AIICO INSURANCE PLC

UNAUDITED CONDENSED FINANCIAL STATEMENTS (IFRS 17)

FOR THE INTERIM PERIOD ENDED 30TH SEPTEMBER 2023

Table of contents Page

Corporate Information

Directors		Mr. Kundan Sainani (Indian)	Chairman
		Mr. Babatunde Fajemirokun	Group MD / CEO
		Mr. Adewale Kadri	Executive Director
		Mr. Samaila Zubairu	Director/Independent
		Mr. Ademola Adebise	Director
		Mrs. Oluwafolakemi Edun (nee Fajemirokun)	Director
		Mr. Olalekan Akinyanmi	Director
		Mr. Raimund Snyders (South African)	Director
		Mr. Rotimi Okpaise	Director
Company Secretary		Mr. Donald Kanu AIICO Insurance Plc AIICO Plaza Plot PC 12, Churchgate Street Victoria Island, Lagos	
Registered Office		AIICO Plaza Plot PC 12, Churchgate Street Lagos	
RC No.		7340	
TIN		00401332-0001	
Corporate Head Office		AIICO Plaza Plot PC 12, Churchgate Street Victoria Island Lagos Tel: +234 01 2792930-59 0700AIIContact (0700 2442 6682 28) Fax: +234 01 2799800 Website: //**www.aiicoplc.com** E-mail: aiicontact@aiicoplc.com	
Registrar		Coronation Registrars (formerly, United Securities Limited) 09, Amodu Ojikutu Street Off Bishop Oluwole Street, Victoria Island P.M.B. 12753 Lagos	
Independent Auditor		**Ernst & Young** 10th & 13th Floors, UBA House 57, Marina Road Lagos Island Lagos website: ***www.ey.com/ng***	
Bankers		Access Bank Plc Ecobank Plc First Bank of Nigeria Limited First City Monument Bank Limited Guaranty Trust Bank Limited Stanbic IBTC Bank Standard Chartered Bank Nigeria Limited Union Bank of Nigeria Plc United Bank of Africa Plc Wema Bank Plc	
Actuary	Firm Name:	Zamara Consulting Actuaries Nigeria Limited	
	Firm FRCN:	FRC/2019/00000012910	
	Life Valuation	Nikhil Dhodia	
	FRCN	FRC/2021/004/00000024023	
	Firm Name:	Zamara Consulting Actuaries Nigeria Limited	
	Non life Valuation	Jay Kosgei	
	FRCN	FRC/2021/004/00000023786	

Corporate information (continued)

Reinsurers		Africa Reinsurance Corporation Continental Reinsurance Plc Swiss Reinsurance WAICA Reinsurance Nigerian Reinsurance Trust Reinsurance Zep Reinsurance Arig Reinsurance Aveni Reinsurance NCA Reinsurance
Estate Valuer	Firm Name:	Niyi Fatokun & Co.
	Firm FRCN:	FRC/2019/00000012894
	Partner	Niyi Fatokun
	FRCN	(Chartered Surveyors & Valuer) FRC/2013/NIESV/70000000/1217
Regulatory Authority		National Insurance Commission (NAICOM)

Branch Networks

1. Port Harcourt
11 Ezimgbu Link Road (Mummy B Road)
Off Stadium Road
G.R.A Phase 4, Port Harcourt
Rivers State
Tel: +234 808 313 4875
+234 909 448 9393

2. Kaduna
Yaman Phone House
1, Constitution Road
Kaduna, Kaduna State
Tel: +234 803 338 6968;
+234 805 601 9667

3. Abuja Area Office
No 44 Durban Street,
Off Adetokunbo Ademola Crescent, Wuse II
FCT, Abuja.
Tel: +234 805 820 0439
+234 817 668 4115

4. Kano
8, Post Office Road
Kano
Kano State
Tel: +234 807 810 7938
+234 806 593 4787

5. Abeokuta
46, Tinubu Street
Ita Eko, Abeokuta
Ogun State
Tel: +234 803 255 7071

6. Lagos, Ikeja
AIICO House
Plot 2, Oba Akran Avenue
Opp. Dunlop, Ikeja, Lagos
Tel: +234 1 460 2097-8; +234 808 313 4376
+234 1 460 2218

7. Aba
7, Factory Road
Aba, Abia State
Tel: +234 805 531 4351

8. Lagos, Isolo
203/205, Apapa-Oshodi Expressway
Isolo, Lagos
Tel: +234 802 305 4803; +234 805 717 6063

9. Enugu
55-59, Chime Avenue
Gbuja's Plaza New Haven
Enugu State
Tel: +234 803 724 6767

10. Lagos, Ilupeju
AIICO House
36/38, Ilupeju Industrial Avenue
Ilupeju, Lagos
Tel: +234 816 046 6239
+234 803 334 3036

11. Benin
28, Sakponba Road
Benin City
Edo State
Tel: +234 805 116 3395
+234 813 405 1972

12. Onitsha
Noclink Plaza, 41 New Market Road
Opp UBA Bank, Onitsha
Anambra State
Tel: +234 708 606 4999
+234 803 375 0361

