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FORECAST

FOR THE PERIOD ENDING

31ST DECEMBER, 2026

MEMBER
NIA
NIGERIAN INSURERS ASSOCIATION

NEM HOU
199, Ikorodu Road, Obanikoro, Lag
P.O.Box 654, Marine, Tel: 02014489560
NEM Support Centre: 02014489570
Email: nem@nem-insurance.co
Website: www.nem-insurance.co

NEM INSURANCE PLC
FORECAST STATEMENT OF FINANCIAL POSITION - 31ST DECEMBER, 2026

	NOTES	2026 N'000
ASSETS		
Cash and Cash equivalents	3	25,608,730
Financial Assets:		
Fair value through profit or loss	4	24,791,261
Fair value through other comprehensive Income	4	7,453,130
Amortised cost	4	88,672,847
Trade Receivable	5	1,500,000
Reinsurance Contract Assets	6	36,332,110
Insurance Contract assets		-
Other Receivables & Prepayments	7	11,356,947
Investment in Subsidiaries	8	684,375
Investment Property	9	7,001,856
Statutory Deposit	10	1,500,000
Intangible Assets	11	141,623
Property Plant and equipment	12	5,576,555
Right of use Aseet	13	916,552
Deferred Tax Asset	15	-
Total Assets		**211,535,986**
LIABILITIES		
Insurance Contract Liabilities	14	81,422,029
Reinsurance Contract Liabilities		-
Other Insurance Contract Liabilities	16	2,600,000
Borrowings		-
Other Payables	17	5,778,150
Lease Liability	18	359,831
Income tax liability	19	10,323,280
Deferred tax liability	20	4,822,816
		105,306,106
Share capital	21	5,016,477
Share Premium		-
Statutory contigency reserves	22	26,901,694
Retained earnings	23	71,532,249
FVOCI reserves	24	(10,341)
Asset revaluation reserve	25	2,789,801
Total equity		106,229,881
Total Equity and Liabilities		**211,535,986**

The financial forecast was approved by the Board of Directors on 08/09/2026 and signed on behalf by:

MR. ANDREW IKEKHUA (MD/CEO)
FRC/2018/CIIN/00000018245

MR. IDOWU SEMOWO (CFO)
FRC/2013/ICAN/00000001466

NEM INSURANCE PLC

FORECAST INCOME STATEMENT

31ST DECEMBER 2026

	Notes	2026
		N'000
Insurance Revenue	26	155,999,599
Insurance service expenses	27	(98,353,267)
Net Expenses on Reinsurance Contract	28	(29,411,220)
Insurance Service Result		28,235,112
Interest revenue calculated using effective interest me	29	9,320,701
Dividend Income		1,679,299
Foreign Exchange gain / (loss)		(1,183,200)
Fair value gain/ (loss)		7,425,000
Net Insurance finance expenses		(53,415)
Gain /(Loss) on disposal of Asset		2,014
other income	30	1,135,296
Other Operating expenses	31	(11,432,229)
Finance cost		(155,409)
Allowances for credit losses		(242,981)
Profit before taxation		34,730,188
Income taxes		(3,820,321)
Profit after tax		30,909,867

3. CASH AND CASH EQUIVALENTS

	2026
	N'000
Cash - Petty cash	3,525
Balances with Local banks	2,558,630
Domiciliary accounts with local banks	9,419,893
Domiciliary accounts with foreigh banks	247,975
Placement with banks	11,848,433
Placement with other financial institutions	1,500,000
Interest Receivable	273,255
	25,851,712
Allowance for credit loss	(242,981)
Total Cash and Cash equivalents	25,608,730

Short-term deposits are made for varrying periods averaging between 1- 90days depending on the immediate cash requirements of the Company .
.The carrying amounts disclosed above are
reasonably appropriate fair value at the reporting date.

4. Financial Assets

	N'000
Fair value thruogh profit or loss	24,791,261
Fair value through other comprehensive income	7,453,130
Financial asset at amortised cost	88,672,847
	120,917,238

Fair value through profit or loss	
Balance at the beginning of the year	16,726,627
Reclassified from FVOCI	-
Purchases	8,064,634
Fair value gain	-
Disposal	-
Balance at the end of the year.	24,791,261

Management valued the company's quoted investments at the market value which is reasonable measurement of of fair value since the prices of the shares are quoted in an active market . The instruments are measued and evaluated on a fair value basis and the fair value is determined by reference to published prices quotations in an active mark

Fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income (FVOCI) comprise: Equity securities which are not held for trading, and which the Company has irrevocably electe at innitial recorgnition to recorgnise as FVOCI.

The components	N'000
CSCS	83,300
WAMCO	16,450
Alpha Morgan Bank Ltd	2,150,000
Addition	5,203,380
	7,453,130

Fair value at amortised cost	**N'000**
Balance as at 1st January, 2021	75,978,500
Addition	12,694,347
	88,672,847

5. Trade Receivable	1,500,000

6 . Reinsurance contract Assets	**N'000**
Asset for remaining Coverage	23,706,916
Amount recoverable from incured claim	12,625,193
	36,332,110

Reinsurance assets are subject to Acturial Valuation by EY- a professional valuers. This is usu yearly and is the year end. The next one will be by the end of this year

