

# NEM INSURANCE PLC

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## UNAUDITED FINANCIAL STATEMENTS

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### FOR THE PERIOD ENDED

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30TH SEPTEMBER 2021

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NEM HOUSE  
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Dr. Fidelis Ayebae (Chairman), Tope Smart (Group Managing), Yakasai Ahmed (Independent), Yinka Aletor (Non-Executive), Ede Dafinone (Non-Executive), Joy Teluwo (Non-Executive), Andrew Ikekhua (Executive)

• NIGERIA

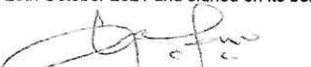
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**NEM INSURANCE PLC**  
**STATEMENT OF FINANCIAL POSITION AS**  
**30TH SEPTEMBER, 2021**

<b>ASSETS</b>	<b>NOTES</b>	<b>N'000</b>	<b>2020 N'000</b>
Cash and Cash equivalents	3	6,879,434	7,326,758
Financial Assets			
Fair value through profit or loss	4	5,069,121	4,479,121
Fair value through other comprehensive Income	4	81,318	81,318
Amortised cost	4	7,213,775	6,105,529
Trade receivables	5	3,542,998	228,140
Reinsurance Assets	6	5,102,158	5,107,870
Deferred Acquisition costs	7	1,451,650	1,840,694
Other receivables and prepayments	8	298,093	374,862
Investment in Associates	9	262,741	412,741
Investment in Subsidiary	10	100,000	100,000
Investment Property	11	1,617,879	1,617,609
Statutory Deposit	12	320,000	320,000
Intangible Asset	13	10	10
Property Plant and equipment	14	3,035,303	2,922,422
Deferred Tax Asset	20	253,568	253,568
<b>Total Assets</b>		<u>35,228,048</u>	<u>31,170,642</u>
<b>LIABILITIES</b>			
Insurance contract liability	15	12,408,707	9,779,935
Trade Payables	16	409,717	585,327
Other payables	17	1,980,368	1,718,797
Retirement benefit obligations	18	78,960	78,960
Income tax liability	19	850,181	670,286
Deferred tax Liabilit	20a	(0)	-
		<u>15,727,933</u>	<u>12,833,305</u>
<b>Share capital</b>	21	5,016,477	5,016,477
<b>Share Premium</b>	22	-	-
Statutory contingency reserves	23	5,909,216	5,213,927
Retain earnings	24	7,448,978	6,981,489
FVOCI reserves	25	(40,178)	(40,178)
Asset revaluation reserve	26	1,094,475	1,094,475
Other reserve - Employee benefit	27	71,147	71,147
<b>Total equity</b>		<u>19,500,115</u>	<u>18,337,337</u>
<b>Total Equity and Liabilities</b>		<u>35,228,048</u>	<u>31,170,642</u>

The financial statements were approved by the Board of Directors on 28th October 2021 and signed on its behalf by:

