the greater the risk, the greater the potential return. We therefore manage risk by using several methods to maximize the positive aspects within the constraints of our risk appetite and business environment.

In terms of threat, we see risk as the potential for the occurrence of negative events such as financial loss, fraud, damage to reputation or public image and loss of competitive advantage. We therefore manage risk in this context by introducing risk management techniques to reduce the probability of these negative events occurring without incurring excessive costs or stifling the initiative, innovation, and entrepreneurial flair of our staff.

In terms of uncertainty, we see risk as the distribution of all possible outcomes both positive and negative. In this context, we manage uncertainty by seeking to reduce the variance between anticipated outcomes and actual results.

Our risk management philosophy and culture consist of our shared beliefs, values, attitudes and practices with respect to how we consider risk in everything we do, from strategy development and implementation to every aspect of our day-to-day activities.

"We shall underwrite all profitable transactions that we consider prudent and meets our risk appetite and profile. We shall take calculated and informed risk while seeking to maximize returns and shareholders' value. We shall continuously evaluate the risk and rewards inherent in our business transactions, from strategy development and implementation to our day-to-day activities. We believe that to achieve this objective would require a good understanding of the risks we are taking and the effective management of these risks both at the individual and enterprise levels".

We therefore manage and control risk by introducing new risk management techniques, enhancing existing risk management practices and placing a greater emphasis on cooperation among departments to comprehensively manage the Company's full range of risks as a whole. The Company proactively formulates strategies and plans that enable the identification and management of events/factors/occurrences that impact our ability to attain our business and strategic objectives.

**(a) Risk Management Strategy**

The Company adopts the following strategy for managing risks:

- i. Establish a clearly defined risk management process for identifying, measuring, controlling, monitoring and reporting risks.
- ii. Entrench and incorporate risk management principles in all functions across the Company.
- iii. Comprehensive implementation and maintenance of our risk management framework.
- iv. Ensure good corporate governance practices.
- v. Board and senior management support to promote sound risk management.
- vi. Zero tolerance for non-compliance with risk and control procedures.
- vii. Avoid concentration of risk to any industry, market, sector or individual entity.
- viii. Deploy a risk management systems to facilitate the effective management of risks.

(b) Market risk

The Group undertakes activities which give rise to a considerable level of market risks exposures (i.e. the risk that the fair value of future cash flows of our trading and investment positions or other financial instrument, will fluctuate because of changes in market prices). Market risks can arise from adverse changes in interest rates, foreign exchange rates, equity prices, commodity prices and other relevant factors such as market volatilities. The objective of market risk management activities is to continually manage and control market risk exposure within acceptable parameters, while optimizing the return on risks taken.

**Management of market risk**

The Group has an independent Risk Management unit which assesses, monitors, manages and reports on market risk taking activities across the group. We have continued to enhance our Risk Management Framework.

The Group's market risk objectives, policies and processes are aimed at instituting a model that objectively identifies, measures and manages market risks in the Group and ensure that:

1. The individuals who take or manage risk clearly understand it.
2. The Group's risk exposure is within established limits.
3. Risk taking decisions are in line with business strategy and objectives set by the Board of Directors.
4. The expected payoffs compensate for the risks taken.
5. Sufficient capital, as a buffer, is available to take risk.

(i) Interest Rate Risk

The Group is exposed to a considerable level of interest rate risk-especially on the Investment contracts ( i.e. the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates). Similar to the last financial year, interest rate was fairly volatile. These changes could have a negative impact on the Net Interest Income, if not properly managed. The Group however, has all of its financial instruments in non-rate sensitive assets and liabilities. This greatly assists it in managing its exposure to interest rate risks.

**Exposure to fixed and variable interest rate risk**

| Group<br>December 31 2025                          | Fixed             | Floating | Non-interest<br>bearing | Total              |
|--|-------------------|----------|-------------------------|--------------------|
| <i>in thousand of naira</i>                        |                   |          |                         |                    |
| Cash and cash equivalents                          | 10,290,967        | -        | 20,980,740              | 31,271,707         |
| Financial assets                                   |                   |          |                         |                    |
| - At fair value through profit or loss             | -                 | -        | 18,396,389              | 18,396,389         |
| - At fair value through other comprehensive income | -                 | -        | 3,711,980               | 3,711,980          |
| - At amortised cost                                | 78,064,075        | -        | -                       | 78,064,075         |
| Loans and other receivables                        | 10,254,573        | -        | 1,619,069               | 11,873,642         |
| Reinsurance contract assets                        | -                 | -        | 27,600,408              | 27,600,408         |
| Insurance contract liabilities                     | -                 | -        | (67,327,073)            | (67,327,073)       |
| <b>Total</b>                                       | <b>98,609,615</b> | <b>-</b> | <b>4,981,513</b>        | <b>103,591,128</b> |

| Group<br>December 31 2024                          | Fixed             | Floating | Non-interest<br>bearing | Total             |
|--|-------------------|----------|-------------------------|-------------------|
| <i>in thousand of naira</i>                        |                   |          |                         |                   |
| Cash and cash equivalents                          | 5,855,707         | -        | 8,364,255               | 14,219,962        |
| Financial assets                                   |                   |          |                         |                   |
| - At fair value through profit or loss             | -                 | -        | 11,409,434              | 11,409,434        |
| - At fair value through other comprehensive income | -                 | -        | 64,431                  | 64,431            |
| - At amortised cost                                | 69,668,973        | -        | -                       | 69,668,973        |
| Loans and other receivables                        | 104,067           | -        | -                       | 104,067           |
| Reinsurance contract assets                        | -                 | -        | 15,910,561              | 15,910,561        |
| Insurance contract liabilities                     | -                 | -        | (42,330,564)            | (42,330,564)      |
| <b>Total</b>                                       | <b>75,628,746</b> | <b>-</b> | <b>(6,581,882)</b>      | <b>69,046,864</b> |

| Parent<br>December 31 2025                         | Fixed             | Floating | Non-interest<br>bearing | Total              |
|--|-------------------|----------|-------------------------|--------------------|
| in thousand of naira                               |                   |          |                         |                    |
| Cash and cash equivalents                          | 7,473,471         | -        | 20,408,250              | 27,881,721         |
| Financial assets                                   |                   |          |                         |                    |
| - At fair value through profit or loss             | -                 | -        | 18,396,389              | 18,396,389         |
| - At fair value through other comprehensive income | -                 | -        | 3,711,980               | 3,711,980          |
| - At amortised cost                                | 77,788,184        | -        | -                       | 77,788,184         |
| Loans and other receivables                        | 10,254,573        | -        | 787,132                 | 11,041,705         |
| Reinsurance contract assets                        | -                 | -        | 27,600,409              | 27,600,409         |
| Insurance contract liabilities                     | -                 | -        | (63,498,152)            | (63,498,152)       |
| <b>Total</b>                                       | <b>95,516,228</b> | <b>-</b> | <b>7,406,008</b>        | <b>102,922,236</b> |

| Parent<br>December 31 2024                         | Fixed             | Floating | Non-interest<br>bearing | Total             |
|--|-------------------|----------|-------------------------|-------------------|
| in thousand of naira                               |                   |          |                         |                   |
| Cash and cash equivalents                          | 5,036,177         | -        | 7,978,460               | 13,014,637        |
| Financial assets                                   |                   |          |                         |                   |
| - At fair value through profit or loss             | -                 | -        | 11,409,434              | 11,409,434        |
| - At fair value through other comprehensive income | -                 | -        | 64,431                  | 64,431            |
| - At amortised cost                                | 69,668,973        | -        | -                       | 69,668,973        |
| Loans and other receivables                        | 104,067           | -        | -                       | 104,067           |
| Reinsurance contract assets                        | -                 | -        | 15,910,561              | 15,910,561        |
| Insurance contract liabilities                     | -                 | -        | (41,093,559)            | (41,093,559)      |
| <b>Total</b>                                       | <b>74,809,216</b> | <b>-</b> | <b>(5,730,672)</b>      | <b>69,078,544</b> |

**Sensitivity analysis - interest-rate risk**

The sensitivity analysis below is based on a change in one assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated - for example, change in interest rate and change in market values.

**Group  
31 December 2025 (N'000)**

|                                | Carrying amount   | Fixed rate        | Floating rate | Impact on profit<br>of a 100 basis<br>point increase in<br>interest rate | Impact on profit<br>of a 100 basis<br>point decrease<br>in interest rate |
|--------------------------------|-------------------|-------------------|---------------|--|--|
| <b>Assets</b>                  |                   |                   |               |  |  |
| Cash and cash equivalents      | 10,290,967        | 10,290,967        | -             | (102,910)  | 102,910  |
| Amortized Cost Assets          | 78,064,075        | 78,064,075        | -             | (780,641)  | 780,641  |
| Loans and other receivables    | 10,254,573        | 10,254,573        | -             | (102,546)  | 102,546  |
| Reinsurance contract assets    | 27,600,408        | 27,600,408        | -             | (276,004)  | 276,004  |
|                                | <b>98,609,615</b> | <b>98,609,615</b> | <b>-</b>      | <b>(986,096)</b>   | <b>986,096</b>   |
| <b>Liabilities</b>             |                   |                   |               |  |  |
| Borrowings                     | -                 | -                 | -             | -  | -  |
| Insurance contract liabilities | 67,327,073        | 67,327,073        | -             | 673,271  | (673,271)  |
|                                | <b>67,327,073</b> | <b>67,327,073</b> | <b>-</b>      | <b>673,271</b>   | <b>(673,271)</b>   |
| <b>Net increase/(Decrease)</b> |                   |                   |               | <b>(312,825)</b>   | <b>312,825</b>   |

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Group

31 December 2024 (N'000)

|                                | Carrying amount   | Fixed rate        | Floating rate | Impact on profit of a 100 basis point increase in interest rate | Impact on profit of a 100 basis point decrease in interest rate |
|--------------------------------|-------------------|-------------------|---------------|---|---|
| <b>Assets</b>                  |                   |                   |               |   |   |
| Cash and cash equivalents      | 5,855,707         | 5,855,707         | -             | (58,557)  | 58,557  |
| Amortized Cost Assets          | 69,668,973        | 69,668,973        | -             | (696,690)   | 696,690   |
| Loans and other receivables    | 104,067           | 104,067           | -             | (1,041)   | 1,041   |
| Reinsurance contract assets    | 15,910,561        | 15,910,561        | -             | (159,106)   | 159,106   |
|                                | <b>91,539,307</b> | <b>91,539,307</b> | -             | <b>(915,393)</b>  | <b>915,393</b>  |
| <b>Liabilities</b>             |                   |                   |               |   |   |
| Borrowings                     | -                 | -                 | -             | -   | -   |
| Insurance contract liabilities | 42,330,564        | -                 | -             | 423,306   | (423,306)   |
|                                | <b>42,330,564</b> | -                 | -             | <b>423,306</b>  | <b>(423,306)</b>  |
| <b>Net increase/(Decrease)</b> |                   |                   |               | <b>(492,087)</b>  | <b>492,087</b>  |

Parent

31 December 2025 (N'000)

|                                | Carrying amount    | Fixed rate         | Floating rate | Impact on profit of a 100 basis point increase in interest rate | Impact on profit of a 100 basis point decrease in interest rate |
|--------------------------------|--------------------|--------------------|---------------|---|---|
| <b>Assets</b>                  |                    |                    |               |   |   |
| Cash and cash equivalents      | 7,473,471          | 7,473,471          | -             | (74,735)  | 74,735  |
| Amortized Cost Assets          | 77,788,184         | 77,788,184         | -             | (777,882)   | 777,882   |
| Loans and other receivables    | 10,254,573         | 10,254,573         | -             | (102,546)   | 102,546   |
| Reinsurance contract assets    | 27,600,409         | 27,600,409         | -             | (276,004)   | 276,004   |
|                                | <b>123,116,637</b> | <b>123,116,637</b> | -             | <b>(1,231,166)</b>  | <b>1,231,166</b>  |
| <b>Liabilities</b>             |                    |                    |               |   |   |
| Borrowings                     | -                  | -                  | -             | -   | -   |
| Insurance contract liabilities | 63,498,152         | 63,498,152         | -             | 634,982   | (634,982)   |
|                                | <b>63,498,152</b>  | <b>63,498,152</b>  | -             | <b>634,982</b>  | <b>(634,982)</b>  |
| <b>Net increase/(Decrease)</b> |                    |                    |               | <b>(596,185)</b>  | <b>596,185</b>  |

Parent

31 December 2024 (N'000)

|                                | Carrying amount   | Fixed rate        | Floating rate | Impact on profit of a 100 basis point increase in interest rate | Impact on profit of a 100 basis point decrease in interest rate |
|--------------------------------|-------------------|-------------------|---------------|---|---|
| <b>Assets</b>                  |                   |                   |               |   |   |
| Cash and cash equivalents      | 5,036,177         | 5,036,177         | -             | (50,362)  | 50,362  |
| Amortized Cost Assets          | 69,668,973        | 69,668,973        | -             | (696,690)   | 696,690   |
| Loans and other receivables    | 104,067           | 104,067           | -             | (1,041)   | 1,041   |
| Reinsurance contract assets    | 15,910,561        | 15,910,561        | -             | (159,106)   | 159,106   |
|                                | <b>90,719,777</b> | <b>90,719,777</b> | -             | <b>(907,198)</b>  | <b>907,198</b>  |
| <b>Liabilities</b>             |                   |                   |               |   |   |
| Borrowings                     | -                 | -                 | -             | -   | -   |
| Insurance contract liabilities | 41,093,559        | 41,093,559        | -             | 410,936   | (410,936)   |
|                                | <b>41,093,559</b> | <b>41,093,559</b> | -             | <b>410,936</b>  | <b>(410,936)</b>  |
| <b>Net increase/(Decrease)</b> |                   |                   |               | <b>(496,262)</b>  | <b>496,262</b>  |

The impact on the Company's profit before tax if interest rates on financial instruments held at amortized cost or at fair value had increased or decreased by 100 basis points, with all other variables held constant are considered insignificant. This is due to the short term and fixed interest nature of the majority of the financial assets measured at amortized cost.

(ii) Foreign exchange risk

Foreign exchange risk is the exposure of the Group's financial condition to the changes in foreign exchange rates. The Company is exposed to exchange rate risk as a result of cash balances denominated in currencies other than Naira.