13. Jos
4, Beach Road
Jos, Plateau State.
Tel: +234 805 735 6726
+234 809 033 5125

14. Owerri
46, Wetheral Road
Owerri, Imo State
Tel: +234 805 603 3269
+234 706 603 2065

15. Ibadan
12, Moshood Abiola Way
Challenge Area
Ibadan, Oyo State
Tel: +234 803 231 8925
+234 802 834 4263

16. Warri
60, Effurun/Sapele Road
Warri.
Delta State.
Tel: +234 803 971 0794
+234 818 749 7490

Results at a Glance - The Group
For the interim period ended 30 September 2023

Profit or Loss and Other Comprehensive Income			**Increase/ (decrease)**	**Increase/ (decrease)**
In thousands of naira	**30-Sep-23**	**30-Sep-22**	**Changes**	**%**
Gross written premium	**85,137,765**	**69,502,732**	**15,635,033**	**22**
Insurance revenue	51,308,924	38,896,898	12,412,026	32
Insurance service expense	(43,935,076)	(31,148,764)	(12,786,311)	41
Net Expenses from reinsurance contracts	(7,589,681)	(6,402,126)	(1,187,555)	19
Insurance service result	**(215,833)**	**1,346,007**	**(1,561,840)**	**(116)**
Net investment income before fair value changes	23,630,246	12,345,465	11,284,781	91
Net fair value (loss)/income	(12,380,292)	(5,904,692)	(6,475,600)	110
Net insurance/reinsurance finance expenses	(2,290,157)	(3,008,440)	718,283	24
Net insurance and investment result	**8,743,964**	**4,778,340**	**3,965,624**	**83**
Operating expenses	(1,998,919)	(2,386,064)	387,145	16
Profit after tax from discontinued operations	**6,745,045**	**2,392,276**	**4,352,769**	**182**
Taxes	(659,356)	(321,611)	(337,745)	(105)
Disconitnued operations	-	2,872,686	(2,872,686)	(100)
Profit for the period	**6,085,689**	**4,943,351**	**1,142,338**	23
Total other comprehensive income/(loss)	(387,102)	(706,897)	319,796	(45)
Total comprehensive income for the period	**5,698,588**	**4,236,454**	**1,462,134**	**35**
Basic and diluted earnings per share (kobo)	16	13		

Financial Position

In thousands of naira	**30-Sep-23**	**31-Dec-22**	**Changes**	**%**
Assets				
Cash and cash equivalents	19,897,792	15,915,258	3,982,534	25
Financial assets	246,655,198	225,460,028	21,195,170	9
Trade receivables	1,149,978	866,977	283,001	33
Contracts assets	18,381,456	11,489,975	6,891,481	60
Other receivables and prepayments	4,237,261	4,685,425	(448,164)	(10)
Deferred tax assets	-	21,501	(21,501)	(100)
Investment properties	620,000	760,000	(140,000)	(18)
Property and equipment	8,315,121	8,359,520	(44,399)	(1)
Statutory deposits	500,000	500,000	-	-
Right of use assets	28,285	60,055	(31,769)	(53)
Goodwill and other intangible assets	906,638	928,672	(22,034)	(2)
Total assets	**300,691,730**	**269,047,411**	**31,644,319**	**12**
Liabilities				
Insurance contract liabilities	208,254,710	187,868,485	20,386,225	11
Investment contract liabilities	3,706,469	3,212,895	493,575	15
Trade payables	8,140,668	6,461,628	1,679,040	26
Other payables and accruals	8,712,171	8,404,577	307,594	4
Fixed income liabilities	26,749,624	22,781,598	3,968,026	17
Current income tax payable	1,005,401	669,543	335,858	50
Deferred tax liabilities	498	7,666	(7,168)	(93)
Total liabilities	**256,569,542**	**229,406,391**	**27,163,150**	**12**
Equity				
Share capital	18,302,638	18,302,638	0	0.00
Share premium	64,745	64,745	-	-
Revaluation reserve	2,764,016	2,764,016	-	-
Fair value reserve	(3,168,669)	(2,796,624)	(372,045)	13
Contingency reserve	11,150,254	9,710,046	1,440,208	15
Retained earnings	14,543,134	11,173,797	3,369,337	30
Shareholders' funds	**43,656,119**	**39,218,618**	**4,437,501**	**11**
Non-controlling interests	466,070	422,402	43,668	10
Total equity	**44,122,188**	**39,641,020**	**4,481,168**	**11**
Total liabilities and equity	**300,691,730**	**269,047,411**	**31,644,319**	**12**

Results at a Glance - The Company
For the interim period ended 30 September 2023

Profit or loss and other comprehensive income			**Increase/ (Decrease)**	**Increase/ (Decrease)**
In thousands of naira	**30-Sep-23**	**30-Sep-22**	**Changes**	**%**
Gross written premium	**84,510,111**	**68,901,842**	**15,608,269**	**23**
Insurance revenue	50,343,914	37,977,922	12,365,992	33
Insurance service expense	(43,421,145)	(30,579,087)	(12,842,058)	42
Net Expenses from reinsurance contracts	(7,589,681)	(6,402,126)	(1,187,555)	19
Insurance service result	**(666,912)**	**996,709**	**(1,663,620)**	**(167)**
Net investment income before fair value changes	22,849,185	11,446,181	11,403,004	100
Net fair value (loss)/income	(12,380,292)	(5,904,692)	(6,475,600)	110
Net insurance finance expenses	(2,290,157)	(3,008,440)	718,283	24
Net insurance and investment result	**7,511,825**	**3,529,757**	**3,982,067**	**113**
Operating expenses	(1,446,821)	(2,195,904)	749,083	34
Profit after tax from discontinued operations	**6,065,004**	**1,333,853**	**4,731,150**	**355**
Taxes	(638,194)	(293,925)	(344,270)	100
Disconitnued operations	-	2,872,686	(2,872,686)	(100)
Profit for the period	**5,426,809**	**3,912,614**	**1,514,195**	39
Total other comprehensive loss	(14,398)	(100,035)	85,637	(86)
Total comprehensive income for the period	**5,412,411**	**3,812,579**	**1,599,832**	**42**
Basic and diluted earnings per share (kobo)	15	11		