  
 Mr. Tope Amazilgmb/CEO  
 FRC/2013/CIN/0000001331

  
 Mr. Idowu Semowo (CFO)  
 FRC/2013/ICAN/0000001466

<b>NEM INSURANCE PLC</b>					
<b>INTERIM FINANCIAL STATEMENT FOR 3RD QUARTER 2021</b>					
<b>STATEMENT OF COMPREHENSIVE INCOME</b>					
		<b>3RD QTR 2021</b>	<b>3RD QTR 2020</b>	<b>CURRENT YEAR</b>	<b>PRIOR YEAR</b>
		<b>CURRENT QTR</b>	<b>PRIOR QTR</b>	<b>TO 30/09/2021</b>	<b>TO 30/09/2020</b>
	<b>Notes</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Gross premiums written	22	7,089,445	5,782,605	23,176,285	18,768,638
Decrease/(Increase) in unearned income		(980,454)	<u>(1,364,750)</u>	<u>(1,830,353)</u>	<u>(3,130,693)</u>
Gross premiums earned	22	6,108,991	4,417,855	21,345,932	15,637,945
Reinsurance expenses	23	(1,720,362)	<u>(1,337,092)</u>	<u>(6,035,557)</u>	<u>(5,215,412)</u>
Net premiums income		4,388,629	3,080,763	15,310,375	10,422,533
Fee and commission income	24	393,044	<u>270,503</u>	<u>1,171,786</u>	1,066,456
Net underwriting income		4,781,673	<b>3,351,266</b>	<b>16,482,161</b>	11,488,989
Claims expenses	25	(2,373,042)	(2,239,626)	(6,253,139)	(4,227,507)
Underwriting expenses	26	(1,664,334)	<u>(1,376,169)</u>	<u>(6,285,580)</u>	<u>(4,661,981)</u>
Underwriting profit		744,297	(264,529)	3,943,442	2,599,501
Investment Income	27	301,776	248,090	910,359	766,136
Fair value (loss)/gain	28	-	-	-	-
Other income	29	578	50,266	27,002	57,837
Revaluation loss investment proper	8	-	-	-	-
Profit /(loss) on disposal of Assets		511	(15,979)	4,474	(14,966)
Impairment of Investment in associates		(150,000)		(150,000)	
Impairment Provision-ECL Fixed de	30	-	<u>-</u>	<u>-</u>	<u>(17,521)</u>
Other operating and admin. Expens	31	(837,567)	<u>(546,363)</u>	<u>(2,290,608)</u>	<u>(2,069,605)</u>
Profit before tax		59,595	<u>(528,515)</u>	<u>2,444,669</u>	<u>1,321,382</u>
Income taxes	15.2	(9,237)	81,920	(378,923)	(204,814)
<b>Profit after tax</b>		<b>50,358</b>	<b>(446,595)</b>	<b>2,065,746</b>	<b>1,116,568</b>

NEM INSURANCE PLC								
REVENUE ACCOUNT FOR THE PERIOD ENDED 30TH SEPTEMBER, 2021								
	MOTOR	MARINE	FIRE	GENERAL ACCIDENT	OIL & GASS	AGRIC	TOTAL	2020
INCOME	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Direct Business Premium	6,479,392	2,839,818	5,657,964	4,103,119	3,666,973	16,791	22,764,057	18,548,586
Reinsurance Inward	33,964	10,755	250,171	115,429	563	1,345	412,228	220,052
Gross Premium	6,513,357	2,850,573	5,908,135	4,218,548	3,667,537	18,136	23,176,285	18,768,638
Reinsurance Outward	7,837	818,270	2,059,437	1,299,931	1,848,832	1,251	6,035,557	5,215,413
Premium Written	6,505,520	2,032,303	3,848,698	2,918,618	1,818,704	16,885	17,140,728	13,553,225
Decrease in Provision or Unexpired	-	-	-	-	-	-	-	-
Net Premium	6,505,520	2,032,303	3,848,698	2,918,618	1,818,704	16,885	17,140,728	13,553,225
Deduct.								
Increase in Unexpired Risk	(433,356)	(418,255)	(577,092)	(242,879)	(160,231)	1,460	(1,830,353)	(3,130,693)
Premium Earned	6,072,164	1,614,047	3,271,606	2,675,739	1,658,473	18,345	15,310,374	10,422,532
Commission Received	2,786	189,470	588,595	365,429	25,254	250	1,171,786	1,066,456
<b>Net Income</b>	<b>6,074,951</b>	<b>1,803,518</b>	<b>3,860,201</b>	<b>3,041,168</b>	<b>1,683,728</b>	<b>18,595</b>	<b>16,482,160</b>	<b>11,488,988</b>
<b>CLAIMS EXPENSES</b>								
Direct Claims Paid	(3,190,581)	(590,383)	(3,503,550)	(1,159,815)	(283,578)	(173)	(8,728,081)	(6,485,573)
Inward Reinsurance Claims Paid	-	-	-	-	-	-	-	-
Increase in Prov. For Outstanding	(51,684)	87,681	(173,135)	(650,027)	(11,229)	(25)	(798,419)	(1,090,085)
Total Expenses	(3,242,265)	(502,702)	(3,676,685)	(1,809,843)	(294,807)	(198)	(9,526,500)	(7,575,658)
<b>RECOVERIES FROM EXPENSES</b>								
Outward Reinsurance Recoveries	114,661	391,651	1,789,897	913,343	63,808	-	3,273,361	3,059,449
Decrease in Prov. For Outstanding	-	-	-	-	-	-	-	288,702
	114,661	391,651	1,789,897	913,343	63,808	-	3,273,361	3,348,151
<b>Claims Incurred</b>	<b>(3,127,604)</b>	<b>(111,051)</b>	<b>(1,886,788)</b>	<b>(896,499)</b>	<b>(230,999)</b>	<b>(198)</b>	<b>(6,253,139)</b>	<b>(4,227,507)</b>
<b>UNDERWRITING EXPENSES</b>								
Acquisition	(1,015,642)	(609,385)	(975,017)	(1,093,144)	(365,631)	(3,683)	(4,062,503)	(2,530,342)
Maintenance	(600,213)	(155,611)	(689,133)	(400,142)	(377,912)	-	(2,223,011)	(2,131,639)
	(1,615,855)	(764,996)	(1,664,150)	(1,493,286)	(743,543)	(3,683)	(6,285,513)	(4,661,981)
Net Income after claims incurred ar	1,331,491	927,471	309,263	651,383	709,186	14,714	3,943,507	2,599,500