The table below summaries the Group's financial instruments at carrying amount, categorised by currency:  
**December 31, 2025**

|  | Total              | Naira              | US Dollar         | Euro             | Pounds         |
|--|--------------------|--------------------|-------------------|------------------|----------------|
| <b>Assets</b>  |                    |                    |                   |                  |                |
| In thousands of Naira                                |                    |                    |                   |                  |                |
| Cash and cash equivalents                            | 31,279,323         | 15,303,128         | 15,105,113        | 709,467          | 161,615        |
| Financial assets                                     |                    |                    |                   |                  |                |
| - At fair value through profit or loss               | 18,396,389         | 18,396,389         | -                 | -                | -              |
| - At fair value through other comprehensive income   | 3,711,980          | 3,711,980          | -                 | -                | -              |
| - At amortised cost                                  | 77,788,184         | 38,686,507         | 38,684,817        | 416,860          | -              |
| Loans and other receivables                          | 73,563             | 73,563             | -                 | -                | -              |
| Reinsurance contract assets                          | 27,600,408         | 27,600,408         | -                 | -                | -              |
| Statutory deposit                                    | 320,000            | 320,000            | -                 | -                | -              |
| <b>Total financial assets</b>                        | <b>159,169,847</b> | <b>104,091,976</b> | <b>53,789,930</b> | <b>1,126,327</b> | <b>161,615</b> |
| <b>Liabilities</b>                                   |                    |                    |                   |                  |                |
| Other payables (excluding non-financial liabilities) | 22,119,200         | 22,119,200         | -                 | -                | -              |
| <b>Total financial liabilities</b>                   | <b>22,119,200</b>  | <b>22,119,200</b>  | <b>-</b>          | <b>-</b>         | <b>-</b>       |
| <b>Net financial assets/liabilities</b>              | <b>137,050,647</b> | <b>81,972,776</b>  | <b>53,789,930</b> | <b>1,126,327</b> | <b>161,615</b> |
| Insurance contract liabilities                       | 67,327,073         | 67,327,073         | -                 | -                | -              |
| <b>Net policyholders' assets</b>                     | <b>69,723,574</b>  | <b>14,645,703</b>  | <b>53,789,930</b> | <b>1,126,327</b> | <b>161,615</b> |

|  | Total              | Naira             | US Dollar         | Euro           | Pounds         |
|--|--------------------|-------------------|-------------------|----------------|----------------|
| <b>December 31, 2024</b>                             |                    |                   |                   |                |                |
| <b>Assets</b>  |                    |                   |                   |                |                |
| In thousands of Naira                                |                    |                   |                   |                |                |
| Cash and cash equivalents                            | 14,222,691         | 10,192,498        | 3,293,512         | 580,027        | 156,654        |
| Financial assets                                     |                    |                   |                   |                |                |
| - At fair value through profit or loss               | 11,409,434         | 11,409,434        | -                 | -              | -              |
| - At fair value through other comprehensive income   | 64,431             | 64,431            | -                 | -              | -              |
| - At amortised cost                                  | 69,668,973         | 30,567,296        | 38,684,817        | 416,860        | -              |
| Loans and other receivables                          | 104,067            | 104,067           | -                 | -              | -              |
| Reinsurance contract assets                          | 15,910,561         | 15,910,561        | -                 | -              | -              |
| Statutory deposit                                    | 320,000            | 320,000           | -                 | -              | -              |
| <b>Total financial assets</b>                        | <b>111,700,156</b> | <b>68,568,287</b> | <b>41,978,329</b> | <b>996,887</b> | <b>156,654</b> |
| <b>Liabilities</b>                                   |                    |                   |                   |                |                |
| Other payables (excluding non-financial liabilities) | 6,769,714          | 6,769,714         | -                 | -              | -              |
| <b>Total financial liabilities</b>                   | <b>6,769,714</b>   | <b>6,769,714</b>  | <b>-</b>          | <b>-</b>       | <b>-</b>       |
| <b>Net financial assets/liabilities</b>              | <b>104,930,442</b> | <b>61,798,572</b> | <b>41,978,329</b> | <b>996,887</b> | <b>156,654</b> |
| Insurance contract liabilities                       | 42,330,564         | 42,330,564        | -                 | -              | -              |
| <b>Net policyholders' assets</b>                     | <b>62,599,877</b>  | <b>19,468,008</b> | <b>41,978,329</b> | <b>996,887</b> | <b>156,654</b> |

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The table below summaries the Parent's financial instruments at carrying amount, categorised by currency:

31-Dec-25

|  | Total              | Naira              | US Dollar         | Euro             | Pounds         |
|--|--------------------|--------------------|-------------------|------------------|----------------|
| <b>Assets</b>  |                    |                    |                   |                  |                |
| In thousands of Naira                                |                    |                    |                   |                  |                |
| Cash and cash equivalents                            | 27,881,721         | 11,905,526         | 15,105,113        | 709,467          | 161,615        |
| Financial assets                                     |                    |                    |                   |                  |                |
| - At fair value through profit or loss               | 18,396,389         | 18,396,389         | -                 | -                | -              |
| - At fair value through other comprehensive income   | 3,711,980          | 3,711,980          | -                 | -                | -              |
| - At amortised cost                                  | 77,788,184         | 38,686,507         | 38,684,817        | 416,860          | -              |
| Loans and other receivables                          | 73,563             | 73,563             | -                 | -                | -              |
| Reinsurance assets                                   | 27,600,408         | 27,600,408         | -                 | -                | -              |
| Statutory deposit                                    | 320,000            | 320,000            | -                 | -                | -              |
| <b>Total financial assets</b>                        | <b>155,772,245</b> | <b>100,694,374</b> | <b>53,789,930</b> | <b>1,126,327</b> | <b>161,615</b> |
| <b>Liabilities</b>                                   |                    |                    |                   |                  |                |
| Other payables (excluding non-financial liabilities) | 19,023,858         | 19,023,858         | -                 | -                | -              |
| <b>Total financial liabilities</b>                   | <b>19,023,858</b>  | <b>19,023,858</b>  | <b>-</b>          | <b>-</b>         | <b>-</b>       |
| <b>Net financial assets/liabilities</b>              | <b>136,748,387</b> | <b>81,670,516</b>  | <b>53,789,930</b> | <b>1,126,327</b> | <b>161,615</b> |
| <b>Insurance contract liabilities</b>                | <b>63,498,152</b>  | <b>63,498,152</b>  | <b>-</b>          | <b>-</b>         | <b>-</b>       |
| <b>Net policyholders' assets</b>                     | <b>73,250,235</b>  | <b>18,172,364</b>  | <b>53,789,930</b> | <b>1,126,327</b> | <b>161,615</b> |

31-Dec-24

|  | Total              | Naira             | US Dollar         | Euro           | Pounds         |
|--|--------------------|-------------------|-------------------|----------------|----------------|
| <b>Assets</b>  |                    |                   |                   |                |                |
| In thousands of Naira                                |                    |                   |                   |                |                |
| Cash and cash equivalents                            | 13,014,637         | 8,984,444         | 3,293,512         | 580,027        | 156,654        |
| Financial assets                                     |                    |                   |                   |                |                |
| - At fair value through profit or loss               | 11,409,434         | 11,409,434        | -                 | -              | -              |
| - At fair value through other comprehensive income   | 64,431             | 64,431            | -                 | -              | -              |
| - At amortised cost                                  | 69,668,973         | 30,567,296        | 38,684,817        | 416,860        | -              |
| Loans and other receivables                          | 104,067            | 104,067           | -                 | -              | -              |
| Reinsurance assets                                   | 15,910,561         | 15,910,561        | -                 | -              | -              |
| Statutory deposit                                    | 320,000            | 320,000           | -                 | -              | -              |
| <b>Total financial assets</b>                        | <b>110,492,103</b> | <b>67,360,233</b> | <b>41,978,329</b> | <b>996,887</b> | <b>156,654</b> |
| <b>Liabilities</b>                                   |                    |                   |                   |                |                |
| Other payables (excluding non-financial liabilities) | 5,730,027          | 5,730,027         | -                 | -              | -              |
| <b>Total financial liabilities</b>                   | <b>5,730,027</b>   | <b>5,730,027</b>  | <b>-</b>          | <b>-</b>       | <b>-</b>       |
| <b>Net financial assets/liabilities</b>              | <b>104,762,076</b> | <b>61,630,206</b> | <b>41,978,329</b> | <b>996,887</b> | <b>156,654</b> |
| <b>Insurance contract liabilities</b>                | <b>41,093,559</b>  | <b>41,093,559</b> | <b>-</b>          | <b>-</b>       | <b>-</b>       |
| <b>Net policyholders' assets</b>                     | <b>63,668,517</b>  | <b>20,536,647</b> | <b>41,978,329</b> | <b>996,887</b> | <b>156,654</b> |

### 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.

The table below summarizes the Group's sensitivity to foreign exchange risk

31 Dec 2025

| <i>Effects in thousands of naira</i> | Profit or loss   |                    | Equity, net of tax |                    |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|
|                                      | Strengthening    | Weakening          | Strengthening      | Weakening          |
| EUR (10% movement)                   | 112,633          | (112,633)          | 112,633            | (112,633)          |
| GBP (10% movement)                   | 16,161           | (16,161)           | 16,161             | (16,161)           |
| USD (10% movement)                   | 5,378,993        | (5,378,993)        | 5,378,993          | (5,378,993)        |
|                                      | <u>5,507,787</u> | <u>(5,507,787)</u> | <u>5,507,787</u>   | <u>(5,507,787)</u> |

31 Dec 2024

| <i>Effects in thousands of naira</i> | Profit or loss   |                    | Equity, net of tax |                    |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|
|                                      | Strengthening    | Weakening          | Strengthening      | Weakening          |
| EUR (10% movement)                   | 99,689           | (99,689)           | 99,689             | (99,689)           |
| GBP (10% movement)                   | 15,665           | (15,665)           | 15,665             | (15,665)           |
| USD (10% movement)                   | 4,197,833        | (4,197,833)        | 4,197,833          | (4,197,833)        |
|                                      | <u>4,313,187</u> | <u>(4,313,187)</u> | <u>4,313,187</u>   | <u>(4,313,187)</u> |

The table below summarizes the Parent's sensitivity to foreign exchange risk

31 Dec 2025

| <i>Effects in thousands of naira</i> | Profit or loss   |                    | Equity, net of tax |                    |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|
|                                      | Strengthening    | Weakening          | Strengthening      | Weakening          |
| EUR (10% movement)                   | 112,633          | (112,633)          | 112,633            | (112,633)          |
| GBP (10% movement)                   | 16,161           | (16,161)           | 16,161             | (16,161)           |
| USD (10% movement)                   | 5,378,993        | (5,378,993)        | 5,378,993          | (5,378,993)        |
|                                      | <u>5,507,787</u> | <u>(5,507,787)</u> | <u>5,507,787</u>   | <u>(5,507,787)</u> |

31 Dec 2024

| <i>Effects in thousands of naira</i> | Profit or loss   |                    | Equity, net of tax |                    |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|
|                                      | Strengthening    | Weakening          | Strengthening      | Weakening          |
| EUR (10% movement)                   | 99,689           | (99,689)           | 99,689             | (99,689)           |
| GBP (10% movement)                   | 15,665           | (15,665)           | 15,665             | (15,665)           |
| USD (10% movement)                   | 4,197,833        | (4,197,833)        | 4,197,833          | (4,197,833)        |
|                                      | <u>4,313,187</u> | <u>(4,313,187)</u> | <u>4,313,187</u>   | <u>(4,313,187)</u> |

### (iii) Equity risk

The Group is exposed to equity price risk by holding investments quoted on the Stock Exchange. Equity securities quoted on the Stock Exchange is exposed to movement based on the general movement of the all share index and movement in prices of specific securities held by the Group.

#### Sensitivity analysis - equity risk

The sensitivity analysis for equity price risk illustrates how changes in the fair value of equity securities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual equity issuer, or factors affecting all similar equity securities traded in the market.

Management monitors movements of financial assets and equity price risk movements by assessing the expected changes in the different portfolios due to parallel movements of a 10% increase or decrease in the Nigeria All share index with all other variables held constant and all the Company's equity instruments in that particular index moving proportionally.

As at 31 December 2025, the market value of quoted securities held by the Group is N11.4 billion (2024: N10.5 billion). If the all share index of the NGX moves by 100 basis points at 31 December 2025, the effect on profit or loss would have been N270 million ( 2024: N 247 million).

(c) **Credit Risk**

The Company's assets are exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's maximum exposure to credit risk is reflected in the carrying amounts of financial assets on the statement of financial position. The main sources of the Company's incoming cash flows are the amounts of receivables from brokers and reinsurers. The Company manages the credit risk arising from such sources by aging and monitoring the receivables. The Company conducts the review of current and non-current receivables on a monthly basis and monitors the progress in the process of collection of the premiums in accordance with the procedure stated in the Company's internal control policy. The non-current receivables are checked and assessed for impairment.

The overdue premiums are considered by the Company on case by case basis. If an overdue premium is recognized by the Company as uncollectible, a notification is sent to the broker and the insurance agreement is cancelled from the date of notification. The premium related to the period from the beginning of insurance cover until the date of cancellation of the insurance agreement is considered a bad debt, and further steps right up to legal actions are planned with regard to that bad debt.

Other areas where the Company is exposed to credit risk are:

- amounts due from reinsurers for the insurance risks ceded;
- amounts due from insurance intermediaries.
- amounts of deposits held in banks and correspondent accounts

NEM is exposed to the following categories of credit risk;

Direct Default Risk - risk that NEM will not receive the cash flows or assets to which it is entitled because brokers, clients and other debtors which NEM has a bilateral contract default on their obligations.

Concentration Risk - is the exposure to losses due to excessive concentration of business activities to individual counterparties, groups of individual counterparties or related entities, counterparties in specific geographical locations, industry sectors, specific products, etc.

Counterparty Risk - the risk that a counterparty is not able or willing to meet its financial obligations to the Company as they fall due.

(i) **Credit Risk Principles**

The following principles underpin the Company's credit risk management policies:

- Individuals who create the credit risk and those who manage the risk clearly understand the nature of the risk;
- The Company's credit risk exposure is within the limits as approved by the Board;
- Credit decisions are clear and explicit and in line with the business strategy and objectives as approved by the Board;
- Credit risk exposures shall be within the defined limits to ensure there is no excessive concentration and that credit control procedures for managing large exposures and related counterparties are adhered to;
- Appropriate classification of credit risk through periodic evaluation of the collectability of risk assets; and
- Adequate loan loss provisioning to ensure that provisions or allowances are made to absorb anticipated losses.
- The expected payoffs more than compensate for the credit risks taken by the Company;
- Credit risk taking decisions are explicit and clear;
- There shall be clear delegated authorization limits for transactions;
- Sufficient capital as a buffer is available to take credit risk;

The Company's credit risk appetite shall be in line with its strategic objectives, available resources and the provisions of NAICOM Operational Guidelines. In setting this appetite/tolerance limits, NEM takes into consideration its corporate solvency level, risk capital and liquidity level , credit ratings, level of investments, reinsurance and coinsurance arrangements, and nature and categories of its clients. The company's credit risk is subsequently analysed as follows.





Credit risk by class

| Parent   | December 31 2025 |              |              |                   | December 31 2024 |              |              |                   |
|--|------------------|--------------|--------------|-------------------|------------------|--------------|--------------|-------------------|
|  | Stage 1          | Stage 2      | Stage 3      | Total             | Stage 1          | Stage 2      | Stage 3      | Total             |
| Statutory deposit                                  |                  |              |              |                   |                  |              |              |                   |
|  | Gross amount     | Gross amount | Gross amount |                   | Gross amount     | Gross amount | Gross amount |                   |
|  | N'000            | N'000        | N'000        | N'000             | N'000            | N'000        | N'000        | N'000             |
| External rating Grade                              |                  |              |              |                   |                  |              |              |                   |
| AAA  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| AA- AA+  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| A- to A+   | -                | -            | -            | -                 | -                | -            | -            | -                 |
| B  | 320,000          | -            | -            | 320,000           | 320,000          | -            | -            | 320,000           |
| B-   | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Internal rating Grade                              |                  |              |              |                   |                  |              |              |                   |
| Grade 1  | 320,000          | -            | -            | 320,000           | 320,000          | -            | -            | 320,000           |
| Grade 2  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Loans and receivables                              |                  |              |              |                   |                  |              |              |                   |
|  | Gross amount     | Gross amount | Gross amount |                   | Gross amount     | Gross amount | Gross amount |                   |
|  | N'000            | N'000        | N'000        | N'000             | N'000            | N'000        | N'000        | N'000             |
| External rating Grade                              |                  |              |              |                   |                  |              |              |                   |
| AAA  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| AA- AA+  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| A- to A+   | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Internal rating Grade                              |                  |              |              |                   |                  |              |              |                   |
| Grade 1  | 10,254,573       | -            | -            | 10,254,573        | 104,067          | -            | -            | 104,067           |
| Grade 2  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Other receivables (excluding non-financial assets) |                  |              |              |                   |                  |              |              |                   |
|  | Gross amount     | Gross amount | Gross amount |                   | Gross amount     | Gross amount | Gross amount |                   |
|  | N'000            | N'000        | N'000        | N'000             | N'000            | N'000        | N'000        | N'000             |
| External rating Grade                              |                  |              |              |                   |                  |              |              |                   |
| AAA  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| AA- AA+  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| A- to A+   | -                | -            | -            | -                 | -                | -            | -            | -                 |
| B  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| B-   | -                | -            | -            | -                 | 2,150,000        | -            | -            | 2,150,000         |
| Internal rating Grade                              |                  |              |              |                   |                  |              |              |                   |
| Grade 1  | -                | -            | -            | -                 | 2,150,000        | -            | -            | 2,150,000         |
| Grade 2  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Amounts arising from ECL on financial assets       |                  |              |              |                   |                  |              |              |                   |
| Group  |                  |              |              |                   |                  |              |              |                   |
| in thousand of naira                               |                  |              |              |                   |                  |              |              |                   |
|  | Stage 1          | Stage 2      | Stage 3      | Total             | Stage 1          | Stage 2      | Stage 3      | Total             |
|  | N'000            | N'000        | N'000        | N'000             | N'000            | N'000        | N'000        | N'000             |
| Cash and cash equivalents                          | 275,558          | -            | -            | 275,558           | 242,981          | -            | -            | 242,981           |
| Financial assets                                   |                  |              |              |                   |                  |              |              |                   |
| - At fair value through other comprehensive income | -                | -            | -            | -                 | -                | -            | -            | -                 |
| - At amortised cost                                | 1,007,551        | -            | -            | 1,007,551         | 1,091,757        | -            | -            | 1,091,757         |
| Reinsurance contract assets                        | -                | -            | -            | 27,600,408        | -                | -            | -            | 15,910,561        |
| Statutory deposit                                  | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Loans and receivables                              | -                | -            | -            | -                 | -                | -            | -            | -                 |
| Other receivables (excluding non-financial assets) | -                | -            | -            | -                 | -                | -            | -            | -                 |
|  | <b>1,283,109</b> | <b>-</b>     | <b>-</b>     | <b>28,883,517</b> | <b>1,334,738</b> | <b>-</b>     | <b>-</b>     | <b>17,245,298</b> |