Financial Position

In thousands of naira	**30-Sep-23**	**31-Dec-22**	**Changes**	**%**
Assets				
Cash and cash equivalents	7,946,817	6,521,824	1,424,993	22
Financial assets	229,283,100	208,421,569	20,861,531	10
Trade receivables	1,011,819	852,113	159,706	19
Contracts assets	18,381,456	11,489,975	6,891,481	60
Other receivables and prepayments	3,320,574	4,141,826	(821,252)	(20)
Investment in subsidiaries	1,087,317	1,087,317	-	-
Investment properties	620,000	760,000	(140,000)	(18)
Property and equipment	8,100,841	8,064,528	36,313	0
Statutory deposits	500,000	500,000	-	-
Right of use assets	28,285	60,055	(31,769)	(53)
Goodwill and other intangible assets	834,546	846,825	(12,279)	(1)
Total assets	**271,114,755**	**242,746,032**	**28,368,723**	**12**
Liabilities				
Insurance contract liabilities	207,950,901	187,868,485	20,082,416	11
Investment contract liabilities	3,706,469	3,212,895	493,575	15
Trade payables	8,140,668	6,461,628	1,679,040	26
Other payables and accruals	8,465,183	7,054,663	1,410,520	20
Current income tax payable	933,209	422,562	510,647	121
Total liabilities	**229,196,431**	**205,020,233**	**24,176,198**	**12**
Equity				
Share capital	18,302,638	18,302,638	-	-
Share premium	64,745	64,745	0	0
Revaluation reserve	2,764,016	2,764,016	-	-
Fair value reserve	(1,836,095)	(1,821,697)	(14,398)	1
Contingency reserve	11,150,254	9,710,046	1,440,208	15
Retained earnings	11,472,767	8,706,052	2,766,715	32
Shareholders' funds	**41,918,324**	**37,725,799**	**4,192,525**	**11**
Total liabilities and equity	**271,114,755**	**242,746,032**	**28,368,723**	**12**

Shareholding Structure And Freefloat Status

Company name	AIICO Insurance Plc
Year end	December
Reporting Period	30-Sep-23
Share Price at end of reporting period	N0.69 (31 December 2022: N0.59)

Shareholding Structure/Free Float Status

Description	30-Sep-23		31-Dec-22	
	Unit	Percentage	Unit	Percentage
Issued Share Capital***	36,605,276,013	100%	36,605,276,013	100%
Substantial Shareholdings (5% and above)				
DF Holdings Limited	0	0.00%	10,419,275,441	28.46%
AIICO Bahamas Limited	15,104,442,427	41.26%	4,385,166,986	11.98%
LeapFrog III Nigeria Insurance Holdings LTD	11,173,946,135	30.53%	11,173,946,135	30.53%
Total Substantial Shareholdings	**26,278,388,562**	71.79%	**25,978,388,562**	70.97%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Babatunde Fajemirokun	117,119,739	0.32%	117,119,739	0.32%
Ademola Adebise	49,070	0.00%	49,070	0.00%
Total Directors' Shareholdings	117,168,809	0.32%	117,168,809	0.32%
Total Other Influential Shareholdings	-	0.00%	-	0.00%
Free Float in Units and Percentage	10,209,718,642	27.89%	10,509,718,642	28.71%
Free Float in Value	₦ 7,044,705,862.98		₦ 6,200,733,998.78	

Declaration:
AIICO Insurance Plc with a free float percentage of 27.89% as at 30 September 2023, is compliant with The Nigeria Stock Exchange's free float requirements for companies listed on the Main Board.

Mr. Donald Kanu
Company Secretary

FRC/2013/NBA/00000002884
Plot PC 12, Churchgate Street
Victoria Island
Lagos, Nigeria
26-October-23

Certification Pursuant to Section 60(2) of Investment and Securities Act No. 29 of 2007 and Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements per the provisions of section 405 of the Companies and Allied Matters Act 2020

We the undersigned, hereby certify the following with regards to our unaudited financial statements for the interim period ended 30 September 2023 that:

(i) We have reviewed the report and to the best of our knowledge, the report does not contain:

- Any untrue statement of a material fact, or
- Omission to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;
- To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Group as of, and for the periods presented in the report.

(ii) We:

- are responsible for establishing and maintaining internal controls.
- have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the periods in which these reports are being prepared;
- have evaluated the effectiveness of the Group's internal controls as of date of the report;
- have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;

(iii) We have disclosed to the Audit Committee:

- all significant deficiencies in the design or operation of internal controls which would adversely affect the Group's ability to record, process, summarize and report financial data and have identified for the Group's auditors any material weakness in internal controls, and
- Any fraud, whether or not material, that involves management or other employees who have significant role in the Group's internal controls;

We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Babatunde Fajemirokun
MD/CEO
FRC /2015/MULTI/00000019973

26-Oct-23

Mr. Oladeji Oluwatola
Chief Financial Officer
FRC/2013/ICAN/0000004910

26-Oct-23

Material Accounting Policies
For the interim period ended 30 September 2023

1 Reporting entity

AIICO Insurance Plc ("the Company") was established in 1963 by American Life Insurance Company and was incorporated in 1970. It was converted to a Public Liability Company in 1989 and quoted on the Nigerian Stock Exchange (NSE) in December 1990. The Company was registered by the Federal Government of Nigeria to provide insurance services in Life Insurance Business, Non-Life Insurance Business, Deposit Administration and Financial Services to organizations and private individuals. Arising from the merger in the insurance industry, AIICO Insurance Plc acquired Nigerian French Insurance Plc and Lamda Insurance Company Limited in February 2007.

2 Basis of accounting

2.1 *Statement of compliance*

These interim condensed consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), the financial statements comply with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act No 6, 2011, the Insurance Act of Nigeria 2003 and relevant National Insurance Commission (NAICOM) policy guidelines and circulars.