NEM INSURANCE PLC

STATEMENT OF CHANGES IN EQUITY AS AT 30TH SEPTEMBER, 2021

	Issued Share Capital N'000	Contingency Reserves N'000	Gratuity Valuation N'000	FVOCI Reserve N'000	Asset revalu Reserve N'000	Retain Earnings N'000	Total N'000	2020 N'000
At January 1, 2021	5,016,477	5,213,927	71,147	(40,178)	1,094,475	6,981,488	18,337,337	14,083,035
Additions								
Profit for the year		-				2,065,744	2,065,744	4,348,828
Transfer to Contingency reserves		695,289				(695,289)		
Transfer to paid up Share Capital								
Other Comprehensive Income								11,291
Actuarial gain on defined benefit plan								
Gains on the listing of MTN on the floor								
Gains from valuation of Unquoted investment								
Distribution to owners								
Dividend paid during the year						(902,966)	(902,966)	(792,075)
As at 30th September, 2021	5,016,477	5,909,216	71,147	(40,178)	1,094,475	7,448,978	19,500,114	17,651,079

NEM INSURANCE PLC

STATEMENT OF CHANGES IN EQUITY AS AT 30TH SEPTEMBER, 2020

	Issued Share Capital N'000	Contingency Reserves N'000	Gratuity Valuation N'000	FVOCI Reserve N'000	Asset revalu Reserve N'000	Retain Earnings N'000	Total N'000	2019 N'000
At January 1, 2020	2,640,251	4,198,848	111,455	(51,468)	1,094,475	5,816,924	14,083,035	12,427,158
Additions								
Profit for the year		-				1,095,653	1,095,653	2,585,061
Transfer to Contingency reserves		563,059				(563,059)		
Other Comprehensive Income								
Actuarial gain on defined benefit plan								
Gains on the listing of MTN on the floor								589,078
Distribution to owners								
Dividend paid during the year						(792,075)	(792,075)	(686,465)
As at 30th September, 2020	2,640,251	4,761,907	111,455	(51,468)	1,094,475	5,557,442	14,386,613	14,914,832