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

CERTIFIED BY:  
 DIRECTOR  
 SECRETARY

| Parent<br>in thousand of naira                     | December 31 2025 |                  |                  |                   | December 31 2024 |                  |                  |                  |
|--|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|
|  | Stage 1<br>N'000 | Stage 2<br>N'000 | Stage 3<br>N'000 | Total<br>N'000    | Stage 1<br>N'000 | Stage 2<br>N'000 | Stage 3<br>N'000 | Total<br>N'000   |
| Cash and cash equivalents                          | 275,558          | -                | -                | 275,558           | 242,981          | -                | -                | 242,981          |
| Financial assets                                   |                  |                  |                  |                   |                  |                  |                  |                  |
| - At fair value through other comprehensive income | -                | -                | -                | -                 | -                | -                | -                | -                |
| - At amortised cost                                | 1,007,551        | -                | -                | 1,007,551         | 1,091,757        | -                | -                | 1,091,757        |
| Reinsurance contract assets                        | -                | -                | -                | 27,600,408        | -                | -                | -                | -                |
| Statutory deposit                                  | -                | -                | -                | -                 | -                | -                | -                | -                |
| Loans and receivables                              | -                | -                | -                | -                 | -                | -                | -                | -                |
| Other receivables (excluding non-financial assets) | -                | -                | -                | -                 | -                | -                | -                | -                |
|  | <b>1,283,109</b> | -                | -                | <b>28,883,517</b> | <b>1,334,738</b> | -                | -                | <b>1,334,738</b> |

**Concentration of credit risk**

This is the exposure to losses due to excessive concentration of business activities to individual counterparties, groups of individual counterparties or related entities, counterparties in specific geographical locations, industry sectors, specific products, etc.

An analysis of the carrying amounts of financial investments is shown below;

**By sector**

| Group<br>December 31, 2025<br>in thousand of naira | Corporate         | Commercial       | Bank              | Retail | Government        | Others            | Total              |
|--|-------------------|------------------|-------------------|--------|-------------------|-------------------|--------------------|
| Cash and cash equivalents                          | -                 | -                | 29,666,483        | -      | -                 | -                 | 29,666,483         |
| Financial assets                                   |                   |                  |                   |        |                   |                   |                    |
| - At fair value through profit or loss             | 8,299,956         | -                | 10,096,433        | -      | -                 | -                 | 18,396,389         |
| - At fair value through other comprehensive income | 16,450            | -                | 3,612,230         | -      | 83,300            | -                 | 3,711,980          |
| - At amortised cost                                | 39,880,227        | 3,382,332        | 17,639,744        | -      | 17,161,772        | -                 | 78,064,075         |
| Reinsurance contract asset                         | -                 | -                | -                 | -      | -                 | -                 | -                  |
| Loan and other receivables                         | -                 | -                | -                 | -      | -                 | 11,873,642        | 11,873,642         |
|  | <b>48,196,633</b> | <b>3,382,332</b> | <b>61,014,890</b> | -      | <b>17,245,072</b> | <b>11,873,642</b> | <b>141,712,569</b> |

| Group<br>December 31, 2024<br>in thousand of naira | Corporate         | Commercial       | Bank              | Retail | Government        | Others           | Total             |
|--|-------------------|------------------|-------------------|--------|-------------------|------------------|-------------------|
| Cash and cash equivalents                          | -                 | -                | 13,101,897        | -      | -                 | -                | 13,101,897        |
| Financial assets                                   |                   |                  |                   |        |                   |                  |                   |
| - At fair value through profit or loss             | 3,303,902         | -                | 8,105,532         | -      | -                 | -                | 11,409,434        |
| - At fair value through other comprehensive income | 14,213            | -                | -                 | -      | 50,218            | -                | 64,431            |
| - At amortised cost                                | 37,546,623        | 3,382,332        | 17,639,744        | -      | 11,100,274        | -                | 69,668,973        |
| Loan and other receivables                         | 2,150,000         | -                | -                 | -      | -                 | 1,107,300        | 3,257,300         |
|  | <b>43,014,739</b> | <b>3,382,332</b> | <b>38,847,172</b> | -      | <b>11,150,492</b> | <b>1,107,300</b> | <b>97,502,035</b> |

| Parent<br>December 31, 2025<br>in thousand of naira | Corporate         | Commercial       | Bank              | Retail | Government        | Others            | Total              |
|---|-------------------|------------------|-------------------|--------|-------------------|-------------------|--------------------|
| Cash and cash equivalents                           | -                 | -                | 27,881,721        | -      | -                 | -                 | 27,881,721         |
| Financial assets                                    |                   |                  |                   |        |                   |                   |                    |
| - At fair value through profit or loss              | 8,299,956         | -                | 10,096,433        | -      | -                 | -                 | 18,396,389         |
| - At fair value through other comprehensive income  | 16,450            | -                | 3,612,230         | -      | 83,300            | -                 | 3,711,980          |
| - At amortised cost                                 | 39,880,227        | 3,382,332        | 17,639,744        | -      | 17,161,772        | -                 | 78,064,075         |
| Loan and other receivables                          | -                 | -                | -                 | -      | -                 | 11,041,705        | 11,041,705         |
|   | <b>48,196,633</b> | <b>3,382,332</b> | <b>59,230,128</b> | -      | <b>17,245,072</b> | <b>11,041,705</b> | <b>139,095,870</b> |

| December 31, 2024<br>in thousand of naira          | Corporate         | Commercial       | Bank              | Retail | Government        | Others         | Total             |
|--|-------------------|------------------|-------------------|--------|-------------------|----------------|-------------------|
| Cash and cash equivalents                          | -                 | -                | 13,014,637        | -      | -                 | -              | 13,014,637        |
| Financial assets                                   |                   |                  |                   |        |                   |                |                   |
| - At fair value through profit or loss             | 3,303,902         | -                | 8,105,532         | -      | -                 | -              | 11,409,434        |
| - At fair value through other comprehensive income | 14,213            | -                | -                 | -      | 50,218            | -              | 64,431            |
| - At amortised cost                                | 37,546,623        | 3,382,332        | 17,639,744        | -      | 11,100,274        | -              | 69,668,973        |
| Loan and other receivables                         | 2,150,000         | -                | -                 | -      | -                 | 761,773        | 2,911,773         |
|  | <b>43,014,739</b> | <b>3,382,332</b> | <b>38,759,912</b> | -      | <b>11,150,492</b> | <b>761,773</b> | <b>97,069,249</b> |

**By Geography**

**Group**

**December 31, 2025**

| in thousand of naira                               | Nigeria            | Rest of Africa | Europe         | Others   | Total              |
|--|--------------------|----------------|----------------|----------|--------------------|
| Cash and cash equivalents                          | 31,094,711         | -              | 184,612        | -        | 31,279,323         |
| Financial assets                                   |                    |                |                |          |                    |
| - At fair value through profit or loss             | 18,396,389         | -              | -              | -        | 18,396,389         |
| - At fair value through other comprehensive income | 3,711,980          | -              | -              | -        | 3,711,980          |
| - At amortised cost                                | 78,064,075         | -              | -              | -        | 78,064,075         |
|  | <b>131,267,155</b> | <b>-</b>       | <b>184,612</b> | <b>-</b> | <b>131,451,767</b> |

**Group**

**December 31, 2024**

| in thousand of naira                               | Nigeria           | Rest of Africa | Europe            | Others   | Total             |
|--|-------------------|----------------|-------------------|----------|-------------------|
| Cash and cash equivalents                          | 14,026,398        | -              | 196,293           | -        | 14,222,691        |
| Financial assets                                   |                   |                |                   |          |                   |
| - At fair value through profit or loss             | 11,409,434        | -              | -                 | -        | 11,409,434        |
| - At fair value through other comprehensive income | 64,431            | -              | -                 | -        | 64,431            |
| - At amortised cost                                | 48,336,220        | -              | 21,332,753        | -        | 69,668,973        |
|  | <b>73,836,483</b> | <b>-</b>       | <b>21,529,046</b> | <b>-</b> | <b>95,365,529</b> |

**By Geography**

**Parent**

**December 31, 2025**

| in thousand of naira                               | Nigeria            | Rest of Africa | Europe         | Others   | Total              |
|--|--------------------|----------------|----------------|----------|--------------------|
| Cash and cash equivalents                          | 27,697,109         | -              | 184,612        | -        | 27,881,721         |
| Financial assets                                   |                    |                |                |          |                    |
| - At fair value through profit or loss             | 18,396,389         | -              | -              | -        | 18,396,389         |
| - At fair value through other comprehensive income | 3,711,980          | -              | -              | -        | 3,711,980          |
| - At amortised cost                                | 78,064,075         | -              | -              | -        | 78,064,075         |
|  | <b>127,869,553</b> | <b>-</b>       | <b>184,612</b> | <b>-</b> | <b>128,054,165</b> |

**Parent**

**December 31, 2024**

| in thousand of naira                               | Nigeria           | Rest of Africa | Europe            | Others   | Total             |
|--|-------------------|----------------|-------------------|----------|-------------------|
| Cash and cash equivalents                          | 12,818,344        | -              | 196,293           | -        | 13,014,637        |
| Financial assets                                   |                   |                |                   |          |                   |
| - At fair value through profit or loss             | 11,409,434        | -              | -                 | -        | 11,409,434        |
| - At fair value through other comprehensive income | 64,431            | -              | -                 | -        | 64,431            |
| - At amortised cost                                | 48,336,220        | -              | 21,332,753        | -        | 69,668,973        |
|  | <b>72,628,429</b> | <b>-</b>       | <b>21,529,046</b> | <b>-</b> | <b>94,157,475</b> |

### Business Risk Management

Business risk is managed by Management Underwriting & Investment Committee through consistent monitoring of product lines' profitability, stakeholder engagement to ensure positive outcomes from external factors beyond the Group's control and prompt response to changes in the external environment.

### Reputational Risk Management

NEM Insurance Plc norms and values set a tone for acceptable behaviours required for all staff members, and provide structure and guidance for non-quantifiable decision making, thereby assisting in the management of the group's reputation.

The Group identifies, assesses and manages reputational risks predominately within its business processes. Management of reputational risks is based on the Group's risk governance framework. In addition, Company-wide risks are identified and assessed qualitatively as part of the annual risk & control self-assessment. The Group's risk functions analyses the overall risk profile and regularly informs management about the current profile and potential exposures to the risk. Risk functions' presentation of potential reputational risk guides management decisions in executing business operations and strategies.

The Group has laid great emphasis on effective management of its exposure to credit risk especially premium related debts. The Group defines credit risk as the risk of counterparty's failure to meet its contractual obligations. Credit risk arises from insurance cover granted to parties with payment instruments or payments plan issued by stating or implying the terms of contractual agreement. Credit risk exposure to direct business is low as the Group requires debtors to provide payment plans before inception of insurance policies. The Group's exposure to credit risk arising from brokerage business is relatively moderate and the risk is managed by the Group's internal rating model for brokers. Our credit risk internal rating model is guided by several weighted parameters which determine the categorization of brokers the Group transacts businesses with.

The Group credit risk originates from reinsurance recoverable transactions, retail clients, corporate clients, brokers and agents.

### Management of credit risk due to outstanding premium

#### Credit Rating

We constantly review brokers' contribution to ensure that adequate attention is paid to high premium contributing brokers while others are explored for possible potentials.

Receivables are reviewed and categorized into grade A, B, C and D on the basis of:

- a) Previous year contribution
- b) Payment mode
- c) Outstanding as at December of the previous year
- d) Future prospect
- e) Recommendation

The Group credit risk is constantly reviewed and approved during the weekly Management Operations meeting. The monthly Group management meeting is responsible for the assessment and continual review of the Group premium debt and direct appropriate actions in respect of delinquent ones. It also ensured that adequate provisions are taken in line with the regulatory guidelines. Other credit risk management includes:

- a) Formulating credit policies with strategic business units, underwriters, brokers covering, brokers grading, reporting, assessment, legal procedures and compliance with regulatory and statutory bodies.
- b) Identification of credit risk drivers within the Group in order to coordinate and monitor the probability of default that could have an unfortunate impact.
- c) Developing and monitoring credit limits. The Group is responsible for setting credit limits through grading in order to categorize risk exposures according to the degree of financial loss and the level of priority expected from management.

d) Assessment of credit risk. All firsthand assessment and review of credit exposures in excess of credit limits, prior to granting insurance cover are subject to review process and approval given during management meeting.

e) Continuous reviewing of compliance and processes in order to maintain credit risk exposure within acceptable parameters.

In measuring credit risk, the Group considers three models:

a) The Probability of Default (PD), the likelihood that the insured will fail to make full and timely payment of financial obligations

b) The Exposure at Default (EAD) is derived from the Group's expected value of debt at the time of default

c) The Loss Given Default (LGD) which states the amount of the loss if there is a default, expressed as a percentage of the (EAD).

#### Impairment Model

Premium receivables, which technically falls under receivables is recognized at a fair value and subsequently measured at amortized cost, less provision for impaired receivables. Under IFRS accounting standards, an asset is impaired if the carrying amount is greater than the recoverable amount. The Group adopts simplified provisional matrix for calculating expected losses on premium receivables as a practical expedient in line with IFRS 9. The provision matrix is based on the Group's historical default rates over the expected life of the premium receivables which is adjusted for forward-looking estimates.

#### Credit quality

The Group loan and receivables have no collateral as security and other credit enhancements, thus the Group has no loan or receivables that are past due but not impaired. Insurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.

The Group further manages its exposure to credit risk through deduction of transactions at source and investment in blue-chip companies quoted on Stock Exchange. The exposure to credit risk associated with other receivables is low.

#### Operational Risk Management

A summary of the analytical tools that the Group employed in operational risk management are discussed below:

##### Issue tracking report/action plan report:

Issues can surface from the internal self-assessment process, an audit, or regulators requirements. A key result of the self-assessment process is an action plan with assigned responsibilities. This report contains a ream of major issues, the status of the action plan, and an aging of overdue tasks.

**Risk control and self-assessment (RCSA):** The business areas perform self-assessments semi- annually and results are aggregated to provide a qualitative and quantitative profile of risk across the organization and related action items. Severity of the risks identified is compared with previous RCSA risk severity and a trend is ascertained. The register summarizes findings into list of risks facing the institution. These summary results are accompanied by descriptions of the significant gaps and trends, suggested mitigants, and process owners and timeline for each risk.

The profile of risks across the organization is an integral input for the Group's internal audit whilst preparing audit plans. Areas with high-risk exposures are thoroughly audited and performance of recommended controls tested by the Group's internal control function to ascertain that risks are properly managed.