These consolidated and separate financial statements were authorised for issue by the Company's Board of Directors on 26 October 2023.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 30 September 2023.

2.2 Going concern

These consolidated and separate financial statements have been prepared using appropriate accounting policies, supported by reasonable judgments and estimates. The Directors have a reasonable expectation, based on an appropriate assessment of a comprehensive range of factors, that the Group and the Company have adequate resources to continue as going concern for the foreseeable future.

Functional and presentation currency

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

2.4 *Basis of measurement*

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

Items	**Measurement Bases**
Item of building (Property plant and equipment)	Revalued amount
Non-derivative Financial asset at fair value through other comprehensive income	Fair value
Non-derivative Financial asset at fair value through profit or	Fair value
Investment properties	Fair value
Insurance contract liabilities	Present value

2.5 Use of estimates and judgement

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are described in Note 4.

Material Accounting Policies
For the interim period ended 30 September 2023

2.6 Regulatory authority and financial reporting

The Group is regulated by the National Insurance Commission of Nigeria (NAICOM) under the National Insurance Act of Nigeria.

(i) Section 20 (1a) provides that provisions for unexpired risks shall be calculated on a time apportionment basis of the risks accepted in the year;

(ii) Section 20 (1b) requires provision for outstanding claims to be credited with an amount equal to the total estimated amount of all outstanding claims with a further amount representing 10 percent of the estimated figure for outstanding claims in respect of claims incurred but not reported at the end of the year under review;

(ii) Sections 21 (1a) and 22 (1b) require maintenance of contingency reserves for general and life businesses respectively at specified rates as set out under Note 3.27 to cover fluctuations in securities and variation in statistical estimates;

2.6 Changes in accounting policies

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

A Issued and Amended standards effective from periods beginning on or after 1 January 2023

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unlessthey are explicitly chargeable to the counterparty under the contract.

The amendments do not have a significant impact on the Group's consolidated financial statement.

(ii) Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first appliesthe amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 Leases

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Group applies the amendments retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

Material Accounting Policies
For the interim period ended 30 September 2023

(iv) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 Leases

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

(v) IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

(vi) IAS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

2.7 Segment reporting

For management purposes, the Group is organized into business units based on their products and services.

Segment performance is evaluated based on profit or loss. The Company's financing and income taxes are managed on a group basis and are not allocated to individual operating segments.

Inter-segment transactions which occurred in 2021 as shown in Note 5.1 Segment statement of profit or loss and other comprehensive income and 5.2 Segment statement of financial position and results will include those transfers between business segments.

3 Material accounting policies

The Group has consistently applied the following accounting policies to all years presented in these consolidated and separate financial statements.

3.1 Basis of Consolidation

(a) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company has an option to measure any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. No reclassification of insurance contracts is required as part of the accounting for the business combination. However, this does not preclude the Group from reclassifying insurance contracts to accord with its own policy only if classification needs to be made on the basis of the contractual terms and other factors at the inception or modification date.

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

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or a liability, will be recognized as measurement year adjustments in accordance with the applicable IFRS. If the contingent consideration is classified as equity, it will not be remeasured and its subsequent settlement will be accounted for within equity.

Material Accounting Policies

For the interim period ended 30 September 2023

3.1 Basis of Consolidation (continued)

Goodwill is initially measured at cost, being the excess of the fair value of the consideration transferred over the Company's share in the net identifiable assets acquired and liabilities assumed and net of the fair value of any previously held equity interest in the acquiree. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to an appropriate cash-generating unit that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(b) Subsidiaries

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

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective 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 recognised directly in equity and attributed to the Group.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are 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. All other acquisition costs are expensed as incurred.

Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any related non-controlling interests and the other components of equity related to the subsidiary. Any gain or loss arising from the loss of control is recognised in profit or loss. If the Group retains any interest in such subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as a financial asset elected to be measured at fair value through other comprehensive income depending on the level of influence retained.

(c) Non-Controlling Interest

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

(d) Investment in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in an associate is initially recognized at cost in the separate financial statements, however in its Consolidated financial statements; it is recognized at cost and adjusted for in the Group's share of changes in the net assets of the investee after the date of acquisition, and for any impairment in value. If the Group's share of losses of an associate exceeds its interest in the associate, the Group discontinues recognizing its share of further losses.

Material Accounting Policies

For the interim period ended 30 September 2023

3.2 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate when the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the spot exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in Other Comprehensive Income (OCI):

- financial asset at fair value through other comprehensive income (OCI) (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective and
- qualifying cash flow hedges to the extent that the hedges are effective.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short term commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. The statement of cashflows was prepared using the direct method.

Cash and cash equivalents are carried at amortized cost in the consolidated and separate statements of financial position.

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.4.1 Recognition and initial measurement

All financial instruments are initially recognized on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus or minus (for financial liabilities), except for a financial asset or liability measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.4.2 Classification of financial instruments

The Group classified its financial assets under IFRS 9, into the following measurement categories:

• Those to be measured at fair value through other comprehensive income (FVOCI) (either with or without recycling)
• Those to be measured at fair value through profit or loss (FVTPL); and
• Those to be measured at amortized cost.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets cash flow (i.e. solely payments of principal and interest- (SPPI test)).

The Group classifies its financial liabilities as liabilities at fair value through profit or loss and liabilities at amortized cost. Management determine the classification of the financial instruments at initial recognition.