NEM INSURANCE PLC  
 STATEMENT OF CASH FLOW FOR THE PERIOD ENDED  
 30TH SEPTEMBER 2021

	N'000	2020 N'000
Cash Flow from Operating Cash Activities	23,176,285	18,768,638
Premium received from policy holders		
Deposit premium	-	-
Reinsurance premium paid	(6,035,557)	(5,215,412)
Fees and commission received	1,171,786	1,066,456
Direct Claims paid	(8,728,081)	(6,485,573)
Claims paid on behalf of co-assurance company	(487,755)	(827,824)
Claims received from reinsurers	3,273,361	1,605,642
Claims received from co-assurance companies	896,094	932,248
Commission paid	(3,673,527)	(2,910,729)
Maintenance Expenses paid	(2,223,011)	(2,131,639)
Cash paid to and on behalf of employees	(383,169)	(2,252,619)
other operating expenses paid	(2,290,608)	(2,069,605)
Company income tax paid	(199,029)	(179,931)
	<u>4,496,789</u>	<u>299,652</u>
Cash flows from Investing activities		
Purchase of FVTPL	(590,000)	(230,000)
Proceed from short term above 90 days	(1,281,748)	750,752
Proceed from redemption of amortised cost	-	-
Proceed on disposal of FVTPL	-	(158,384)
Purchase of financial asset at amortised cost	(3,504,858)	(1,080,558)
Investment income received	910,359	766,136
Acquisition of PPE	(347,845)	(152,105)
Proceed from PPE	4,474	1,313
Net cash flow from investing activities	<u>(4,809,618)</u>	<u>(102,846)</u>
Cash flow from financing activities		
Dividend paid	<u>(902,966)</u>	<u>(792,075)</u>
Net cash flow from financing activities	(1,215,795)	(595,269)
Cash and cash equivalent at the beginning -	8,095,230	8,095,230
Cash and cash equivalent at the end- 30th Sept , 2021	6,879,434	7,499,961

NEM INSURANCE PLC			
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2021			
NOTES TO THE FINANCIAL STATEMENTS			
	TOTAL		'2020
	N'000		N'000
<b>3. CASH AND CASH EQUIVALENTS</b>			
Cash - Petty cash	1,812		1,867
Balances with banks	586,087		1,818,510
Places with financial institutions	6,293,448		5,508,294
	6,881,347		7,328,671
Allowance for credit loss	-1,913		-1,913
<b>Total Cash and Cash equivalents</b>	<b>6,879,434</b>		<b>7,326,758</b>
Short-term deposits are made for varying periods averaging between 1- 90days depending on the immediate cash requirements of the Company . All deposits are subject to an interest rate of 5%. The carrying amounts disclosed above reasonably appropriate fair value at the reporting date.			
<b>4 Financial Assets</b>			2020
	N'000		N'000
Fair value through profit or loss note 4a	5,069,121		4,479,121
Fair value through other comprehensive income note 4b	81,318.00		81,318
Financial asset at amortised cost note 4c	7,213,775		6,105,529
	12,364,214		10,665,968
<b>a Fair value through profit or loss note</b>			
Balance at the beginning of the year	4,479,121		2,485,564
Reclassified from FVOCI	-		-
Purchases	590,000		899,574
Fair value loss/ gains	-		1,093,983
Disposal	-		-
Balance at the end of the year.	5,069,121		4,479,121
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 measured and evaluated on a fair value basis and the fair value is determined by reference to published prices quotations in an active market .			
<b>b Fair value through other comprehensive income.</b>			
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 elected at initial recognition to recognise as FVOCI.			
The components			
Equity securities	N'000		N'000
Opening balance	81,318		70,028
Addition during the year	-		-
Fair value Gain	-		11,290
Balance at the year end	81,318		81,318
<b>Bi Equity securities</b>			
fair Value	N'000		N'000
CSCS	35,818		27,370
WAMCO	45,500		42,658