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 DIRECTOR  
 SECRETARY

**Risk Maps:** Risk maps typically are graphs on which impact of each risk is plotted against probability of occurrence. Risk maps are designed either to show inherent or residual risk categories by line of business. Risks in the upper right are very severe and need to be monitored closely to reduce the Group's exposure. High-frequency/low-severity risks create the basis for expected losses and are often subject to detailed analysis focused on reducing the level of losses.

**Key risk indicators dashboard:** These are numerous measures of actual risks in the business and support functions, such as error rates and control breaks. Summary indicators, related escalation criteria, explanations of any excesses, and identified trends are all important aspects that are tracked. Many indicators are specific to each business unit or process, but some may be common and reported in a consolidated fashion. Threshold is set by management for each key risk indicators and escalation of indicators above such levels triggers a mitigation response.

**Loss events report:** The ERM team developed a database for loss event collation named Loss Event Register. This register allows staff to report actual and near-miss (an unplanned event that did not result in injury, illness, or damage - but had the potential to do so) loss events. Summary statistics from the loss event database are used to show trends of total losses and mean average loss, with analysis by type of loss and business line.

**Business continuity plan:** A critical tool in managing our operational risk is the Business Continuity Plan (BCP) that documents the procedures to be executed by relevant teams in the event of a disaster.

#### **Liquidity Risk Management**

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made and clients request for termination of their investment-linked products. The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flows including investment income. The Group has no tolerance for liquidity risk and is committed to meeting all liabilities as they fall due.

#### **Expected Credit Loss Impairment Model for financial assets**

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

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

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

- Stage 2 - When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.
- Stage 3 - Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

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

#### Measurement of Expected credit losses

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

The Group employs the usage of international rating agencies PD factors which was modified by factors specific to the Nigerian Economy such as inflation rate, unemployment rate, GDP and so on.

Using the probabilities of default (PD) as provided by Standard & Poor's, our model employs Nigeria-centric forward-looking macroeconomic factors which have been determined to be statistically significant, to adjust the PDs. Country-specific factors are also applied to the LGD factors which originate from Basel recommendations and are thereby adjusted to our specific circumstances. Base, optimistic and pessimistic scenarios are employed and projected cash flows are discounted to present value at using the effective rates of interest. The resulting ECL computations are therefore appropriately probability-weighted and consider relevant forward-looking information as well as the time value of money.

#### Details of these statistical parameters/inputs are as follows:

- PD - The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognized and is still in the portfolio.
  1. 12-month PDs - This is the estimated probability of default occurring within the next 12 months (or over) the remaining life of the financial instrument if that is less than 12 months). This is used to calculate 12-month ECLs.
  2. Lifetime PDs - This is the estimated probability of default occurring over the remaining life of the financial instrument. This is used to calculate lifetime ECLs for 'stage 2' and 'stage 3' exposures. PDs are limited to the maximum period of exposure required by IFRS 9.
- EAD - The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

• LGD - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. Basically, it is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD. However, the Group make use of the combination of the following in establishing its LGD:

- 1) Fixed LGD ratios prescribed by the Bank for International Settlements (BIS) under the foundation approach
- 2) Recovery rates on insolvencies in Nigeria as published by the World bank

#### Forward-looking information

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

#### Macroeconomic factors

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

#### Multiple forward-looking scenarios

The Group determines allowance for credit losses using probability-weighted forward looking scenarios.

The Group considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Financial Markets Dealers Quotation (FMDQ) and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) - Normal, Upturn and Downturn, which in turn are used in the estimation of the multiple scenario ECLs. The normal case represents the most likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

#### Assessment of significant increase in credit risk (SICR)

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

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers:

Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

**i Quantitative elements**

The quantitative element is the primary indicator of significant increases in credit risk, with the qualitative element playing a secondary role. The quantitative element is calculated based on the change in lifetime PDs by comparing:

- the remaining lifetime PD as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated based on facts and circumstances at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations)

**ii Qualitative elements**

In general, qualitative factors that are indicative of an increase in credit risk are reflected in PD models on a timely basis and thus are included in the quantitative assessment and not in a separate qualitative assessment. However, if it is not possible to include all current information about such qualitative factors in the quantitative assessment, they are considered separately in a qualitative assessment as to whether there has been a significant increase in credit risk. If there are qualitative factors that indicate an increase in credit risk that have not been included in the calculation of PDs used in the quantitative assessment, the Group recalibrates the PD or otherwise adjusts its estimate when calculating ECLs.

**iii Backstop indicators**

Instruments which are more than 30 days past due or have been granted forbearance are generally regarded as having significantly increased in credit risk and may be credit-impaired. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due; this presumption is applied unless the Group has reasonable and supportable information demonstrating that the credit risk has not increased significantly since initial recognition.

**Definition of Default and Credit Impaired Financial Assets**

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred.

**Evidence that a financial asset is credit-impaired includes the following observable data:**

- (i) Significant financial difficulty of the borrower or issuer;
- (ii) A breach of contract such as a default or past due event;
- (iii) It is becoming probable that the issuer will enter bankruptcy or other financial reorganization; or
- (iv) The disappearance of an active market for a security because of financial difficulties.
- (v) The purchase or origination of a financial asset at a deep discount that reflects the incurred credit loss

An asset that has been renegotiated due to a deterioration in the issuer's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors:

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

#### **Presentation of allowance for ECL in the statement of financial position**

The Company assesses the possible default events within 12 months for the calculation of the 12month ECL and lifetime for the calculation of Life Time ECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio varies for different instruments. In cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

Loan allowances for ECL are presented in the statement of financial position as follows:

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

#### **Inputs, assumptions and techniques used for estimating impairment**

When determining whether the credit risk(i.e. Risk of default) on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost of effort, This includes both qualitative and quantitative information analysis based on the Group's experience, expert credit assessment and forward looking information.

The Group primarily identifies whether a significant increase in credit risk has occurred for an exposure by using days past due and assessing other information obtained externally. Whenever available, the Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published rating, the Group also reviews changes in Bond yields together with available press and regulatory information about issuers.

Where external credit ratings are not available, the Group allocates each exposure to a credit risk grade based on data that is determined to predictive of the risk of default(including but not limited to the audited financial statements, management accounts and cash flows projections, available regulatory and press information about the borrowers and apply experienced credit judgement. Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are aligned with the external credit rating definition from Moody's and Standards and Poor.

The Group has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk at reporting date. The Group considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Group considers this to be Baa3 or higher based on the Moody rating.

As a back stop, the Group considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due. Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

The Group monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;

- The criteria do not align with the point in time when the asset becomes 30 days past due;
- The average time between the identification of a significant increase in credit risk and default appears reasonable
- Exposures are not generally transferred from 12- month ECL measurement to credit impaired and
- There is no unwarranted volatility in loss allowance from transfers between 12-month ECL and Lifetime ECL measurement.

#### **Modified financial assets**

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the borrower. An existing financial asset whose terms have been modified may be derecognized and the renegotiated asset recognized as a new financial asset at fair value in accordance with the accounting policies. When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects a comparison of:

- Its risk of default occurring at the reporting date based on the modified term; with
- The risk of default occurring estimated based on Data on initial recognition and the original contractual terms.

#### **Liquidity Risk**

Liquidity risk is the inability of a Group to meet obligations on a timely basis. It is also the inability of a Group to take advantage of business opportunities and sustain the growth target in its business strategy due to liquidity constraints or difficulty in obtaining funding at a reasonable cost. Our liquidity risk exposure is strongly related to our credit and investment risk profile. The Group is exposed to daily calls on its available cash resources from claims to be paid.

At 31 December 2025, management does not believe the current maturity profile of the Group lends itself to any material liquidity risk, taking into account the level of cash and deposits and the nature of its securities portfolio at year end, as well as the reinsurance structure of the Group's insurance portfolio. The Group's bank deposits and trading securities are able to be released at short notice when and if required. The possible payments of significant insurance claims are secured by the reinsurance contracts' clause that allows a cash call from the reinsurers for the losses exceeding a certain amount based on line of business.

#### **Sources of Liquidity Risk**

Our liquidity risk exposure depends on the occurrence of other risks. Some of the factors that could lead to liquidity risks are:

- Reputational loss or rating downgrade, leading to inability to generate funds;
- Failure of insurance brokers and clients to meet their premium payment obligation as and when due;
- Lack of timely communication between Finance & Investment Division and Claims Department resulting in mismatch of funds;
- Investment in volatile securities; and
- Frequency and severity of major and catastrophic claims.

#### **Liquidity Risk Management Strategy**

The Group's strategy for managing liquidity risks are as follows:

- Maintain a good and optimum balance between having sufficient stock of liquid assets, profitability and investment needs;
- Ensure strict credit control and an effective management of account receivables;
- Ensure unrestricted access to financial markets to raise funds;
- Develop and continuously update the contingency funding plan;
- Adhere to the liquidity risk control limits; and
- Communicate to all relevant staff on the liquidity risk management objectives and control limits.

#### **Liquidity Risk Appetite/Tolerance**

Our liquidity risk appetite is defined using the following parameters:

- Liquidity gap limits;
- Scenario and Sensitivity Analysis

- Liquidity Ratios such as:
  - Claims ratio
  - Cash ratio
  - Quick ratio
- Receivable to capital ratio
- Technical provision to capital ratio
- Maximum exposure for single risk to capital ratio
- Maximum exposure for a single event to capital ratio
- Retention rate
- Re-insurance receipts to ceded premium ratio
- Solvency margin

#### **Short-term insurance contracts**

For short-term insurance contracts, the Company funds the insurance liabilities with a portfolio of equity and debt securities exposed to liquidity risk. The following tables indicate the contractual timing of cash flows arising from assets and liabilities included in the Company's ALM framework for management of short-term insurance contracts.

The table below sets out the classification of each class of financial assets and liabilities, and their maturity profiles:

| Group  |        | At 31 December 2025      |                       |                       |                        |   |                           |                    |       |
|--|--------|--------------------------|-----------------------|-----------------------|------------------------|---|---------------------------|--------------------|-------|
|  | Note   | Carrying amount<br>N'000 | 1 - 3 months<br>N'000 | 3 - 6 months<br>N'000 | 6 - 12<br>months N'000 | Between 1<br>year and 5<br>years<br>N'000 | Above 5<br>years<br>N'000 | Total              | N'000 |
| <b>Financial assets</b>  |        |                          |                       |                       |                        |   |                           |                    |       |
| Cash & cash equivalent   | 3      | 30,997,635               | 31,279,323            | -                     | -                      | -   | -                         | 31,279,323         | -     |
| <i>Financial assets</i>  |        |                          |                       |                       |                        |   |                           |                    |       |
| - At fair value through profit or loss                                   | 4.1    | 18,396,389               | -                     | -                     | -                      | 18,396,389                                | -                         | 18,396,389         | -     |
| - At fair value through other comprehensive income                       | 4.2    | 3,711,980                | -                     | -                     | -                      | -   | 3,711,980                 | 3,711,980          | -     |
| - At amortised cost  | 4.3    | 77,054,169               | 14,142,106            | 30,238,869            | 6,328,036              | 20,774,826                                | 6,580,238                 | 78,064,075         | -     |
| Loans and receivables  | 8      | 73,563                   | -                     | -                     | 73,563                 | -   | -                         | 73,563             | -     |
| Trade and Other Receivables  | (5)(8) | 15,244,965               | 4,476,105             | 90,433                | 497,417                | -   | -                         | 5,063,955          | -     |
| Reinsurance contract assets  | 6      | 27,600,408               | 8,832,131             | 5,796,086             | 1,932,029              | 8,832,131                                 | 2,208,033                 | 27,600,408         | -     |
|  |        | <b>173,079,109</b>       | <b>58,729,664</b>     | <b>36,125,388</b>     | <b>8,831,045</b>       | <b>48,003,346</b>                         | <b>12,500,251</b>         | <b>164,189,693</b> |       |
| <b>Accruals and other payables (excluding non-financial liabilities)</b> |        |                          |                       |                       |                        |   |                           |                    |       |
| Insurance contract liabilities   | 15     | 67,327,073               | 21,544,663            | 14,138,685            | 4,712,895              | 21,544,663                                | 5,386,166                 | 67,327,073         | -     |
| Other technical liabilities  | 16     | 12,881,024               | 4,121,928             | 2,705,015             | 901,672                | 4,121,928                                 | 1,030,482                 | 12,881,024         | -     |
|  |        | <b>89,235,300</b>        | <b>32,729,232</b>     | <b>16,843,700</b>     | <b>5,614,567</b>       | <b>27,631,153</b>                         | <b>6,416,648</b>          | <b>89,235,300</b>  |       |
| <b>Liquidity Gap</b>   |        |                          |                       |                       |                        |   |                           |                    |       |
| Cumulative liquidity gap   |        | <b>83,843,809</b>        | <b>26,000,432</b>     | <b>19,281,687</b>     | <b>3,216,478</b>       | <b>20,372,192</b>                         | <b>6,083,603</b>          | <b>74,954,393</b>  |       |
| <b>At 31 December 2024</b>   |        |                          |                       |                       |                        |   |                           |                    |       |
|  | Note   | Carrying amount<br>N'000 | 1 - 3 months<br>N'000 | 3 - 6 months<br>N'000 | 6 - 12<br>months N'000 | Between 1<br>year and 5<br>years<br>N'000 | Above 5<br>years<br>N'000 | Total              | N'000 |
| <b>Financial assets</b>  |        |                          |                       |                       |                        |   |                           |                    |       |
| Cash & cash equivalent   | 3      | 13,978,899               | 14,222,691            | -                     | -                      | -   | -                         | 14,222,691         | -     |
| <i>Financial assets</i>  |        |                          |                       |                       |                        |   |                           |                    |       |
| - At fair value through profit or loss                                   | 4.1    | 11,409,434               | -                     | -                     | -                      | 11,409,434                                | -                         | 11,409,434         | -     |
| - At fair value through other comprehensive income                       | 4.2    | 64,431                   | -                     | -                     | -                      | -   | 64,431                    | 64,431             | -     |
| - At amortised cost  | 4.3    | 68,577,216               | 8,080,607             | 26,584,373            | 7,052,810              | 22,460,945                                | 5,490,238                 | 69,668,973         | -     |
| Loans and receivables  | 8      | 104,067                  | -                     | -                     | 104,067                | -   | -                         | 104,067            | -     |
| Trade and Other Receivables  | (5)(8) | 4,424,324                | 1,864,278             | 89,408                | 320,637                | 2,150,000                                 | -                         | 4,424,324          | -     |
| Reinsurance contract assets  | 6      | 15,910,561               | 5,091,380             | 3,341,218             | 1,113,739              | 5,091,380                                 | 1,272,845                 | 15,910,561         | -     |
|  |        | <b>114,468,932</b>       | <b>29,258,956</b>     | <b>30,014,999</b>     | <b>8,591,253</b>       | <b>41,111,759</b>                         | <b>6,827,514</b>          | <b>115,804,481</b> |       |
| <b>Accruals and other payables (excluding non-financial liabilities)</b> |        |                          |                       |                       |                        |   |                           |                    |       |
| Insurance contract liabilities   | 15     | 42,330,564               | 13,545,781            | 8,889,418             | 2,963,139              | 13,545,781                                | 3,386,445                 | 42,330,564         | -     |
| Other technical liabilities  | 16     | 718,236                  | 229,836               | 150,830               | 50,277                 | 229,836                                   | 57,459                    | 718,236            | -     |
|  |        | <b>48,637,870</b>        | <b>19,364,686</b>     | <b>9,040,248</b>      | <b>3,013,416</b>       | <b>13,775,616</b>                         | <b>3,443,904</b>          | <b>48,637,870</b>  |       |
| <b>Liquidity Gap</b>   |        |                          |                       |                       |                        |   |                           |                    |       |
| Cumulative liquidity gap   |        | <b>65,831,062</b>        | <b>9,894,270</b>      | <b>20,974,751</b>     | <b>5,577,837</b>       | <b>27,336,142</b>                         | <b>3,383,610</b>          | <b>67,166,611</b>  |       |
|  |        | <b>9,894,270</b>         | <b>30,869,020</b>     | <b>36,446,857</b>     | <b>63,783,000</b>      | <b>67,166,610</b>                         |                           |                    |       |