Material Accounting Policies

For the interim period ended 30 September 2023

(i) Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

• the stated policies and objectives for the portfolio and the operation of those policies in practice. 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 the liabilities that are funding those assets or realising cash flows through the sale of the assets;
• how the performance of the portfolio is evaluated and reported to the Group's management;
• the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
• the frequency, volume and timing of sales in prior years, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

(ii) Assessment whether contractual cash flows are solely payments of principal and interest

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

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

• contingent events that would change the amount and timing of cash flows;
• leverage features;
• prepayment and extension terms;
• terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset features); and

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

A financial liability is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. Directly attributable transaction costs on these instruments are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Material Accounting Policies
For the interim period ended 30 September 2023

(iii) Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the year after the Group changes its business model for managing financial assets that are debt instruments. A change in the objective of the Group's business occurs only when the Group either begins or ceases to perform an activity that is significant to its operations (e.g., via acquisition or disposal of a business line).

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

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

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting year following the change in business model.

Gains, losses or interest previously recognized are not restated when reclassification occurs.

3.4.3 Subsequent measurements

The subsequent measurement of financial assets depends on its initial classification:

(i) Debt instuments

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

• The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The gain or loss on a debt securities that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Investment income'.

The amortized cost of a financial instrument is the amount at which it was measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any loss allowance. The effective interest method is a method of calculating the amortised cost of a financial instrument (or group of instruments) and of allocating the interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter year, to the instrument's gross carrying amount.

*** Fair value through other comprehensive income (FVOCI)**

Investment in debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

• the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The debt instrument is subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI) and accumulated in a separate component of equity. Impairment gains or losses, interest revenue and foreign exchange gains and losses are recognized in profit or loss. Upon disposal or derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized as realized gain or loss. Interest income from these financial assets is determined using the effective interest method and recognized in profit or loss as investment income. The treatment for equity instrument at FVTOCI is stated below. (Note 3.4.3(iii)).

Material Accounting Policies
For the interim period ended 30 September 2023

* **Fair value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. The gain or loss arising from changes in fair value of a debt securities that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is included directly in the profit or loss and reported as 'Net fair value gain/loss' in the year in which it arises. Interest income from these financial assets is recognized in profit or loss as investment income.

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. For equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established unless the dividend clearly represents a recovery of part of the cost of the investment. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Net fair value gain/loss in the profit or loss.

3.4.4 Impairment of financial assets

(a) Overview of the Expected Credit Losses (ECL) principles

The Group recognizes loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

• Financial assets that are debt instruments measured at amortized cost and FVOCI

In this section, the instruments mentioned above are all referred to as 'financial instruments' or 'assets'. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LT ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL) as outlined.

The 12month ECL is the portion of LT ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date (or a shorter year if the expected life of the instrument is less than 12 months). Both LT ECLs and 12m ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

Loss allowances for account receivable are always measured at an amount equal to lifetime ECL. The Group has established a policy to perform an assessment, at the end of each reporting year, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group groups its financial instruments into Stage 1, Stage 2, Stage 3 and POCI, as described below:

•Stage 1: When financial assets are first recognised, the Company recognises an allowance based on 12m ECLs. Stage 1 asset also include facilities where the credit risk has improved and the asset has been reclassified from Stage 2.

• Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the LT ECLs. Stage 2 asset also include facilities, where the credit risk has improved and the asset has been reclassified from Stage 3.

• Stage 3: Financial assets considered credit-impaired. The Company records an allowance for the LT ECLs.

If, in a subsequent year, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, depending on the stage of the lifetime – stage 2 or stage 3 of the ECL bucket, the Group would continue to monitor such financial assets for a probationary year of 90 days to confirm if the risk of default has decreased sufficiently before upgrading such exposure from Lifetime ECL (Stage 2) to 12-months ECL (Stage 1). In addition to the 90 days probationary year above, the Group also observes a further probationary year of 90 days to upgrade from Stage 3 to 2. This means a probationary year of 180 days will be observed before upgrading financial assets from Lifetime ECL (Stage 3) to 12-months ECL (Stage 1).

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Material Accounting Policies
For the interim period ended 30 September 2023

3.4.4 Impairment of financial assets (Continued)

The Group considers a financial asset to be in default when the following occurs;

- The counterparty is unlikely to pay its credit obligations e.g market information
- Failure by the counterparty to meet obligation 90days past due.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative: e.g indicators of financial asset OR breach of covenant.
- quantitative e.g overdue status and non payment of another obligation of the same issuer to the Group.

The Group has defined its maximum year in estimating expected credit losses to be the maximum year to which the Group is exposed to the credit risk.

The Group has assumed that credit risk of a financial asset has not increased significantly since initial recognition if the financial asset has low credit risk at reporting date. The Group considers a financial asset to have low risk when its credit rating is equivalent to the globally understood definition of investment grade.

As a back stop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering grace period that might be available to the borrower.

(b) **The calculation of ECLs**

The Group calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted The mechanics of the ECL calculations are outlined below and the key elements 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 assessed year, if the facility has not been previously derecognised and is still in the portfolio.

• 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. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers three scenarios (a base case, an upside and downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted assets are expected to be recovered, including the probability that the assets will cure and the value of collateral or the amount that might be received for selling the asset. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

• Stage 1: The 12m ECL is calculated as the portion of LT ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12m ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.

• Stage 2: When an asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LT ECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

• Stage 3: For assets considered credit-impaired, the Group recognises the lifetime expected credit losses for these assets. The method is similar to that for Stage 2 assets, with the PD set at 100%.

(c) **Debt instruments measured at fair value through OCI**

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is reclassified to the profit or loss upon derecognition of the assets.

Material Accounting Policies
For the interim period ended 30 September 2023

(d) **Collateral valuation**

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms: staff gratuity or guarantors for staff loans, in-house pension fee for agency loan, policy document/cash value for policy loans, etc. The Company's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same is it was under IAS 39. Collateral, unless repossessed, is not recorded on the Company's statement of financial position.
However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on yearly basis as deemed necessary.