<b>C. Fair value at amortised cost</b>		N'000	N'000
Bonds note ci		3,546,779	2,628,533
Deposits and Treasury bills note cii		3,666,996	3,476,996
		7,213,775	6,105,529
		N'000	N'000
i Balance as at 1st January, 2021		2,645,248	1,910,000
Addition during the year		929,442	735,248
Accrued Interest Capitalised			
Disposal during the year		-11,196	-
Total		3,563,494	2,645,248
Allowance for Credit loss		(16,715)	(16,715)
Balance at the end of the year		3,546,779	2,628,533
ii Financial assets at amortised cost comprise:			
Balance as at 1st January ,2021		3,517,338	225,790
Addition during the year		190,000	3,291,548
Accrued Interest Capitalised			0
Disposal during the year			0
Total		3,707,338	3,517,338
ECL Computation		-40,342	(40,342)
Total		3,666,996	3,476,996
<b>5. Trade receivables</b>			
		N'000	N'000
Opening balance as at 1st January, 2021		228,140	207,484
Addition during the year		3,314,858	20,656
Balance at the period/year end		3,542,998	228140
Company observed the policy of No Premium, No cover instituted by National Insurance Commission strictly but recognized thirty day credit notes by Brokers only.			
<b>6. Reinsurance Assets</b>		N'000	N'000
Reinsurance share of UPR		1,493,504	1,493,504
Reinsurance share of IBNR		680,276	680,276
Reinsurance share of outstanding Claims		1,573,438	1,573,438
Prepaid Reinsurance expense			-
Reinsurance share of Claims paid		1,018,429	1,018,429
Co assurance receivable		336,512	342,223
Reinsurance debtors		-	-
		5,102,158	5,107,870
Reinsurance assets are subject to Actuarial Valuation by EY- a professional valuers. This is usually done yearly and is the year end. The next one will be by the end of this year			
<b>7. DEFERRED ACQUISITION COST</b>		N'000	N'000
Balance at the beginning of the year		1,840,694	810,097
Commission paid during the year		3,673,526	3,417,935
Amortised acquisition during the year.		-4,062,570	(2,387,338)
Balance at the year end		1,451,650	1,840,694
<b>8. Prepayment and other receivables</b>		N'000	N'000
Rent and Prepaid Commission		5,829	67,602

Interest Receivable		81,992	81,992
Withholding tax receivable		24,880	12,697
Stock brokers		3,200	3,200
Other receivables		182,190	209,371
		298,093	374,862
<b>9. Investment in Associate</b>			
		N'000	N'000
Balance at the beginning of the year		412,741	435,165
Addition during the year		-	-
Share of Loss during the year		-	(22,424)
Impairment		(150,000)	-
Balance at the year end		262,741	412,741
This represents 40% share of NEM in Regency NEM in Ghana			
This investment is subject to impairment or derecognition for a period of nine months commencing from July, 2021 to the end of First quarter, 2022 as approved by the Board of Directors. This is due to malfunctioning or non performing of the investment.			
<b>10. Investment in Subsidiary</b>			
		N'000	N'000
NEM Asset Management Ltd		100,000	100,000
100% interest in NEM Asset Management Ltd.			
<b>11. Investment Property</b>			
		N'000	N'000
Balance at the beginning of the year		1,617,609	1,589,278
Addition during the year		270	3,622
Reclassified from PPE		-	-
Revaluation gain/(loss)		-	24,709
Balance at the year end		1,617,879	1,617,609
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.			
NEM investment Property in Oniru, Ebutte Metta and Zaria			
<b>12. Statutory Deposit</b>			
		N'000	N'000
Opening Balance as at 1st Jan. 2021		320,000	320,000
Addition during the year		-	-
Balance at the year end		320,000	320,000
Deposit with the Central Bank of Nigeria in accordance with the provisions of Insurance Act, 2003			
<b>INTANGIBLE ASSETS</b>			
<b>13 INTANGIBLE ASSET[COMPUTER SOFTWARE]</b>			
		N'000	N'000
As at 1/1/2021		61,596	61,596
Additions		-	-
disposal		-	-
As at 31/08/2021		61,596	61,596
<b>AMORTISATION</b>			
At January 1		61,586	60,371
Written off		-	-
Amortisation during the year		-	1,215
As at 31/08/2021		61,586	61,586

Carrying Amount	10	10

**NEM INSURANCE PLC**

<b>Note14</b>	<b>PROPERTY PLANT AND EQUIPMENT SCHEDULE</b>						
	<b>Land</b>	<b>Building</b>	<b>Machinery &amp; Equipment</b>	<b>Motor Vehicle</b>	<b>Furniture &amp; Fittings</b>	<b>Office Equipment</b>	<b>Total</b>
At 1st January 2021	417,900	2,197,100	23,330	795,161	28,444	151,932	3,613,866
Additions	-	(0)	300	325,648	2,925	18,971	347,845
Reclassification	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
At 30th September, 2021	417,900	2,197,100	23,630	1,120,809	31,369	170,903	3,961,711
<b>Depreciation/Amortisation</b>							
At 1st January 2021	-	87,884	5,910	496,544	19,237	81,870	691,445
Charge for the year	-	32,956	3,545	168,121	4,705	25,635	234,963
Depreciation on Disposal	-	-	-	-	-	-	-
At 30th September, 2021	-	120,840	9,455	664,665	23,942	107,505	926,408
<b>Net Book Value</b>							
At 30th September, 2021	417,900	2,076,259	14,176	456,143	7,427	63,397	3,035,303
At 31st December, 2020	417,900	2,109,216	17,420	298,617	9,207	70,062	2,922,422