7. Prepayments & other receivables	**N'000**
Prepayments	110,644
Accounts receivable	-
Staff loans and advances	83,417
Intercompany receivable	-
Withholding Tax Receivable	709,312
Deposit for shares in NEM Asset Management Coy Ltd	82,500
Receivables from NEM Health Ltd	178,576
Nem Life Company Ltd	10,181,010
Stock brokers' current accounts	11,487
Receivable on disposed equity holding	-
Deposit for shares in Alpha Morgan Bank Ltd	-
	11,356,947

8. Investment in Subsidiaries:

Investment in Nem Health	**N'000**
Balance at the beginning of the year	285,000
During the year	249,375
impairment	-
Balance at the year end	**534,375**

Investment in NEM Asset Management ltd.	**N'000**
Opening	150,000
Addition	-
	150,000

Total investmenty in Subsidiaries	684,375

9. Investment Property	**N'000**
Balance at the beginning of the year	3,840,585
Addition during the year	10,000
Reclassified from PPE	-
Revaluation gain	3,151,271
Balance at the year end	**7,001,856**

This is building under construction which has now been completed and even rented out to generate rental income for the company. Since this is not put into use by the company but rented out to generate income, it must be reclassified from PPE to Investment property.

10. **Statutory Deeposit**	**N'000**
Deposit with the Central Bank of Nigeria in accordance with the provisions of Insurance Act, 2003	1,500,000
Addition	
Total	1,500,000

11. **INTANGIBLE ASSET**	**N'000**
Balance at the beginning of the year	39,374
During the year	102,249
Imparment	-
Balance at the year end	**141,623**

13. **Right of Use Asset**	**N'000**
Cost	
At 1 January	**1,352,378**
Additions during the year	**375,000**
Reclassification (Note 14(a)(ii)	**(145,000)**
As at	**1,582,378**
Accumulated depreciation	
At 1 January	**518,826**
Charge for the year	**205,000**
Reclassification (Note 14(a)(ii)	**(58,000)**
As at	**665,826**
Carrying amounts at:	
As at	**916,552**

14. **Insurance Contract Liability**	**N'000**
Liability for remaining coverage	54,421,529
Liability for Incured Claim	27,000,500
Total	81,422,029

15. **Defered Tax Asset**	
Opening	-
Changes	-
	-

16. **Other Technical liabilities**	**N'000**
Premium Deposit	1,500,000
Trade payables (Scib & OAN)	1,100,000
	2,600,000

17. **Other Payables**	**N'000**
Accruals	1,906,783
Other creditors	2,982,864
Dividend payable	888,504
	5,778,150

18. **Lease Liability**	
Balance at the beginning of the year	426,931
Additions during the period	204,000
Interest charged during the period (Note 30)	73,900
Lease initial deposit requirement	-
Lease payment during the period	(345,000)
Balance as at the end of the period	
	359,831

19. Taxation	N'000
Per financial position	
Balance at the beginning of the year	8,040,101
Income tax for the period	3,820,321
Education tax for the period	**694,604**
Prior year over-provision (Note 19(b))	-
Information technology levy (Note 19(b))	868,255
Police Trust Fund Levy	-
Paid during the period	(3,100,000)
Balance at the end of the period	10,323,280

Per Income Statement	N'000
Income tax	3,820,321
Education tax	694,604
Prior year over-provision	-
Information technology levy	868,255
	5,383,179
Deferred tax asset (Note 20 (i))	-
Deferred tax liabilities (Note 20 (ii))	-
	4,822,816

20. **Deferred tax liability**	**N'000**
Balance at the beginning of the year	2,722,816
Change during the year	2,100,000
Revaluation Surplus	
Balance at the year end	**4,822,816**

21. **Issued Share Capital**	**N'000**
Authorised Share Capital	
	5,200,000
Ordinary share capital of 100k issued and fully paid.	
	5,016,477

22. **Statutory contigency reserve**	**N'000**
Balance at the beginning of the year	20,719,721
Transfer from revenue	6,181,973
Balance at the year end	**26,901,694**

23. **Retain earnings**	**N'000**
Balance at the beginning of the year	54,304,356
Profit for the year	30,909,867
Transfer to contigency reserve	(6,181,973)
Dividend	(7,500,000)
	-
	-
	71,532,249

24. FVOCI reserve	**N'000**
Balance at the beginning of the year	(20,203)
Movement during the year	**9,862**
Balance at the year end	**(10,341)**

25. Asset revaluation reserve	N'000
Balance at the beginning of the year	2,789,801
Additions during the year:Cost- revaluation surplus	
Accumulated depreciation	
Total revaluation surplus	
	2,789,801
Balance at the end of the year	

26. Insurance Revenue	
Motor	41,338,979
Marine	18,302,489
Fire	28,178,314
General Accident	15,044,615
Engineering	7,958,239
Bond	1,755,946
Oil and Gass	43,151,891
Agric	269,127
	155,999,599

27. Insurance service expenses	N'000
Incured Claim	(52,214,400)
Amortization insurance acquisition cash flow	(46,138,867)
	(98,353,267)

28. Net gain / loss onexpenses Reinsurance	
Reinsurance expenses	47,686,260
Reinsurance recovery	(18,275,040)
	29,411,220
	N'000
Reinsurance expenses	50,856,420
Fee & Com. Income	(3,170,160)
	47,686,260

29. Investment Income	N'000
CBN Interest	62,118
Others	9,258,583
	9,320,701
Dividend Income	1,679,299
30. Other Income	N'000
Rental income	112,560
Sundry Income	270,600
Others	752,136
	-
	1,135,296
31. Other Operating Expenses	11,432,229
Foreign Exchange Gain /loss	(1,183,200)
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