(e) **Presentation of allowance for ECL in the statement of financial position**

Loss 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;

• Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and recognised in the fair value reserve in equity (through OCI).

(f) **Forward looking information**

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

• GDP growth
• Unemployment rates
• Inflation rates
• Crude oil price

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Detailed information about these inputs and sensitivity analysis are provided in Note 47 (a) in the financial statements.

3.4.5 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. A market is regarded as active if transactions for the assets or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases the initial estimate of fair value of a financial instrument on initial recognition may be different from its transaction price. If this estimated fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in profit or loss on initial recognition of the instrument. In other cases, the fair value at initial recognition is considered to be the transaction price and the difference is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Fair value of fixed income liabilities is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

3.4.6 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such derecognised asset financial asset that is created or retained by the Group is recognised as a separate asset or liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Material Accounting Policies
For the interim period ended 30 September 2023

3.4.7 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when its contractual obligations are discharged or cancelled, or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

3.4.8 Write off

The Group writes off a financial asset (and any related allowances for impairment losses) when the Group determines that the assets are uncollectible. Financial assets are written off either partially or in their entirety. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer’s financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss on financial assets.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

3.5 Trade receivables

Trade receivables arising from insurance contracts represent premium receivable with determinable payments that are not quoted in an active market and the Group has no intention to sell. Premium receivables are those for which credit notes issued by brokers are within 30days, in conformity with the “NO PREMIUM NO COVER” policy. Refer to note 3.4 for basis of measurement.

3.6 Reinsurance assets

The Group cedes insurance risk in the normal course of business on the bases of our treaty and facultative agreements. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with settled claims associated with the reinsurer’s policies and are in accordance with the related reinsurance contract.

3.7 Trade payables

Trade payables are recognised when due and measured on initial recognition at the fair value of the consideration received. Subsequent to initial recognition, they are measured at amortized cost using the effective interest rate method. Trade payables are recognised as financial liabilities.

3.8 Other payables and accruals

Other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. Discounting is omitted for payables that are less than one year as the effect is not material. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss. Gains and losses are recognised in the profit or loss when the liabilities are derecognized. Other payables are recognised as other financial liabilities.

3.9 Deferred expenses

(a) Deferred acquisition costs (DAC)

Those direct and indirect costs incurred during the financial year arising from the writing or renewing of insurance contracts and are deferred to the extent that these costs are recoverable out of future premiums. All other acquisition costs are recognized as an expense when incurred.

Acquisition cost for life insurance are expensed as incurred. Subsequent to initial recognition, Acquisition cost for general insurance are amortized over the year in which the related revenues are earned. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization year and are treated as a change in an accounting estimate. DAC are derecognized when the related contracts are either settled or disposed off.

Material Accounting Policies
For the interim period ended 30 September 2023

(b) Deferred expenses -Reinsurance commissions

Commissions receivable on outwards reinsurance contracts are deferred and amortized on a straight line basis over the term of the expected premiums payable.

3.10 Other receivables and prepayment

Other receivables are carried at amortised cost using the effective interest rate less accumulated impairment losses. Prepayments are carried at cost less accumulated amortization and are amortized on a straight line basis to profit or loss.

3.11 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that this relates to a business combination, or items recognized directly in equity or other comprehensive income.

(a) *Current tax*

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

(b) *NITDA Levy*

The National Information Technology Development Agency Act (2007) empowers and mandates the Federal Inland Revenue Service (FIRS) to collect and remit 1% of profit before tax of Companies with turnovers of a minimum of ₦100million under the third schedule of the Act.

(c) *Deferred income taxation*

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

Deferred tax is not recognised for:

- temporary differences arising 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;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that its probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profit improves.

Unrecognised deferred tax asset are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value presumed to be recovered through sale, and the Group has not been rebutted this presumption.

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

3.12 Investment properties

Investment properties are initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Material Accounting Policies
For the interim period ended 30 September 2023

3.13 Intangible assets and goodwill

(a) Goodwill

Goodwill is measured at cost less accumulated impairment losses.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite.

Intangible assets with finite lives are amortized over the useful economic lives, using a straight line method, and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization year and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization year or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the profit or loss in the expense category consistent with the function of the intangible asset.

Computer software, not integral to the related hardware acquired by the Group, is stated at cost less accumulated amortisation and accumulated impairment losses.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The estimated useful life is 5 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

(c) Present value of acquired in-force business (PVIF)

When a portfolio of insurance contracts is acquired, whether directly from another insurance company or as part of a business combination, the difference between the fair value of insurance rights acquired and insurance obligation assumed are measured using the Group's existing accounting policies and it is recognized as the value of the acquired in-force business.

Subsequent to initial recognition, the intangible asset is carried at cost less accumulated amortization and accumulated impairment losses. The intangible asset is amortized over the useful life of the acquired in-force policy during which future premiums are expected, which typically varies between five and fifty years. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization year and they are treated as a change in an accounting estimate. An impairment review is performed whenever there is an indication of impairment. When the recoverable amount is less than the carrying value, an impairment loss is recognized in the profit or loss. PVIF is also considered in the liability adequacy test for each reporting year.

PVIF is derecognized when the related contracts are settled or disposed off.

(d) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit

(e) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and generally recognised in profit or loss. Goodwill is not amortised.

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

(f) Imapairment on goodwill

Goodwill is evaluated for impairment annually or whenever we identify certain triggering events or circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Events or circumstances that might indicate an interim evaluation is warranted include, among other things, unexpected adverse business conditions, macro and reporting unit specific economic factors (for example, interest rate and foreign exchange rate fluctuations, and loss of key personnel), supply costs, unanticipated competitive activities, and acts by governments and courts.