	2021 N'000	'2020 N'000
<b>15. Insurance Contract Liability</b>		
Outstanding Claims reserve	3,659,317	2,860,898
Incurred but not reported IBNR	1,918,964	1,918,964
<b>Total Outstanding claims</b>	<b>5,578,281</b>	<b>4,779,862</b>
Unearned premium reserve	6,830,426	5,000,073
	<b>12,408,707</b>	<b>9,779,935</b>
<b>16. Trade Payable</b>	N'000	N'000
Due to reinsurance broker - AON	263,322	205,515
Due to reinsurance broker - SCIB	146,395	116,643
Premium Deposit	0	263,169
	<b>409,717</b>	<b>585,327</b>
<b>17 Other Payables</b>	N'000	N'000
Accruals	246,595	429,679
Unclaimed Dividend	850,006	728,297
Other creditors	478,933	155,987
Deferred acquisition income	404,834	404,834
	<b>1,980,368</b>	<b>1,718,797</b>
<b>18. Retirement Benefit obligation</b>	N'000	N'000
Amount recognised in statement of financial p	78,960	78,960
This is valued yearly by EY also		
<b>19. Taxation</b>	N'000	N'000
Per financial position	670,286	457,987
Income tax for the year	378,923	337,453
Education Tax for the year		51,176
Information technology levy		33,119
Paid during the year	(199,029)	(209,449)
Provision no longer required	-	-
Balance at the year end	<b>850,181</b>	<b>670,286</b>
<b>20. Deferred tax asset</b>	N'000	N'000
Balance at the beginning of the year	253,568	281,736
Change during the year	-	(28,168)
Balance at the year end	<b>253,568</b>	<b>253,568</b>
<b>20a. Deferred tax liability</b>	N'000	N'000
Balance at the beginning of the year	0	356,500
Change during the year	-	(356,500)

Revaluation Surplus	-	-
Balance at the year end	(0)	-
<b>21. Issued Share Capital</b>		
Authorised Share Capital	N'000	N'000
10,000,000,000 ordinary shares of 50k each	5,200,000	5,000,000
400,000,000 ordinary shares of 50k each	-	200,000
10,400,000,000 ordinary shares of 50k each	5,200,000	5,200,000
Ordinary share capital issued and fully paid.	N'000	N'000
5,280,502,913 Ordinary share of 50k each at th	5,016,477	2,640,251
Bonus issue/recapitalization of Share premium	-	272,551
Bonus issue / recapitalization of retain earnings	-	2,103,675
10,032,955,956 ordinary shares of 50k each	5,016,477	5,016,477
<b>22. Share Premium</b>		
Share Premium at the beginning of the year	-	272,551
Bonus issue/recapitalization of Share premium	-	(272,551)
Share Premium at the end of the year	-	-
Premium from issue of shares reported		
<b>23. Statutory contingency reserve</b>		
Balance at the beginning of the year	5,213,927	4,198,848
Profit for the year	695,289	1,015,079
Balance at the year end	5,909,216	5,213,927
Statutory contingency reserve is the higher of 3% of total premium or 20% of profit after tax		
<b>24. Retain earnings</b>		
Balance at the beginning of the year	6,981,489	5,816,923
Profit for the year	2,065,744	5,075,395
Transfer to contingency reserves	(695,289)	(1,015,079)
Bonus issue / recapitalization of retain earnings	-	(2,103,675)
Dividend Paid	(902,966)	(792,075)
Balance at the year end	7,448,978	6,981,489
<b>25. FVOCI reserve</b>		
Balance at the beginning of the year	(40,178)	(51,468)
Addition during the year	-	11,290
Balance at the year	(40,178)	(40,178)
<b>26. Asset revaluation reserve</b>		
Balance at the beginning of the year	1,094,475	1,094,475
Accumulated depreciation	-	-
Revaluatin amount -gain	-	-
Transfer to deferred tax liability	-	-