Parent  
At 31 December 2025

|  | Note     | Carrying amount<br>N'000 | 1 - 3 months<br>N'000 | 3 - 6 months<br>N'000 | 6 - 12<br>months N'000 | Between 1<br>year and 5<br>years N'000 | Above 5<br>years<br>N'000 | Total              | N'000 |
|--|----------|--------------------------|-----------------------|-----------------------|------------------------|--|---------------------------|--------------------|-------|
| <b>Financial assets</b>  |          |                          |                       |                       |                        |  |                           |                    |       |
| Cash & cash equivalent   | 3        | 27,606,163               | 27,881,721            | -                     | -                      | -                                      | -                         | 27,881,721         |       |
| <i>Financial assets</i>  |          |                          |                       |                       |                        |  |                           |                    |       |
| - At fair value through profit or loss                                   | 4.1      | 18,396,389               | -                     | -                     | -                      | 18,396,389                             | -                         | 18,396,389         |       |
| - At fair value through other comprehensive income                       | 4.2      | 3,711,980                | -                     | -                     | -                      | -                                      | 3,711,980                 | 3,711,980          |       |
| - At amortised cost  | 4.3      | 76,780,633               | 14,142,106            | 30,238,869            | 6,052,145              | 20,774,826                             | 6,580,238                 | 77,788,184         |       |
| Loans and receivables  | 8        | 73,563                   | 73,563                | -                     | -                      | -                                      | -                         | 73,563             |       |
| Trade and Other Receivables  | (5)(8)   | 11,045,930               | 10,274,960            | -                     | 669,345                | 101,625                                | -                         | 11,045,930         |       |
| Reinsurance contract assets  | 6        | 27,600,409               | 8,832,131             | 5,796,086             | 1,932,029              | 8,832,131                              | 2,208,033                 | 27,600,409         |       |
|  |          | <b>165,215,067</b>       | <b>61,204,480</b>     | <b>36,034,955</b>     | <b>8,653,519</b>       | <b>48,104,971</b>                      | <b>12,500,251</b>         | <b>166,498,176</b> |       |
| <b>Accruals and other payables (excluding non-financial liabilities)</b> |          |                          |                       |                       |                        |  |                           |                    |       |
|  | (17)(28) | 5,782,023                | 3,817,461             | -                     | -                      | 1,964,562                              | -                         | 5,782,023          |       |
| Insurance contract liabilities   | 15       | 63,498,152               | 20,319,409            | 13,334,612            | 4,444,871              | 20,319,409                             | 5,079,852                 | 63,498,152         |       |
| Other technical liabilities  | 16       | 12,880,471               | 4,121,751             | 2,704,899             | 901,633                | 4,121,751                              | 1,030,438                 | 12,880,471         |       |
|  |          | <b>82,160,646</b>        | <b>28,258,620</b>     | <b>16,039,511</b>     | <b>5,346,504</b>       | <b>26,405,721</b>                      | <b>6,110,290</b>          | <b>82,160,646</b>  |       |
| <b>Liquidity Gap</b>   |          | <b>83,054,421</b>        | <b>32,945,861</b>     | <b>19,995,444</b>     | <b>3,307,015</b>       | <b>21,699,249</b>                      | <b>6,389,961</b>          | <b>84,337,530</b>  |       |
| <b>Cumulative liquidity gap</b>  |          |                          | <b>32,945,861</b>     | <b>52,941,305</b>     | <b>56,248,320</b>      | <b>77,947,569</b>                      | <b>84,337,530</b>         |                    |       |

At 31 December 2024

|  | Note     | Carrying amount<br>N'000 | 1 - 3 months<br>N'000 | 3 - 6 months<br>N'000 | 6 - 12<br>months N'000 | Between 1<br>year and 5<br>years N'000 | Above 5<br>years<br>N'000 | Total              | N'000 |
|--|----------|--------------------------|-----------------------|-----------------------|------------------------|--|---------------------------|--------------------|-------|
| <b>Financial assets</b>  |          |                          |                       |                       |                        |  |                           |                    |       |
| Cash & cash equivalent   | 3        | 12,771,656               | 13,014,637            | -                     | -                      | -                                      | -                         | 13,014,637         |       |
| <i>Financial assets</i>  |          |                          |                       |                       |                        |  |                           |                    |       |
| - At fair value through profit or loss                                   | 4.1      | 11,409,434               | -                     | -                     | -                      | 11,409,434                             | -                         | 11,409,434         |       |
| - At fair value through other comprehensive income                       | 4.2      | 64,431                   | -                     | -                     | -                      | -                                      | 64,431                    | 64,431             |       |
| - At amortised cost  | 4.3      | 68,577,216               | 8,080,607             | 26,584,373            | 7,052,810              | 22,460,945                             | 5,490,238                 | 69,668,973         |       |
| Loans and receivables  | 8        | 104,067                  | 104,067               | -                     | -                      | -                                      | -                         | 104,067            |       |
| Trade and Other Receivables  | (5)(8)   | 3,060,729                | 187,416               | -                     | 425,204                | 2,448,109                              | -                         | 3,060,729          |       |
| Reinsurance contract assets  | 6        | 15,910,561               | 5,091,380             | 3,341,218             | 1,113,739              | 5,091,380                              | 1,272,845                 | 15,910,561         |       |
|  |          | <b>111,898,094</b>       | <b>26,478,107</b>     | <b>29,925,590</b>     | <b>8,591,753</b>       | <b>41,409,867</b>                      | <b>6,827,514</b>          | <b>113,232,832</b> |       |
| <b>Accruals and other payables (excluding non-financial liabilities)</b> |          |                          |                       |                       |                        |  |                           |                    |       |
|  | (17)(28) | 4,568,064                | 4,568,064             | -                     | -                      | -                                      | -                         | 4,568,064          |       |
| Insurance contract liabilities   | 15       | 41,093,559               | 13,149,939            | 8,629,647             | 2,876,549              | 13,149,939                             | 3,287,485                 | 41,093,559         |       |
| Other technical liabilities  | 16       | 666,240                  | 213,197               | 139,910               | 46,637                 | 213,197                                | 53,299                    | 666,240            |       |
|  |          | <b>46,327,863</b>        | <b>17,931,200</b>     | <b>8,769,558</b>      | <b>2,923,186</b>       | <b>13,363,136</b>                      | <b>3,340,784</b>          | <b>46,327,863</b>  |       |
| <b>Liquidity Gap</b>   |          | <b>65,570,231</b>        | <b>8,546,907</b>      | <b>21,156,033</b>     | <b>5,668,567</b>       | <b>28,046,731</b>                      | <b>3,486,730</b>          | <b>66,904,969</b>  |       |
| <b>Cumulative liquidity gap</b>  |          |                          | <b>8,546,907</b>      | <b>29,702,940</b>     | <b>35,371,507</b>      | <b>63,418,238</b>                      | <b>66,904,968</b>         |                    |       |

(b) Financial instruments measured at fair value

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflects market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Nigerian Stock Exchange equity investments carried at fair value through profit or loss and equity investments carried at fair value through other comprehensive income.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognised in the statement of financial position.

**Group**

At 31 December 2025 (N'000)

In thousands of naira

|   | Level 1           | Level 2  | Level 3          | Total             |
|---|-------------------|----------|------------------|-------------------|
| <b>Financial assets</b>   |                   |          |                  |                   |
| Financial Assets at fair value through profit or loss             | 18,396,389        | -        | -                | 18,396,389        |
| Financial assets at fair value through other comprehensive income | 99,750            | -        | 3,612,230        | 3,711,980         |
| <b>Total</b>  | <b>18,496,139</b> | <b>-</b> | <b>3,612,230</b> | <b>22,108,369</b> |
| <b>Financial liabilities</b>                                      | -                 | -        | -                | -                 |

**Group**

At 31 December 2024 (N'000)

|                              | Level 1           | Level 2  | Level 3  | Total             |
|------------------------------|-------------------|----------|----------|-------------------|
| <b>Financial assets</b>      |                   |          |          |                   |
| Financial Assets -FVTPL      | 11,409,434        | -        | -        | 11,409,434        |
| Financial Assets -FVOCI      | 64,431            | -        | -        | 64,431            |
| <b>Total</b>                 | <b>11,473,865</b> | <b>-</b> | <b>-</b> | <b>11,473,865</b> |
| <b>Financial liabilities</b> | -                 | -        | -        | -                 |

**Parent**

At 31 December 2025 (N'000)

In thousands of naira

|   | Level 1           | Level 2  | Level 3          | Total             |
|---|-------------------|----------|------------------|-------------------|
| <b>Financial assets</b>   |                   |          |                  |                   |
| Financial Assets at fair value through profit or loss             | 18,396,389        | -        | -                | 18,396,389        |
| Financial assets at fair value through other comprehensive income | 99,750            | -        | 3,612,230        | 3,711,980         |
| <b>Total</b>  | <b>18,496,139</b> | <b>-</b> | <b>3,612,230</b> | <b>22,108,369</b> |
| <b>Financial liabilities</b>                                      | -                 | -        | -                | -                 |

Parent

At 31 December 2024 (N'000)

|                              | Level 1           | Level 2 | Level 3 | Total             |
|------------------------------|-------------------|---------|---------|-------------------|
| <b>Financial assets</b>      |                   |         |         |                   |
| Financial Assets -FVTPL      | 11,409,434        | -       | -       | 11,409,434        |
| Financial Assets -FVOCI      | 64,431            | -       | -       | 64,431            |
| <b>Total</b>                 | <b>11,473,865</b> | -       | -       | <b>11,473,865</b> |
| <b>Financial liabilities</b> | -                 | -       | -       | -                 |

Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring Level 3 fair value for financial instruments measured at fair value in the statement of profit or loss and other comprehensive income, as well as significant unobservable inputs used;

| Type of Financial Instrument | Fair value as at 31 December 2025 N'000 | Valuation Technique                        | Significant unobservable inputs  |
|------------------------------|---|--|--|
| Unquoted Equity Securities   | 3,612,230                               | Market Approach: Price/Book Value Approach | <p><b>Illiquidity discount:</b> 20% Illiquidity discount for emerging markets non listed equities ranges between of 10%-25% depending on the circumstance. Significant increases in the discount, in isolation, would result in lower fair values. Significant reduction would result in higher fair values.</p> <p><b>Private company and small holding discount 5%</b><br/>Significant increases in the discount, in isolation, would result in lower fair values. Significant reduction would result in higher fair values.</p> |
| <b>Total</b>                 | <b>3,612,230</b>                        |  |  |

Reconciliation of Level 3 items

|                             | 2025<br>N'000    | 2024<br>N'000 |
|-----------------------------|------------------|---------------|
| At 1 January                | -                | -             |
| Addition                    | 3,612,230        | -             |
| Fair value gain through OCI | -                | -             |
| At 31 December              | <u>3,612,230</u> | -             |

Financial instruments not measured at fair value

The following table sets out the carrying amount of financial instruments not measured at fair value and the analysis per level in the fair value hierarchy into which each fair value measurement is categorised.

Group

In thousands of naira

December 31 2025

|   | Fair value        |                    |         | Total              | Carrying amount    |
|---|-------------------|--------------------|---------|--------------------|--------------------|
|   | Level 1           | Level 2            | Level 3 |                    |                    |
| Cash and cash equivalents                 | -                 | 30,997,635         | -       | 30,997,635         | 30,997,635         |
| Financial investments at amortised cost   | 14,064,042        | 62,990,127         | -       | 77,054,169         | 77,054,169         |
| Premium Receivable                        | -                 | 3,444,886          | -       | 3,444,886          | 3,444,886          |
| Other receivables (excluding prepayments) | -                 | 11,783,209         | -       | 11,783,209         | 11,783,209         |
| Statutory deposit                         | -                 | 320,000            | -       | 320,000            | 320,000            |
| <b>Total</b>                              | <b>14,064,042</b> | <b>109,535,858</b> | -       | <b>123,599,899</b> | <b>123,599,899</b> |
| <b>Liability type</b>                     |                   |                    |         |                    |                    |
| Other technical liabilities               | -                 | 12,881,024         | -       | 12,881,024         | 12,881,024         |
| Borrowings                                | -                 | -                  | -       | -                  | -                  |
| Other payables                            | -                 | 9,027,203          | -       | 9,027,203          | 9,027,203          |
| <b>Total</b>                              | -                 | <b>21,908,227</b>  | -       | <b>21,908,227</b>  | <b>21,908,227</b>  |

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Group

In thousands of naira

December 31 2024

|   | Fair value       |                   |          | Total             | Carrying amount   |
|---|------------------|-------------------|----------|-------------------|-------------------|
|   | Level 1          | Level 2           | Level 3  |                   |                   |
| Cash and cash equivalents                 | -                | 13,978,898        | -        | 13,978,898        | 13,978,898        |
| Financial investments at amortised cost   | 5,333,247        | 63,604,817        | -        | 68,938,064        | 68,577,216        |
| Premium Receivable                        | -                | 1,271,090         | -        | 1,271,090         | 1,271,090         |
| Other receivables (excluding prepayments) | -                | 3,167,892         | -        | 3,167,892         | 3,167,892         |
| Statutory deposit                         | -                | 320,000           | -        | 320,000           | 320,000           |
| <b>Total</b>                              | <b>5,333,247</b> | <b>82,342,697</b> | <b>-</b> | <b>87,675,944</b> | <b>87,315,097</b> |

Liability type

|                             |          |                  |          |                  |                  |
|-----------------------------|----------|------------------|----------|------------------|------------------|
| Other technical liabilities | -        | 718,236          | -        | 718,236          | 718,236          |
| Borrowings                  | -        | -                | -        | -                | -                |
| Other payables              | -        | 5,589,070        | -        | 5,589,070        | 5,589,070        |
| <b>Total</b>                | <b>-</b> | <b>6,307,307</b> | <b>-</b> | <b>6,307,307</b> | <b>6,307,307</b> |

Parent

In thousands of naira

December 31 2025

|   | Fair value        |                    |          | Total              | Carrying amount    |
|---|-------------------|--------------------|----------|--------------------|--------------------|
|   | Level 1           | Level 2            | Level 3  |                    |                    |
| Cash and cash equivalents                 | -                 | 27,606,163         | -        | 27,606,163         | 27,606,163         |
| Financial investments at amortised cost   | 14,064,042        | 62,716,591         | -        | 76,780,633         | 76,780,633         |
| Premium Receivable                        | -                 | 77,788             | -        | 77,788             | 77,788             |
| Other receivables (excluding prepayments) | -                 | 10,951,980         | -        | 10,951,980         | 10,951,980         |
| Statutory deposit                         | -                 | 320,000            | -        | 320,000            | 320,000            |
| <b>Total</b>                              | <b>14,064,042</b> | <b>101,672,523</b> | <b>-</b> | <b>115,736,564</b> | <b>115,736,564</b> |

Liability type

|                             |          |                   |          |                   |                   |
|-----------------------------|----------|-------------------|----------|-------------------|-------------------|
| Other technical liabilities | -        | 12,880,471        | -        | 12,880,471        | 12,880,471        |
| Borrowings                  | -        | -                 | -        | -                 | -                 |
| Other payables              | -        | 5,782,023         | -        | 5,782,023         | 5,782,023         |
| <b>Total</b>                | <b>-</b> | <b>18,662,494</b> | <b>-</b> | <b>18,662,494</b> | <b>18,662,494</b> |

**Parent**

In thousands of naira

December 31 2024

|   | Fair value       |                   |          | Total             | Carrying amount   |
|---|------------------|-------------------|----------|-------------------|-------------------|
|   | Level 1          | Level 2           | Level 3  |                   |                   |
| Cash and cash equivalents                 | -                | 12,771,656        | -        | 12,771,656        | 12,771,656        |
| Financial investments at amortised cost   | 5,333,247        | 63,604,817        | -        | 68,938,064        | 68,577,216        |
| Premium Receivable                        | -                | 253,022           | -        | 253,022           | 253,022           |
| Other receivables (excluding prepayments) | -                | 2,873,312         | -        | 2,873,312         | 2,873,312         |
| Statutory deposit                         | -                | 320,000           | -        | 320,000           | 320,000           |
| <b>Total</b>                              | <b>5,333,247</b> | <b>79,822,807</b> | <b>-</b> | <b>85,156,054</b> | <b>84,795,206</b> |

**Liability type**

|                             |          |                  |          |                  |                  |
|-----------------------------|----------|------------------|----------|------------------|------------------|
| Other technical liabilities | -        | 666,240          | -        | 666,240          | 666,240          |
| Borrowings                  | -        | -                | -        | -                | -                |
| Other payables              | -        | 4,568,064        | -        | 4,568,064        | 4,568,064        |
| <b>Total</b>                | <b>-</b> | <b>5,234,304</b> | <b>-</b> | <b>5,234,304</b> | <b>5,234,304</b> |

**(c) Fair valuation methods and assumptions**

The determination of fair value for each class of financial instruments was based on the particular characteristic of the instruments. The method and assumptions applied are enumerated below:

**(i) Cash and cash equivalents and borrowings**

The estimated fair value of fixed interest placement with banks, bonds and borrowings is based on the discounted cash flow techniques using prevailing money market interest rates for debts and similar credit risk and remaining maturity.