Material Accounting Policies

For the interim period ended 30 September 2023

3.14 Property and equipment

(a) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses except for building (see note 2.4). Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Land and buildings are measured at revalued amount less accumulated depreciation (see note c below). Valuations are performed frequently (within every three year (3yrs) to ensure that the fair value of the revalued asset does not differ materially from its carrying amount. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount and the net value is restated to the revalued amount of the asset. Capital work-in-progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use and have been reclassified to the related asset category.

If significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(c) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual value using the straight-line method over the estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives of significant items of property and equipment for current and comparative years are as follows:

Land	Not depreciated
Buildings	50 years
Furniture and equipment	5 years
Motor vehicles	4 years
Lifts	15 Years
Central Air Conditioners	10 years
Capital work in progress	Not depreciated

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's value less costs to sell or the value in use. Gains and losses on disposal are determined by comparing proceeds with carrying amount. Gains and losses are included in profit or loss for the year.

(d) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised. Any revaluation gain or loss previously recognised in reserve is derecognised into retained earnings.

(e) Reclassification to investment property

When the use of a property changes from owner- occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss.

Material Accounting Policies

For the interim period ended 30 September 2023

3.15 Statutory deposit

Statutory deposit represent 10% of required minimum paid up capital of AIICO Insurance PLC. The amount is held by CBN (Central Bank of Nigeria) pursuant to Section 10(3) of the Insurance Act 2003. Statutory deposit is measured at cost.

3.16.1 Insurance contract liabilities

(a) Life insurance contract liabilities

At each reporting date, an assessment is made of whether the recognized life insurance liabilities are adequate by carrying out a liability adequacy test. The liability value is adjusted to the extent that it is insufficient to meet expected future benefits and expenses. In performing the adequacy test, current best estimates of future contractual cash flows, including related cash flows such as claims handling and policy administration expenses, policyholder options and guarantees, as well as investment income from assets backing such liabilities, are used. Discounted cash flows model is used in the valuation.

The interest rate applied is based on management's prudent expectation of current market interest rates. Any inadequacy is recorded in the profit or loss by establishing an additional insurance liability for the remaining loss. In subsequent years, the liability for a block of business that has failed the adequacy test is based on the assumptions that are established at the time of the loss recognition. The assumptions do not include a margin for adverse deviation.

(b) Guaranteed annuity

Guaranteed annuity is recognised as an insurance contract. Annuity premium are recognised as income when received from policy holders, payments to policy holders are recognised as an expense when due. The amount of insurance risk under contracts with guaranteed annuity is also dependent on the number of contract holders that will exercise their option ('option take-up rate'). This will depend significantly on the investment conditions that apply when the options can be exercised. The lower the current market interest rates in relation to the rates implicit in the guaranteed annuity rates, the more likely it is that contract holders will exercise their options. Continuing improvements in longevity reflected in current annuity rates will increase the likelihood of contract holders exercising their options as well as increasing the level of insurance risk borne by the Company under the annuities issued. The Group does not have sufficient historical data on which to base its estimate of the number of contract holders who exercise their option.

(c) Non-life insurance contract liabilities

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims expenses. Delays can be experienced in the notification and settlement of certain types of claims, therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalization or catastrophe reserves is recognized. The liabilities are derecognized when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognized when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognized in the profit or loss by setting up a provision for premium deficiency.

Material Accounting Policies

For the interim period ended 30 September 2023

3.16.2 Investment contract liabilities

Investment contract liabilities are recognized when contracts are entered into and premiums are received. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition investment, contract liabilities are measured at amortized cost.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the statement of financial position and are not recognised as gross premium in the consolidated profit or loss. The liability is derecognized when the contract expires, is discharged or is cancelled. When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position as described above.

However, when contracts contain both financial risk component and significant insurance risk component and cash flows from the two components are not distinct and cannot be measured reliably, the underlying amounts are not unbundled but are recognized in the statement of financial position account as insurance contract liabilities. After which, the actuary, using the contract terms, allocates a portion to the deposit component during the actuarial valaution. The portion allocated to the deposit component is subsequently debited to the profit or loss account as part of the actuarially determined liabilities with a corresponding credit posted to other investmnent contract liabilities account in order to track the deposit element separately from the risk element.

3.17 Portfolio under Management

(i) Fiduciary activities

The Group acts in other fiduciary capacities that results in holding or placing of assets on behalf of individuals and other institutions. These assets arising thereon are excluded from these financial statement as they are not assets of the Group. However, fee income earned and fee expenses incurred by the Group relating to the Group's responsibilities from fiduciary activities are recognised in profit or loss.

(ii) Fixed income liability

These are funds managed by the Group on behalf of its clients. The interest rate on these liabilities are agreed with the client at the inception of the investment. The Group invests these funds in finanacial instruments in order to generate at the minimum, the agreed rate of returns. The interest spread on these investments is the return to the Group. These liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these laibilities are measured at amortised cost using the effective interest method.

3.18 Leases

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

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

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Material Accounting Policies
For the interim period ended 30 September 2023

As a lessee (continued)

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

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

During the year, the group has no lease liability as all leases were rental and leased properties prepaid.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straightline basis over the lease term as part of 'other revenue'. Generally, the accounting policies applicable to the Group as a lessor in the comparative year were not different from IFRS 16.

3.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.20 Share capital

(a) Ordinary shares

The Group's issued ordinary shares are classified as equity instruments. Incremental external costs that are directly attributable to the issue of these shares are recognized in equity.

(b) Dividends on ordinary share capital

Dividends on ordinary shares when approved by the Group's shareholders are paid from retained earnings.

(c) Share premium

The Group classifies share premium as equity when there is no obligation to transfer cash or other assets.