Balance at the year end

1,094,475

1,094,475

This represent the revaluation of our head office Property by Jide Taiwo -an estate  
Survayor and Valuersw

27. Other reserves- Employee benefit

N'000

N'000

Balance at the beginning of the year

71,147

111,455

Loss during the year

-

(40,308)

Balance at the year end

71,147

71,147

	2021	2020
28. Direct premium	N'000	N'000
Motor	6,479,392	5,966,000
Marine	2,839,818	1,850,052
Fire	5,657,964	4,065,456
General Accident	4,103,119	3,787,563
Oil and Gass	3,666,973	2,879,515
Agric	16,791	0
	<u>22,764,057</u>	<u>18,548,586</u>

28a. Reinsurance inward	N'000	N'000
Motor	33,964	13,557
Marine	10,755	1,867
Fire	250,171	85,698
General Accident	115,429	118,397
Oil and Gass	563	533
Agric	1,345	0
	<u>412,228</u>	<u>220,052</u>

28b. Gross Written premium	N'000	N'000
Direct premium	22,764,057	18,548,586
Reinsurance inward	412,228	220,052
	<u>23,176,285</u>	<u>18,768,638</u>

29. unexpired Risk		
Opening Balance		
Motor	N'000	N'000
Marine	448,512	1,742,367
Fire	1,922,019	372,492
General Accident	1,113,269	1,084,850
Oil and Gass	934,063	1,123,090
Agric	579,183	323,768
	3,027	
	<u>5,000,073</u>	<u>4,646,567</u>

29,a,b unexpired Risk		
Closing Balance		
Motor	N'000	N'000
Marine	(2,355,374)	(2,827,179)
Fire	(866,768)	(723,475)
General Accident	(1,690,361)	-1,706,259
Oil and Gass	(1,176,942)	-1,543,443
Agric	(739,414)	-976,904
	(1,567)	0
	<u>(6,830,426)</u>	<u>(7,777,260)</u>

29a Increase in unexpired risks		
Opening	N'000	N'000
Closing	5,000,073	4,646,567
	<u>(6,830,426)</u>	<u>(7,777,260)</u>
	<u>(1,830,353)</u>	<u>(3,130,693)</u>

29b Breakdown of the (Increase)/Decrease

Motor	N'000	N'000
Marine	(1,906,862)	(1,084,812)
Fire	1,055,251	(350,983)
General Accident	(577,092)	(621,409)
	(242,879)	(420,353)

Oil and Gass	(160,231)	(653,136)
30 Reinsurance expenses	(1,830,353)	(3,130,693)
	N'000	N'000
Motor	7,837	406
Marine	818,270	794,816
Fire	2,059,437	1,896,286
General Accident	1,299,931	1,239,223
Oil and Gass	1,848,832	1,284,681
Agric	1,251	0
	6,035,557	5,215,412
31 Fees and commission Received		
	N'000	N'000
Motor	2,786	-
Marine	189,470	197,387
Fire	588,595	532,693
General Accident	365,429	336,376
Oil and Gass	25,254	0
Agric	250	-
	1,171,786	1,066,456
32 Claim expenses		
	N'000	N'000
Motor	3,127,604	2,558,266
Marine	111,051	(291,089)
Fire	1,886,788	1,455,515
General Accident	896,499	190,877
Oil and Gass	230,999	313,938
Agric	198	-
	6,253,139	4,227,507
33 Aquisition expenses		
	N'000	N'000
Commission expense	3,673,526	2,910,729
Changes in deferred acquisition cost	389,044	(380,387)
	4,062,570	2,530,342
33a Acquisition expenses		
	N'000	N'000
Motor	817,790	727,682
Marine	535,642	436,609
Fire	1,279,421	698,575
General Accident	872,359	785,897
Oil and Gass	164,630	261,966
Agric	3,683	-
	3,673,526	2,910,729
33ai Acquisition expenses		
	N'000	N'000
Motor	1,015,642	727,682
Marine	609,385	436,609
Fire	975,017	698,575
General Accident	1,093,144	785,897
Oil and Gass	365,631	261,966