**(ii) Equity securities**

The fair values of quoted equity securities are determined by reference to quoted prices (unadjusted) in active markets for identical assets. The fair

**(iii) Debt securities**

Treasury bills represent short term instruments issued by the Central bank of the jurisdiction where the Group operates. The fair value of treasury bills and bonds at fair value are determined with reference to quoted prices (unadjusted) in active markets for identical assets. The estimated fair value of bonds (asset or liability) at amortised cost represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

**(iv) Other assets**

Other assets represent monetary assets which usually have a short recycle period and as such the fair values of these balances approximate their carrying amount.

**(v) Premium receivables and other technical liabilities, and other liabilities**

The estimated fair value of receivables and payables with no stated maturity which includes no interest payables and receivables is the amount repayable or to be received on demand.

The carrying amounts of other liabilities are reasonable approximation of their fair values which are payable on demand.

**Fair value measurement**  
**Accounting classification measurement basis and fair values**

The table below sets out the classification of each class of financial assets and liabilities, and their fair values.

|   | Financial assets<br>Financial assets<br>designated as FVTPL | Financial assets<br>measured at amortized<br>cost | Financial assets<br>measured at FVOCI | Financial liabilities<br>measured at<br>amortised cost | Total carrying<br>amount | Fair value         |
|---|---|---|---------------------------------------|--|--------------------------|--------------------|
| <b>Group</b>  |   |   |                                       |  |                          |                    |
| <b>In thousands of Naira</b>                          |   |   |                                       |  |                          |                    |
| <b>31 December, 2025</b>                              |   |   |                                       |  |                          |                    |
| Cash and cash equivalents                             | 31,279,323  | -   | -                                     | -  | 31,279,323               | 31,279,323         |
| Financial assets                                      |   |   |                                       |  |                          |                    |
| - At fair value through profit or loss                | 18,396,389  | -   | -                                     | -  | 18,396,389               | 18,396,389         |
| - At fair value through other<br>comprehensive income | -   | -   | 3,711,980                             | -  | 3,711,980                | 3,711,980          |
| - At amortised cost                                   | -   | 78,064,075  | -                                     | -  | 78,064,075               | 78,064,075         |
| Loans and receivables                                 | -   | 73,563  | -                                     | -  | 73,563                   | 73,563             |
| <b>Total Financial assets</b>                         | <b>49,675,712</b>   | <b>78,137,638</b>                                 | <b>3,711,980</b>                      | <b>-</b>   | <b>131,525,330</b>       | <b>131,525,330</b> |
| Borrowings  | -   | -   | -                                     | -  | -                        | -                  |
| Other payables  | -   | -   | -                                     | 8,816,230  | 8,816,230                | 8,816,230          |
| Lease liabilities                                     | -   | -   | -                                     | 210,973  | 210,973                  | 210,973            |
| <b>Total Financial liabilities</b>                    | <b>-</b>  | <b>-</b>  | <b>-</b>                              | <b>9,027,203</b>                                       | <b>9,027,203</b>         | <b>9,027,203</b>   |
| <b>Group</b>  |   |   |                                       |  |                          |                    |
| <b>In thousands of Naira</b>                          |   |   |                                       |  |                          |                    |
| <b>December 31, 2024</b>                              |   |   |                                       |  |                          |                    |
| Cash and cash equivalents                             | 14,222,691  | -   | -                                     | -  | 14,222,691               | 14,222,691         |
| Financial assets                                      |   |   |                                       |  |                          |                    |
| - At fair value through profit or loss                | 11,409,434  | -   | -                                     | -  | 11,409,434               | 11,409,434         |
| - At fair value through other<br>comprehensive income | -   | -   | 64,431                                | -  | 64,431                   | 64,431             |
| - At amortised cost                                   | -   | 69,668,973  | -                                     | -  | 69,668,973               | 69,668,973         |
| Loans and receivables                                 | -   | 104,067   | -                                     | -  | 104,067                  | 104,067            |
| <b>Total Financial assets</b>                         | <b>25,632,126</b>   | <b>69,773,040</b>                                 | <b>64,431</b>                         | <b>-</b>   | <b>95,469,596</b>        | <b>95,469,596</b>  |
| Borrowings  | -   | -   | -                                     | -  | -                        | -                  |
| Other payables  | -   | -   | -                                     | 5,126,662  | 5,126,662                | 5,126,662          |
| Lease liabilities                                     | -   | -   | -                                     | 462,408  | 462,408                  | 462,408            |
| <b>Total Financial liabilities</b>                    | <b>-</b>  | <b>-</b>  | <b>-</b>                              | <b>5,589,070</b>                                       | <b>5,589,070</b>         | <b>5,589,070</b>   |
| <b>Parent</b>   |   |   |                                       |  |                          |                    |
| <b>In thousands of Naira</b>                          |   |   |                                       |  |                          |                    |
| <b>31 December, 2025</b>                              |   |   |                                       |  |                          |                    |
| Cash and cash equivalents                             | -   | 27,881,721  | -                                     | -  | 27,881,721               | 27,881,721         |
| Financial assets                                      |   |   |                                       |  |                          |                    |
| - At fair value through profit or loss                | 18,396,389  | -   | -                                     | -  | 18,396,389               | 18,396,389         |
| - At fair value through other<br>comprehensive income | -   | -   | 3,711,980                             | -  | 3,711,980                | 3,711,980          |
| - At amortised cost                                   | -   | 77,788,184  | -                                     | -  | 77,788,184               | 77,788,184         |
| Loans and receivables                                 | -   | 73,563  | -                                     | -  | 73,563                   | 73,563             |
| <b>Total Financial assets</b>                         | <b>18,396,389</b>   | <b>105,743,468</b>                                | <b>3,711,980</b>                      | <b>-</b>   | <b>127,851,837</b>       | <b>127,851,837</b> |
| Borrowings  | -   | -   | -                                     | -  | -                        | -                  |
| Other payables  | -   | -   | -                                     | 967,643  | 967,643                  | 967,643            |
| Lease liabilities                                     | -   | -   | -                                     | 361,364  | 361,364                  | 361,364            |
| <b>Total Financial liabilities</b>                    | <b>-</b>  | <b>-</b>  | <b>-</b>                              | <b>1,329,007</b>                                       | <b>1,329,007</b>         | <b>1,329,007</b>   |
| <b>Parent</b>   |   |   |                                       |  |                          |                    |
| <b>In thousands of Naira</b>                          |   |   |                                       |  |                          |                    |
| <b>December 31, 2024</b>                              |   |   |                                       |  |                          |                    |
| Cash and cash equivalents                             | -   | 13,014,637  | -                                     | -  | 13,014,637               | 13,014,637         |
| Financial assets                                      |   |   |                                       |  |                          |                    |
| - At fair value through profit or loss                | 11,409,434  | -   | -                                     | -  | 11,409,434               | 11,409,434         |
| - At fair value through other<br>comprehensive income | -   | -   | 64,431                                | -  | 64,431                   | 64,431             |
| - At amortised cost                                   | -   | 69,668,973  | -                                     | -  | 69,668,973               | 69,668,973         |
| Loans and receivables                                 | -   | 104,067   | -                                     | -  | 104,067                  | 104,067            |
| <b>Total Financial assets</b>                         | <b>11,409,434</b>   | <b>82,787,677</b>                                 | <b>64,431</b>                         | <b>-</b>   | <b>94,261,542</b>        | <b>94,261,542</b>  |
| Borrowings  | -   | -   | -                                     | -  | -                        | -                  |
| Other payables  | -   | -   | -                                     | 776,009  | 776,009                  | 776,009            |
| Lease liabilities                                     | -   | -   | -                                     | 495,722  | 495,722                  | 495,722            |
| <b>Total Financial liabilities</b>                    | <b>-</b>  | <b>-</b>  | <b>-</b>                              | <b>1,271,731</b>                                       | <b>1,271,731</b>         | <b>1,271,731</b>   |

## 50 Capital management Policy

NEM has over the years been deploying capital from earnings and additional equity funds to support growth in business volumes while striving to meet dividend commitments to shareholders. To be able to continue to generate and deploy capital both to grow core businesses and reward shareholders, there is need for the Group to execute the right strategy, the right growth dynamics, the right cost structure and risk discipline as well as the right capital management.

NEM's capital management strategy focuses on the creation of shareholders' value whilst meeting the crucial and equally important objective of providing an appropriate level of capital to protect stakeholders' interests and satisfy regulators.

The Group's objectives when managing capital are as follows:

- To ensure that capital is, and will continue to be, adequate for the safety, soundness and stability of the Group;
- To generate sufficient capital to support the Group's overall business strategy;
- To ensure that the Group meets all regulatory capital ratios and the prudent buffer required by the Board;
- To ensure that the average return on capital over a 3 -5 years performance cycle is sufficient to satisfy the expectations of investors;
- To maintain a strong risk rating;
- To ensure that capital allocation decisions are optimal, considering the return on economic and regulatory capital;
- To determine the capital required to support each business activity based on returns generated on capital to facilitate growth/expansion of existing businesses (i.e. capital allocation);
- To establish the efficiency of capital utilization.

### (a) Minimum Capital Requirement

The Parent complied with the minimum capital requirement of N3billion for non-life operations. This is shown under Shareholders' Fund in the Statement of Financial Position.

### (b) Solvency Status

The Parent met the criteria for solvency margin as stated in section 24(1) of the Insurance Act, CAP I17, LFN 2003, the available solvency margin maintained is N48,888,219,969

### (c) Capital Adequacy Test

Based on the capital adequacy calculation below, NEM Insurance Plc has a surplus of N83.8 billion (2024: 64.8 billion).

|   | 2025<br>N'000     | 2024<br>N'000     |
|---|-------------------|-------------------|
| Shareholders' fund as per Statement of Financial Position | 84,007,265        | 65,439,157        |
| Less:   |                   |                   |
| Intangible Assets   | (41,221)          | (37,377)          |
| Due from related parties                                  | (684,375)         | (648,576)         |
|   | <u>(725,596)</u>  | <u>(685,953)</u>  |
| Capital base  | <u>83,281,669</u> | <u>64,753,203</u> |

Management uses regulatory capital ratios to monitor its capital base. Based on the capital base computed above, the Parent capital base is above the minimum capital requirement of N3billion (N15billion in the case of NIIRA 2025) specified by NAICOM.

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 DIRECTOR  
 SECRETARY

| (d) DETERMINATION OF SOLVENCY MARGIN                   | Admissible<br>N'000 | Inadmissible<br>N'000 | 2025               | 2024               |
|--|---------------------|-----------------------|--------------------|--------------------|
|  |                     |                       | N'000              | N'000              |
| Cash and cash equivalents                              | 27,421,551          | 184,612               | 27,606,163         | 12,575,363         |
| Financial assets                                       |                     |                       |                    |                    |
| -FVTPL   | 18,396,389          | -                     | 18,396,389         | 11,409,434         |
| -FVOCI   | 3,711,980           | -                     | 3,711,980          | 64,431             |
| Treasury Bills   | 14,064,042          | -                     | 14,064,042         | 8,033,471          |
| Commercial Papers                                      | 6,027,114           | -                     | 6,027,114          | 7,013,240          |
| Placements above 90 days                               | 29,079,767          | 843,892               | 29,923,658         | 26,505,860         |
| Government Bonds                                       | 2,554,092           | -                     | 2,554,092          | 3,103,577          |
| Corporate Bonds  | 3,176,519           | -                     | 3,176,519          | 3,467,376          |
| Eurobonds  | 21,035,206          | -                     | 21,035,206         | 20,453,692         |
| Premium receivables                                    | 77,788              | -                     | 77,788             | 253,022            |
| Insurance contract assets                              | -                   | -                     | -                  | -                  |
| Reinsurance contract assets                            | 27,600,410          | -                     | 27,600,410         | 15,910,561         |
| Investment in Subsidiary                               | -                   | 684,375               | 684,375            | -                  |
| Staff loans and advances                               | 73,563              | -                     | 73,563             | 104,067            |
| Other receivables and prepayments                      | -                   | 10,968,142            | 10,968,142         | -                  |
| Investment Properties                                  | 1,000,000           | 5,881,856             | 6,881,856          | 643,209            |
| Land & Building  | -                   | 4,091,888             | 4,091,888          | 356,791            |
| Other Property, plant and equipment                    | 591,067             | -                     | 591,067            | 609,680            |
| Right-of-use Assets                                    | -                   | 768,442               | 768,442            | 748,830            |
| Intangible assets                                      | -                   | 41,221                | 41,221             | 37,377             |
| Statutory deposit                                      | 320,000             | -                     | 320,000            | 320,000            |
| <b>Admissible assets</b>                               | <b>155,129,488</b>  | <b>23,464,428</b>     | <b>178,593,915</b> | <b>111,609,981</b> |
| <b>LIABILITIES</b>                                     |                     |                       |                    |                    |
| Insurance contract liabilities                         | 63,498,152          | -                     | 63,498,152         | 41,093,559         |
| Other Technical liabilities                            | 12,880,471          | -                     | 12,880,471         | 666,240            |
| Borrowings   | -                   | -                     | -                  | -                  |
| Provisions and other payables                          | 5,782,021           | -                     | 5,782,021          | 4,568,064          |
| Lease liabilities                                      | 361,364             | -                     | 361,364            | 495,722            |
| Retirement benefits obligations                        | -                   | -                     | -                  | -                  |
| Current income tax liabilities                         | 11,439,988          | -                     | 11,439,988         | 6,947,308          |
| Deferred tax payable                                   | -                   | 624,652               | 624,652            | -                  |
| <b>Admissible liabilities</b>                          | <b>93,961,996</b>   | <b>624,652</b>        | <b>94,586,648</b>  | <b>53,770,893</b>  |
| <b>Available Solvency margin</b>                       | <b>61,167,492</b>   |                       |                    | <b>57,839,088</b>  |
| <b>A. Minimum share capital</b>                        | <b>3,000,000</b>    |                       |                    | <b>3,000,000</b>   |
| <b>B. 15% of Net premium</b>                           | <b>18,642,326</b>   |                       |                    | <b>11,217,908</b>  |
| <b>C. Required solvency (Higher of A and B)</b>        | <b>18,642,326</b>   |                       |                    | <b>11,217,908</b>  |
| <b>Level of solvency (Available solvency margin/C)</b> | <b>328%</b>         |                       |                    | <b>516%</b>        |
| <b>Surplus in solvency</b>                             | <b>42,525,165</b>   |                       |                    | <b>46,621,180</b>  |

The Company's capital requirement ratio and Solvency margin are above the requirements of the Insurance Act CAP 117, LFN 2003. Based on the level of solvency computed, the company has a "Level 1" rating in accordance with NAICOM Solvency provisions and guidelines.

