

AIICO INSURANCE PLC
EARNINGS FORECAST FOR THE FOURTH QUARTER ENDING 31 DECEMBER 2021
NOTES

- Gross Written Premium projected for the fourth quarter of 2021 is N70.42 billion 2021 full year budget.
- The Non-Life business represents 26% of the stated GWP while the Ordinary Life, Group Life and Annuity businesses represent 63%, 9% and 2% respectively.
- Investment income will be driven largely by our bond investments and our investment in other short term financial assets.
- The following non cash transactions were included in the Statement of Profit or Loss and Other comprehensive income:
 - Depreciation of Non-current asset in line with the Group's policy
 - Amortization of intangible assets
 - Net fair value gain/loss on financial assets.
- Reinsurance expenses is projected at an average of 14% of the projected Gross Written Premium.

QUARTER: FOURTH QUARTER
FROM OCTOBER 1, 2021
TO DECEMBER 31, 2021

	DECEMBER N'000
Gross Written Premium	70,418,208
Unexpired Risk Premium	(939,727)
Gross Premium Income	69,478,481
Reinsurance costs	(9,859,103)
Net Premium Income	59,619,378
Commission received	2,255,738
Total Insurance Income	61,875,116
Net Claims incurred	41,951,866
Underwriting expense (Commission and maintenance)	9,609,697
Change in Life Fund	(22,840,272)
Total Underwriting costs	28,721,290
Underwriting profit	33,153,826
Investment Income and other income	12,303,589
Fair value loss	(37,578,340)
Profit from Deposit Administration	527,046
Total Operating Income	8,406,121
Overhead	(9,472,078)
Profit Before Tax	(1,065,957)
Taxation	(355,374)
Profit After Tax	(1,421,331)
Profit from discontinued operations	3,013,374
Profit After Discontinued Operations	1,592,043

AIICO INSURANCE PLC- CASHFLOW FORECAST FOR THE FOURTH QUARTER ENDING 31
DECEMBER 2021
QUARTER: FOURTH QUARTER
FROM OCTOBER 1, 2021
TO DECEMBER 31, 2021

	DECEMBER N'000
Net cash flows from operating activities	4,467,888
Net cash flows from investing activities	5,159,897
Net cash flows from financing activities	-
Net increase in cash and cash equivalents	9,627,784
Cash and cash equivalents - Opening	9,279,577
Cash and cash equivalents - Closing	18,907,361

Based on the projections for the remainder of the year, we expect profit after tax for Q4 to be lower than our Q3 forecast by more than 40%. The Company has continued to register top-line growth. However, the Company has experienced adverse claims in some of the key lines of business that have significantly impacted overall profitability.

Babatunde Fajemirokun (MD)



Date: 9 September 2021

Oladeji Oluwatola (CFO)



Date: 9 September 2021

"AIICO Insurance Plc has a dedicated investors' portal on its corporate website which can be accessed via this link: <https://www.aiicopl.com/index.php/about-us-aiico/investorrelations>. The Company's Investors' Relations Officer can also be reached through electronic mail at: ir@aiicopl.com ; or telephone on: +234 (0)809 229 9108 for any investment related enquiry".