Agric	3,683	-
	<u>4,062,503</u>	<u>2,910,729</u>
<b>33b Underwriting expenses</b>	N'000	N'000
Commission expenses from 33	4,062,570	2,530,342
Maintenance expenses from 33c	2,223,010	2,131,639
	<u>6,285,580</u>	<u>4,661,981</u>
<b>33c Maintenance expenses</b>	N'000	N'000
Wages and Salaries-Technical staff	153,136	143,410
Entertainment and Hotel Expenses	98,566	92,957
Stamp Duty	75	-
NilD Expenses	6,400	5,620
Printing and Stationery Expenses	18,137	22,249
Transport and Travelling Expenses	839,406	663,034
Professional fees	246,635	327,362
Marketing Expenses	14,095	9,989
Business Development Expenses	392,423	492,128
Tracking Expenses	217,756	177,756
Insurance Levy	229,131	188,028
Industrial Training Fund	7,250	7,106
VAT Expense	-	-
Trade fair Expenses	-	2000
	<u>2,223,010</u>	<u>2,131,639</u>
<b>33d Maintenance expenses- Break down by class of business</b>	N'000	N'000
Motor	600,213	575,543
Marine	155,611	149,215
Fire	689,133	660,808
General Accident	400,142	383,695
Oil and Gass	377,912	362,378
	<u>2,223,010</u>	<u>2,131,639</u>
<b>34 Investment Income</b>	N'000	N'000
CBN Interest	8,133	41,751
Investment Income	902,226	724,385
	<u>910,359</u>	<u>766,136</u>
<b>34a Other Income</b>	N'000	N'000
Rental Income	-	-
Gains on disposal of Non current Assets	-	-
Sundry Income	2,641	35,240
Rental income	24,360	22,597
	<u>27,002</u>	<u>57,837</u>

<b>NEM INSURANCE PLC</b>				
<b>Shareholding Structure/Free Float Status</b>				
Description	30-Sep-21			
	Unit	Percentage	Unit	Percentage
Issued Share Capital	10,032,955,534		10,032,955,534	
<b>Substantial Shareholdings (5% and above)</b>				
AFIG FUND	2,999,853,704	29.90%	2,999,853,704	29.90%
CAPITAL EXPRESS ASSURANCE LIMITED	728,636,613	7.26%	728,636,613	7.26%
BUKSON INVESTMENT LIMITED	640,403,291	6.38%	640,403,291	6.38%
JEIDOC LIMITED	700,046,438	6.98%	700,046,438	6.98%
Total Substantial Shareholdings	5,068,940,046	50.52%	5,068,940,046	50.52%
<b>Directors' Shareholdings (direct and indirect), excluding directors with substantial interests</b>				
DR. FIDELIS AYEBAE	46,310,317	0.46%	46,310,317	0.46%
MR TOPE SMART	240,823,304	2.40%	240,823,304	2.40%
MR ANDREW IKEKHUA	2,725,713	0.03%	2,725,713	0.03%
JOY TELUWO	506,089	0.01%	506,089	0.01%
Total Directors' Shareholdings	290,365,423	2.89%	290,365,423	2.89%
<b>Other Influential Shareholdings</b>				
CHIEF ADEWALE TELUWO	213,980,574	2.13%	213,980,574	2.13%
Total Other Influential Shareholdings	213,980,574.00	2.13%	213,980,574.00	2.13%
<b>Free Float in Units and Percentage</b>	4,459,669,491	44.45%	4,459,669,491	44.45%
<b>Free Float in Value</b>	₦ 8,517,968,727.81		₦ 8,517,968,727.81	
<b>Declaration:</b>				
(A) NEM Insurance Plc with a free float percentage of 44.45% as at 30th Sept 2021, 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 ₦8,517,968,727.81 as at 30th Sept 2021, 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.

### **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.