### Minimum Capital requirement

In accordance with Section 15(1)(a) of the Nigerian Insurance Industry Reform Act 2025 and regulations issued by the National Insurance Commission (NAICOM), an insurer shall not carry on insurance business in Nigeria unless it maintains the prescribed minimum capital. The Act provides that, in the case of non-life insurance business, the insurer shall maintain a minimum capital of the higher of ₦15,000,000,000 or the risk-based capital determined by the Commission.

Although this provision is slated to commence on or before 30 July 2026, management has commenced the monitoring of the Company's capital position on an ongoing basis to ensure compliance with these statutory requirements. As at the reporting date, the Company complied with the applicable minimum capital requirement as illustrated below.

| Minimum Capital requirement as at 31 December 2025   |                    |                   |                    |
|--|--------------------|-------------------|--------------------|
| Description Of Line Items  | Carrying Amount    | Inadmissible      | Admissible         |
|  | N'000              | N'000             | N'000              |
| <b>Assets:</b>   |                    |                   |                    |
| 1 Cash and cash equivalents  | 27,606,163         | 184,612           | 27,421,551         |
| 2 Tenored deposit with financial institutions  | 29,923,658         | 843,892           | 29,079,766         |
| 3 Government Bonds   | 2,554,092          | -                 | 2,554,092          |
| 4 Treasury Bills   | 14,064,042         | -                 | 14,064,042         |
| 5 Corporate Bonds  | 24,211,726         | -                 | 24,211,726         |
| 6 Commercial papers  | 6,027,114          | -                 | 6,027,114          |
| 7 Quoted Entities  | 18,396,389         | -                 | 18,396,389         |
| 8 Loans to policy holders  | -                  | -                 | -                  |
| 9 Loans to Agent   | -                  | -                 | -                  |
| 10 Reinsurance contract assets   | 27,600,410         | -                 | 27,600,410         |
| 11 Premium receivables   | 77,788             | -                 | 77,788             |
| 12 Investment Properties   | 6,881,857          | 3,151,272         | 3,730,585          |
| 13 Statutory deposit   | 320,000            | -                 | 320,000            |
| 14 Others (Unquoted Equities, investment in subsidiary, staff loans & advances, other receivable & prepayment, property plant & equipment, right of use, intangible asset) | 20,930,677         | 20,246,302        | 684,375            |
| <b>Total Assets (a)</b>  | <b>178,593,915</b> | <b>24,426,077</b> | <b>154,167,838</b> |

| Description Of Line Items           | Carrying Amount   | Inadmissible | Admissible        |
|-------------------------------------|-------------------|--------------|-------------------|
|                                     | N'000             | N'000        | N'000             |
| 1 Insurance Contract Liabilities    | 63,498,152        | -            | 63,498,152        |
| 2 Re-insurance Contract Liabilities | -                 | -            | -                 |
| 3 Investment Contract Liabilities   | -                 | -            | -                 |
| 4 Other technical liabilities       | 12,880,471        | -            | 12,880,471        |
| 5 Trade payables                    | -                 | -            | -                 |
| 6 Borrowings                        | -                 | -            | -                 |
| 7 Lease Liabilities                 | 361,364           | -            | 361,364           |
| 8 Provisions and other payables     | 5,782,023         | -            | 5,782,023         |
| 9 Fixed income liabilities          | -                 | -            | -                 |
| 10 Current income tax payable       | 11,439,989        | -            | 11,439,989        |
| 11 Deferred tax payable             | 624,652           | -            | 624,652           |
| 12 Others                           | -                 | -            | -                 |
| <b>Total liabilities (b)</b>        | <b>94,586,651</b> | <b>-</b>     | <b>94,586,651</b> |

|  |  |  |                   |
|--|--|--|-------------------|
| Minimum Capital Requirement (MCR)=(a)-(b)<br>i.e Admissible Assets less Admissible Liabilities |  |  | <b>59,581,187</b> |
|--|--|--|-------------------|

### Asset and Liability Management

The Group is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities.

Asset and Liability management (ALM) attempts to address financial risks the group is exposed to which include interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long term its investment proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. ALM ensures that specific assets of the group is allocated to cover reinsurance and liabilities of the Group.

The Group manages these positions within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance contracts. The notes below show how the Group has managed its financial risks.

### Company Hypothecation Table as at 31 December 2025

| Assets                           | Policyholders<br>funds<br>N'000 | Shareholders'<br>funds<br>N'000 | Total<br>N'000     |
|----------------------------------|---------------------------------|---------------------------------|--------------------|
| Cash and cash equivalents        | 27,421,551                      | 184,612                         | 27,606,163         |
| Financial assets                 |                                 |                                 |                    |
| -FVTPL                           | 18,396,389                      | -                               | 18,396,389         |
| -FVOCI                           | -                               | 3,711,980                       | 3,711,980          |
| -At amortised cost               | 52,274,499                      | 24,506,134                      | 76,780,633         |
| Premium receivables              | -                               | 77,788                          | 77,788             |
| Reinsurance contract assets      | 27,600,409                      | -                               | 27,600,409         |
| Other receivables and prepayment | -                               | 11,041,705                      | 11,041,705         |
| Investment in Subsidiaries       | -                               | 684,375                         | 684,375            |
| Investment properties            | -                               | 6,881,856                       | 6,881,856          |
| Statutory deposit                | -                               | 320,000                         | 320,000            |
| Intangible assets                | -                               | 41,221                          | 41,221             |
| Property, plant and equipment    | -                               | 4,682,955                       | 4,682,955          |
| Right-of-use Assets              | -                               | 768,442                         | 768,442            |
| <b>Total assets</b>              | <b>125,692,848</b>              | <b>52,901,068</b>               | <b>178,593,916</b> |
| <b>Liabilities:</b>              |                                 |                                 |                    |
| Insurance contract liabilities   | 63,498,152                      | -                               | 63,498,152         |
| Other Technical liabilities      | -                               | 12,880,471                      | 12,880,471         |
| Other payables                   | -                               | 5,782,023                       | 5,782,023          |
| Lease liabilities                | -                               | 361,364                         | 361,364            |
| Income tax liability             | -                               | 11,439,989                      | 11,439,989         |
| Deferred tax liabilities         | -                               | 624,652                         | 624,652            |
| <b>Total liabilities</b>         | <b>63,498,152</b>               | <b>31,088,499</b>               | <b>94,586,651</b>  |
| <b>Gap</b>                       | <b>62,194,696</b>               | <b>21,812,569</b>               | <b>84,007,265</b>  |

Company Hypothecation Table as at 31 December 2024

| Assets                           | Policyholders<br>funds | Shareholders'<br>funds | Total       |
|----------------------------------|------------------------|------------------------|-------------|
|                                  | N'000                  | N'000                  | N'000       |
| Cash and cash equivalents        | 12,575,363             | 196,293                | 12,771,656  |
| Financial assets                 |                        |                        |             |
| - FVTPL                          | 11,409,434             | -                      | 11,409,434  |
| - FVOCI                          | -                      | 64,431                 | 64,431      |
| - At amortised cost              | 64,711,467             | 3,865,750              | 68,577,216  |
| Premium receivables              | -                      | 253,022                | 253,022     |
| Reinsurance contract assets      | 15,910,561             | -                      | 15,910,561  |
| Other receivables and prepayment | -                      | 2,911,773              | 2,911,773   |
| Investment in Subsidiaries       | -                      | 435,000                | 435,000     |
| Investment properties            | -                      | 3,730,585              | 3,730,585   |
| Statutory deposit                | -                      | 320,000                | 320,000     |
| Intangible assets                | -                      | 37,377                 | 37,377      |
| Property, plant and equipment    | -                      | 4,762,981              | 4,762,981   |
| Right-of-use Assets              | -                      | 748,830                | 748,830     |
| Deferred tax assets              | -                      | -                      | -           |
| <b>Total assets</b>              | 104,606,825            | 17,326,041             | 121,932,866 |
| <b>Liabilities:</b>              |                        |                        |             |
| Insurance contract liabilities   | 41,093,559             | -                      | 41,093,559  |
| Other Technical liabilities      | -                      | 666,240                | 666,240     |
| Borrowings                       | -                      | -                      | -           |
| Other payables                   | -                      | 4,568,064              | 4,568,064   |
| Lease liabilities                | -                      | 495,722                | 495,722     |
| Retirement benefit obligations   | -                      | -                      | -           |
| Income tax liability             | -                      | 6,947,308              | 6,947,308   |
| Deferred tax liabilities         | -                      | 2,722,816              | 2,722,816   |
| <b>Total liabilities</b>         | 41,093,559             | 15,400,150             | 56,493,709  |
| <b>Gap</b>                       | 63,513,267             | 1,925,891              | 65,439,158  |

The main objectives of the Parent when managing capital are:

- to ensure that the Minimum Capital Requirement as required by the Nigerian Insurance Industry Reform Act 2025 is maintained at all times.

This is a risk based capital method of measuring the minimum amount appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The calculation is based on applying capital factors to amongst others, the Parent's assets, outstanding claims, unearned premium reserve and assets above a certain concentration limit.

**NEM INSURANCE PLC**  
**ANNUAL REPORT, 31 DECEMBER 2025**  
**OTHER NATIONAL DISCLOSURE**  
**STATEMENT OF VALUE ADDED - GROUP**

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**CERTIFIED BY:**  
 DIRECTOR  
 SECRETARY

|                                       | 2025<br>N'000 | %   | 2024<br>N'000 | %   |
|---------------------------------------|---------------|-----|---------------|-----|
| <b>Insurance revenue</b>              |               |     |               |     |
| Local                                 | 152,354,894   |     | 97,966,541    |     |
| Foreign                               | -             |     | -             |     |
| <b>Other Income:</b>                  |               |     |               |     |
| Local                                 | 21,938,614    |     | 25,012,605    |     |
| Foreign                               | -             |     | -             |     |
|                                       | 174,293,508   |     | 122,979,146   |     |
| <b>Bought in Services:</b>            |               |     |               |     |
| Local                                 | (131,394,070) |     | (75,784,926)  |     |
| Foreign                               | -             |     | -             |     |
| <b>Value Added</b>                    | 42,899,438    | 100 | 47,194,221    | 100 |
| <b>Applied as follows:</b>            |               |     |               |     |
| <b>Employees</b>                      |               |     |               |     |
| Salaries and other employees benefits | 4,453,015     | 10  | 4,069,355     | 9   |
| <b>Provider of Capital</b>            |               |     |               |     |
| Dividend to Shareholders              | 5,016,478     | 12  | 3,009,887     | 6   |
| <b>Government</b>                     |               |     |               |     |
| Taxation                              | 4,077,340     | 10  | 4,458,079     | 9   |
| <b>Retention and Expansion</b>        |               |     |               |     |
| Depreciation and Amortisation Charges | 717,141       | 2   | 599,861       | 1   |
| Contingency reserves                  | 4,736,577     | 11  | 5,816,465     | 12  |
| Retained profit for the year          | 23,898,887    | 56  | 29,240,575    | 62  |
| <b>Value Added</b>                    | 42,899,438    | 100 | 47,194,221    | 100 |

Value added represents the additional wealth the Group has been able to create on its own and its employees' efforts. This statement shows the allocation of the wealth between employees, shareholders, government and that retained for the future creation of more wealth.

**NEM INSURANCE PLC**  
**ANNUAL REPORT, 31 DECEMBER 2025**  
**OTHER NATIONAL DISCLOSURE**  
**STATEMENT OF VALUE ADDED - PARENT**

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CERTIFIED BY:

 DIRECTOR  
 SECRETARY

|                                       | 2025<br>N'000 | %   | 2024<br>N'000 | %   |
|---------------------------------------|---------------|-----|---------------|-----|
| <b>Insurance Revenue:</b>             |               |     |               |     |
| Local                                 | 145,642,085   |     | 96,644,516    |     |
| Foreign                               | -             |     | -             |     |
| <b>Other Income:</b>                  |               |     |               |     |
| Local                                 | 21,328,262    |     | 24,609,200    |     |
| Foreign                               | -             |     | -             |     |
|                                       | 166,970,347   |     | 121,253,716   |     |
| <b>Bought in Services:</b>            |               |     |               |     |
| Local                                 | (125,099,196) |     | (74,657,618)  |     |
| Foreign                               | -             |     | -             |     |
| <b>Value Added</b>                    | 41,871,151    | 100 | 46,596,097    | 100 |
| <b>Applied as follows:</b>            |               |     |               |     |
| <b>Employees</b>                      |               |     |               |     |
| Salaries and other employees benefits | 3,899,193     | 9   | 3,690,148     | 8   |
| <b>Provider of Capital</b>            |               |     |               |     |
| Dividend to Shareholders              | 5,016,478     | 12  | 3,009,887     | 6   |
| <b>Government</b>                     |               |     |               |     |
| Taxation                              | 4,011,584     | 10  | 4,438,096     | 10  |
| <b>Retention and Expansion</b>        |               |     |               |     |
| Depreciation and Amortisation Charges | 658,052       | 2   | 559,179       | 1   |
| Contingency reserves                  | 4,736,577     | 11  | 5,816,465     | 12  |
| Retained profit for the year          | 23,549,267    | 56  | 29,082,323    | 62  |
| <b>Value Added</b>                    | 41,871,151    | 100 | 46,596,097    | 100 |

Value added represents the additional wealth the Company has been able to create by its own and its employees' efforts. This statement shows the allocation of the wealth between employees, shareholders, government and that retained for the future creation of more wealth.

NEM INSURANCE PLC  
ANNUAL REPORT, 31 DECEMBER 2025  
OTHER NATIONAL DISCLOSURE  
FIVE YEAR FINANCIAL SUMMARY - GROUP  
STATEMENT OF FINANCIAL POSITION


CERTIFIED BY:

 DIRECTOR  
 SECRETARY

|  | 2025               | 2024               | 2023              | 2022              | 2021              |
|--|--------------------|--------------------|-------------------|-------------------|-------------------|
|  | N'000              | N'000              | N'000             | Restated<br>N'000 | Restated<br>N'000 |
| <b>Assets</b>                                      |                    |                    |                   |                   |                   |
| Cash and Cash Equivalents                          | 30,997,635         | 13,978,898         | 8,002,993         | 8,878,011         | 7,895,469         |
| Financial assets                                   |                    |                    |                   |                   |                   |
| - At fair value through profit or loss             | 18,396,389         | 11,409,434         | 10,463,494        | 5,800,623         | 5,354,017         |
| - At fair value through other comprehensive income | 3,711,980          | 64,431             | 75,219            | 53,731            | 84,884            |
| - At amortised cost                                | 77,054,169         | 68,577,216         | 36,355,234        | 12,159,020        | 8,143,491         |
| Insurance Contract assets                          | -                  | -                  | -                 | -                 | -                 |
| Premium Receivable                                 | 3,444,886          | 1,271,090          | 450,143           | 672,356           | 1,479,056         |
| Reinsurance Contract Assets                        | 27,600,408         | 15,910,561         | 9,433,042         | 9,472,703         | 7,428,571         |
| Investment in Associate                            | -                  | -                  | -                 | -                 | -                 |
| Investment Properties                              | 6,881,856          | 3,730,585          | 2,353,946         | 1,813,768         | 1,706,167         |
| Intangible Assets                                  | 198,614            | 71,473             | 54,110            | 15,721            | 10                |
| Property, plant and equipment                      | 5,019,539          | 4,934,615          | 4,202,175         | 3,886,188         | 3,794,957         |
| Right-of-use Assets                                | 540,421            | 706,352            | 609,015           | 149,520           | 209,920           |
| Other Receivables and Prepayment                   | 11,873,642         | 3,257,300          | 2,148,365         | 723,429           | 414,712           |
| Statutory Deposit                                  | 320,000            | 320,000            | 320,000           | 320,000           | 320,000           |
| Deferred tax asset                                 | -                  | -                  | -                 | 256,411           | 257,505           |
| <b>Total Assets</b>                                | <b>186,039,539</b> | <b>124,231,955</b> | <b>74,467,735</b> | <b>44,201,481</b> | <b>37,088,759</b> |
| <b>Liabilities</b>                                 |                    |                    |                   |                   |                   |
| Insurance Contract Liabilities                     | 67,327,073         | 42,330,564         | 25,285,724        | 14,674,166        | 11,557,642        |
| Other Technical liabilities                        | 12,881,024         | 718,236            | 857,381           | 487,527           | 410,728           |
| Borrowings   | -                  | -                  | 1,557,737         | -                 | -                 |
| Other Payables                                     | 9,027,203          | 5,589,070          | 2,093,470         | 1,575,721         | 1,531,528         |
| Lease Liabilities                                  | 210,973            | 462,408            | 473,241           | 35,999            | 139,623           |
| Income Tax Liabilities                             | 11,509,644         | 6,968,545          | 1,155,152         | 379,224           | 623,508           |
| Deferred Tax Liability                             | 626,128            | 2,723,991          | 4,507,627         | 3,687             | 10,387            |
| Retirement Benefit Obligations                     | -                  | -                  | -                 | 29,497            | 52,414            |
| <b>Total liabilities</b>                           | <b>101,582,045</b> | <b>58,792,815</b>  | <b>35,930,332</b> | <b>17,185,821</b> | <b>14,325,830</b> |
| <b>Net Assets</b>                                  | <b>84,457,494</b>  | <b>65,439,141</b>  | <b>38,537,403</b> | <b>27,015,659</b> | <b>22,762,929</b> |
| <b>Equity</b>                                      |                    |                    |                   |                   |                   |
| Share Capital                                      | 5,016,477          | 5,016,477          | 5,016,477         | 5,016,477         | 5,016,477         |
| Share Premium                                      | -                  | -                  | -                 | -                 | -                 |
| Other Reserves-gratuity                            | -                  | -                  | -                 | 58,581            | 72,495            |
| FVOCI reserve                                      | (21,746)           | (57,065)           | (46,277)          | (67,765)          | (36,612)          |
| Asset revaluation reserve                          | 2,789,801          | 2,789,801          | 2,107,964         | 2,107,964         | 2,107,964         |
| Contingency Reserve                                | 20,390,552         | 15,653,975         | 9,837,510         | 7,186,595         | 6,098,784         |
| Retained Earnings                                  | 56,046,374         | 41,966,836         | 21,578,802        | 12,713,807        | 9,503,821         |
| Non controlling interests                          | 236,036            | 69,116             | 42,927            | -                 | -                 |
| <b>Shareholders' Fund</b>                          | <b>84,457,494</b>  | <b>65,439,140</b>  | <b>38,537,403</b> | <b>27,015,659</b> | <b>22,762,929</b> |

NEM INSURANCE PLC  
ANNUAL REPORT, 31 DECEMBER 2025  
OTHER NATIONAL DISCLOSURE  
FIVE YEAR FINANCIAL SUMMARY - GROUP  
INCOME STATEMENT

CERTIFIED BY:


 DIRECTOR  
 SECRETARY

|  | 2025              | 2024              | 2023              | 2022              | 2021              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | N'000             | N'000             | N'000             | Restated<br>N'000 | Restated<br>N'000 |
| Insurance revenue                                  | 152,354,894       | 97,966,541        | 52,112,435        | 31,433,600        | 26,545,254        |
| Insurance Service exp                              | (93,488,833)      | (61,008,412)      | (34,218,973)      | (22,693,835)      | (18,947,902)      |
| Net expenses on Reinsurance contracts              | (39,570,482)      | (18,138,541)      | (12,795,475)      | (2,480,675)       | (747,957)         |
| <b>Insurance Service Result</b>                    | <b>19,295,579</b> | <b>18,819,588</b> | <b>5,097,987</b>  | <b>6,259,090</b>  | <b>6,849,395</b>  |
| Other Revenue                                      | 20,641,099        | 24,684,930        | 19,789,453        | 3,071,200         | 1,785,351         |
| Other Expenses                                     | (11,960,451)      | (9,805,863)       | (6,009,585)       | (3,832,201)       | (4,207,514)       |
| <b>Profit Before Tax</b>                           | <b>27,976,227</b> | <b>33,698,653</b> | <b>18,877,855</b> | <b>5,498,089</b>  | <b>4,427,232</b>  |
| Income tax   | (4,077,340)       | (4,458,079)       | (5,929,070)       | (96,667)          | (141,043)         |
| <b>Profit For the Year</b>                         | <b>23,898,887</b> | <b>29,240,575</b> | <b>12,948,785</b> | <b>5,401,422</b>  | <b>4,286,189</b>  |
| Other Comprehensive (loss)/income<br>for the year  | 35,319            | 671,049           | 10,025            | (45,067)          | 1,018,403         |
| <b>Total Comprehensive Income<br/>for the year</b> | <b>23,934,206</b> | <b>29,911,625</b> | <b>12,958,810</b> | <b>5,356,355</b>  | <b>5,304,592</b>  |
| <b>Basic EPS (Kobo)</b>                            | <b>475</b>        | <b>582</b>        | <b>260</b>        | <b>108</b>        | <b>85</b>         |
| <b>Diluted Basic EPS (Kobo)</b>                    | <b>475</b>        | <b>582</b>        | <b>260</b>        | <b>108</b>        | <b>85</b>         |

NEM INSURANCE PLC  
ANNUAL REPORT, 31 DECEMBER 2025  
OTHER NATIONAL DISCLOSURE  
FIVE YEAR FINANCIAL SUMMARY - PARENT  
STATEMENT OF FINANCIAL POSITION

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CERTIFIED BY:

 DIRECTOR  
 SECRETARY

|  | 2025               | 2024               | 2023              | 2022              | 2021              |
|--|--------------------|--------------------|-------------------|-------------------|-------------------|
|  | N'000              | N'000              | N'000             | Restated<br>N'000 | Restated<br>N'000 |
| <b>Assets</b>  |                    |                    |                   |                   |                   |
| Cash and Cash Equivalents                              | 27,606,163         | 12,771,656         | 7,907,551         | 8,842,182         | 7,841,181         |
| Financial Assets                                       |                    |                    |                   |                   |                   |
| - At fair value through profit or loss                 | 18,396,389         | 11,409,434         | 10,463,494        | 5,800,623         | 5,354,017         |
| - At fair value through other comprehensive income     | 3,711,980          | 64,431             | 75,219            | 53,731            | 84,884            |
| - At amortised cost                                    | 76,780,633         | 68,577,216         | 36,355,234        | 12,159,020        | 8,143,491         |
| Insurance contract assets                              | -                  | -                  | -                 | -                 | -                 |
| Premium Receivable                                     | 77,788             | 253,022            | 354,531           | 672,356           | 1,479,056         |
| Reinsurance Contract Assets                            | 27,600,409         | 15,910,561         | 9,433,042         | 9,472,703         | 7,428,571         |
| Investment in Associate                                | -                  | -                  | -                 | -                 | -                 |
| Investment in Subsidiary- NEM Asset Management Limited | 684,375            | 435,000            | 435,000           | 150,000           | 150,000           |
| Investment Properties                                  | 6,881,856          | 3,730,585          | 2,353,946         | 1,813,768         | 1,706,167         |
| Intangible Assets                                      | 41,221             | 37,377             | 42,161            | 15,721            | 10                |
| Property, plant and equipment                          | 4,682,955          | 4,762,981          | 4,059,350         | 3,878,192         | 3,784,962         |
| Right-of-use Assets                                    | 768,442            | 748,830            | 609,015           | 149,520           | 209,920           |
| Other Receivables and Prepayments                      | 11,041,705         | 2,911,773          | 1,875,423         | 581,362           | 263,776           |
| Statutory Deposit                                      | 320,000            | 320,000            | 320,000           | 320,000           | 320,000           |
| Deferred tax asset                                     | -                  | -                  | -                 | 253,568           | 253,568           |
| <b>Total Assets</b>                                    | <b>178,593,916</b> | <b>121,932,866</b> | <b>74,283,965</b> | <b>44,162,746</b> | <b>37,019,603</b> |
| <b>Liabilities</b>                                     |                    |                    |                   |                   |                   |
| Insurance Contract Liabilities                         | 63,498,152         | 41,093,559         | 25,097,847        | 14,674,166        | 11,557,642        |
| Other Technical liabilities                            | 12,880,471         | 666,240            | 783,901           | 487,527           | 410,728           |
| Borrowings   | -                  | -                  | 1,557,737         | -                 | -                 |
| Other Payables   | 5,782,023          | 4,568,064          | 2,015,522         | 1,570,560         | 1,499,104         |
| Lease liabilities                                      | 361,364            | 495,722            | 473,241           | 35,999            | 139,623           |
| Income Tax Liabilities                                 | 11,439,989         | 6,947,308          | 1,154,348         | 378,179           | 618,736           |
| Deferred Tax Liability                                 | 624,652            | 2,722,816          | 4,505,697         | 3,687             | 10,387            |
| Retirement Benefit Obligations                         | -                  | -                  | -                 | 29,497            | 52,414            |
| <b>Total liabilities</b>                               | <b>94,586,651</b>  | <b>56,493,709</b>  | <b>35,588,294</b> | <b>17,179,615</b> | <b>14,288,634</b> |
| <b>Net Assets</b>                                      | <b>84,007,265</b>  | <b>65,439,157</b>  | <b>38,695,672</b> | <b>26,983,131</b> | <b>22,730,969</b> |
| <b>Equity</b>  |                    |                    |                   |                   |                   |
| Share Capital  | 5,016,477          | 5,016,477          | 5,016,477         | 5,016,477         | 5,016,477         |
| Share Premium  | -                  | -                  | -                 | -                 | -                 |
| Other Reserves-gratuity                                | -                  | -                  | -                 | 72,495            | 71,147            |
| FVOCI reserve  | (21,746)           | (57,065)           | (46,277)          | (36,612)          | (40,178)          |
| Asset revaluation reserve                              | 2,789,801          | 2,789,801          | 2,107,964         | 2,107,964         | 1,094,475         |
| Contingency Reserve                                    | 20,390,552         | 15,653,975         | 9,837,510         | 6,098,784         | 5,213,927         |
| Retained Earnings                                      | 55,832,181         | 42,035,969         | 21,779,997        | 9,471,861         | 6,981,489         |
| <b>Shareholders' Fund</b>                              | <b>84,007,265</b>  | <b>65,439,157</b>  | <b>38,695,671</b> | <b>22,730,969</b> | <b>18,337,337</b> |

NEM INSURANCE PLC  
ANNUAL REPORT, 31 DECEMBER 2025  
OTHER NATIONAL DISCLOSURE  
FIVE YEAR FINANCIAL SUMMARY - PARENT  
INCOME STATEMENT

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CERTIFIED BY:

 DIRECTOR  
 SECRETARY

|  | 2025              | 2024              | 2023              | 2022              | 2021              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | N'000             | N'000             | N'000             | Restated<br>N'000 | Restated<br>N'000 |
| <b>INCOME STATEMENT</b>                            |                   |                   |                   |                   |                   |
| Insurance revenue                                  | 145,642,085       | 96,644,516        | 51,993,997        | 31,433,600        | 26,545,254        |
| Insurance Service exp                              | (87,675,412)      | (60,126,501)      | (34,116,367)      | (22,693,835)      | (18,947,902)      |
| Net expenses on Reinsurance contracts              | (39,570,482)      | (18,138,541)      | (12,795,475)      | (2,480,675)       | (747,957)         |
| <b>Insurance Service Result</b>                    | <b>18,396,191</b> | <b>18,379,474</b> | <b>5,082,155</b>  | <b>6,259,090</b>  | <b>6,849,395</b>  |
| Other Revenue                                      | 20,030,747        | 24,281,524        | 19,725,902        | 3,054,134         | 1,743,972         |
| Other Expenses                                     | (10,866,087)      | (9,140,579)       | (5,629,337)       | (3,817,429)       | (4,181,855)       |
| <b>Profit Before Tax</b>                           | <b>27,560,851</b> | <b>33,520,419</b> | <b>19,178,721</b> | <b>5,495,795</b>  | <b>4,411,512</b>  |
| Income tax   | (4,011,584)       | (4,438,096)       | (5,924,145)       | (94,941)          | (133,317)         |
| <b>Profit For the Year</b>                         | <b>23,549,267</b> | <b>29,082,323</b> | <b>13,254,576</b> | <b>5,400,854</b>  | <b>4,278,195</b>  |
| Other Comprehensive (loss)/income<br>for the year  | 35,319            | 671,049           | 10,025            | (45,067)          | 1,018,403         |
| <b>Total Comprehensive Income<br/>for the year</b> | <b>23,584,586</b> | <b>29,753,372</b> | <b>13,264,601</b> | <b>5,355,787</b>  | <b>5,296,598</b>  |
| <b>Basic EPS (Kobo)</b>                            | <b>469</b>        | <b>580</b>        | <b>264</b>        | <b>108</b>        | <b>85</b>         |
| <b>Diluted Basic EPS (Kobo)</b>                    | <b>469</b>        | <b>580</b>        | <b>264</b>        | <b>108</b>        | <b>85</b>         |

## Shareholding Structure/Free Float Status

| Description   | 31-Dec-25            |               | 31-Dec-24            |               |
|---|----------------------|---------------|----------------------|---------------|
|   | Unit                 | Percentage    | Unit                 | Percentage    |
| Issued Share Capital  | 5,016,477,766        |               | 5,016,477,766        |               |
| <b>Substantial Shareholdings (5% and above)</b>   |                      |               |                      |               |
| AFIG FUND   | 749,963,426          | 14.95%        | 749,963,426          | 14.95%        |
| CAPITAL EXPRESS ASSURANCE LIMITED   | 364,318,306          | 7.26%         | 364,318,306          | 7.26%         |
| BUKSON INVESTMENT LIMITED   | 320,201,645          | 6.38%         | 320,201,645          | 6.38%         |
| JEIDOC LIMITED  | 350,023,219          | 6.98%         | 350,023,219          | 6.98%         |
| APEL ASSET TRUST LTD NOMINEES   | 252,353,118          | 5.03%         | 250,823,888          | 5.00%         |
| <b>Total Substantial Shareholdings</b>  | <b>2,036,859,714</b> | <b>40.60%</b> | <b>2,035,330,484</b> | <b>40.57%</b> |
| <b>Directors' Shareholdings (direct and indirect), excluding directors with substantial interests</b> |                      |               |                      |               |
| MR TOPE SMART   | 120,411,652          | 2.40%         | 120,411,652          | 2.40%         |
| MR ANDREW IKEKHUA   | 1,362,856            | 0.03%         | 1,362,856            | 0.03%         |
| MRS BISOLA GIWA-OSAGIE  | 13,986,656           | 0.28%         | 13,986,656           | 0.28%         |
| MR. IDOWU SEMOWO  | 15,770,847           | 0.31%         | 15,770,847           | 0.31%         |
| MR. YEMI MAYADENU   | 1,262,134            | 0.03%         | 1,262,134            | 0.03%         |
| MR. KELECHI OKORO   | 4,005,153            | 0.08%         | 4,005,153            | 0.08%         |
| JOY TELUWO  | 253,044              | 0.01%         | 253,044              | 0.01%         |
| <b>Total Directors' Shareholdings</b>   | <b>157,052,342</b>   | <b>3.13%</b>  | <b>157,052,342</b>   | <b>3.13%</b>  |
| <b>Other Influential Shareholdings</b>  |                      |               |                      |               |
| <b>Total Other Influential Shareholdings</b>  |                      |               |                      |               |
| <b>Free Float in Units and Percentage</b>   | <b>2,822,565,710</b> | <b>56.27%</b> | <b>2,824,094,940</b> | <b>56.30%</b> |
| <b>Free Float in Value</b>  | <b>75644761028</b>   |               | <b>30923839593</b>   |               |

**Declaration:**

(A) NEM Insurance Plc with a free float percentage of 56.27% as at 31ST DEC. 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(B) NEM Insurance Plc with a free float value of N75,644,761,028. as at 31ST DEC 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

**Securities Trading Policy**

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) NEM Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders with respect to their dealing in the Company's shares. The Policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.

**CERTIFIED BY:**

 DIRECTOR  
 SECRETARY

**Rules Governing Free Float Requirements**

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