3.21 Deposit for shares

The group recognises funds received from investors for the purposes of equity purchase as deposit for shares pending the allotment of its shares.

3.22 Revaluation reserve

Subsequent to initial recognition, land and buildings are carried at revalued amounts less accumulated depreciation. The revaluation gains is recognised in equity, unless it reverses a decrease in the fair value of the same asset which was previously recognised as an expense, in which it is recognised in profit or loss. A subsequent decrease in the fair value is charged against this reserve to the extent that there is a credit balance relating to the same asset, with the balance being recognised in profit or loss. When a revalued asset is disposed of, any revaluation surplus is left in equity under the heading retained earnings.

Material Accounting Policies
For the interim period ended 30 September 2023

3.23 Fair value reserve

(a) Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

(b) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

3.24 Exchange gains reserve

Exchange gain reserves comprises the cumulative net change when fair value through other comprehensive income investment in foreign currency are translated into the functional currency. When such investment is disposed of, the cumulative amount of the exchange differences recognised in other comprehensive income shall be reclassified to the profit or loss account.

3.25 Technical reserves

These are computed in compliance with the provisions of Section 20, 21, and 22 of the Insurance Act 2003 as follows:

(a) General Insurance Contracts

Reserves for unearned premium in compliance with Section 20 (1) (a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.

(b) Reserves for Outstanding Claims

The reserve for outstanding claims is maintained at the total amount of outstanding claims incurred and reported plus 10 percent from claims incurred but not reported (IBNR) as at the reporting date. The IBNR is based on the liability adequacy test.

(c) Reserves for Unexpired Risk

A provision for additional unexpired risk reserve (AURR) is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses would exceed the unearned premium reserve (UPR)".

(d) Life Business

General Reserve Fund

This is made up of net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation and an additional 25 percent of net premium for every year between valuation date.

(e) Liability Adequacy Test

At each end of the reporting year, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related deferred acquisition cost (DAC) assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately recognised in profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests "the unexpired risk provision". The provisions of the Insurance Act 2003 requires an actuarial valuation for life reserves only. However, IFRS 4 requires a liability adequacy test for both life and non-life insurance reserves. Hence, the Group carries out actuarial valuation on both life and non-life insurance businesses.

Material Accounting Policies
For the interim period ended 30 September 2023

3.26 Contingency reserves

(a) Non-life business

In compliance with Section 21 (2) of Insurance Act 2003, the contingency reserve is credited with the greater of 3% of total premiums, or 20% of the net profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.

(b) Life business

In compliance with Section 22 (1) (b) of Insurance Act 2003, the contingency reserve is credited with the higher of 1% of gross premiums or 10% of net profit and accumulated until it reaches the amount of the minimum paid up capital – Insurance ACT 22 (1)(b).

3.27 Retained earnings

This account accumulates profits or losses from operations and reduced by dividends declared.

3.28 Other Income

Other operating income comprises of investment income, income from realised profits on sale of securities, realised foreign exchange gains and other sundry income.

(e) Investment income

Interest income is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

(f) Realized gains and losses

Realized gains and losses recorded in the profit or loss on investments include gains and losses on financial assets and investment property. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

(g) Investment property rental income

Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.
Rental Income from other property is recognised as other income.

The fair value gain or loss on investment property is recognised in profit or loss.

3.29 Employee benefits

(a) Short term employee benefit

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company operates a contributory pension scheme in line with the provisions of the Pension Reform Act 2014. The Pension Reform Act 2014 requires a minimum contributions of 8% from the staff and 10% by the Company based on the basic salaries and other designated allowances. The Pension Reform Act 2014 also allows the Company to bear the full contribution on behalf of the employees as far as the minimum contributions of 18% is met. The Company bears the full contribution on behalf of the employees contributions which is charged to profit or loss.

3.30 Other operating expenses

Expenses are decreases in economic benefits during the accounting year in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Other operating expenses are accounted for on accrual basis and recognized in profit or loss upon utilization of the service or at the date of their origin.

Material Accounting Policies

For the interim period ended 30 September 2023

3.31 Finance cost

Interest paid is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Accrued interest is included within the carrying value of the interest bearing financial liability.

3.32 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares held by the Group. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.33 Right-of-use assets

The Group recognises 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 amortization and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). Right-of-use assets for the Group relates to rental payments above two (2) yeare and they are amortised on a straight-line basis over the period of the lease. During the year under review, there were no consession lease incentives granted to the group on rental payments.

3.34 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

• What is meant by a right to defer settlement
• That a right to defer must exist at the end of the reporting period
• That classification is unaffected by the likelihood that an entity will exercise its deferral right
• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group's financial statements.

Material Accounting Policies

For the interim period ended 30 September 2023

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently revisiting its accounting policy information disclosures to ensure consistency with the amended requirements.

3.35 Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are not expected to have a material impact on the Group's financial statements as the Group currently have material unrecognised deferred tax assets.

Material Accounting Policies

For the interim period ended 30 September 2023

3.36 Insurance contracts

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

The Group issues the following types of contracts that are accounted for in accordance with IFRS 17 Insurance Contracts:

- Life Business – Individual Life With-profit Policies. These are endowment plans without participating features.

The Group accounts for these policies applying the General Model.

- Life Business – Individual Life Without-profit Policies including:
- Term life insurance contracts providing level or decreasing sum assured coverage for a limited period in exchange for renewable fixed premiums.
- Whole of life assurance contracts

The Group accounts for these policies applying the General Model.

- Life Business – Annuity Policies including:
- Fixed annuity contracts providing the annuitant with a guaranteed income payout for a limited period.
- Deferred annuity contracts providing the annuitant with a guaranteed income payout for life, with the first payment due at the end of the deferment period, provided all contractual premiums were paid. The policyholder is entitled to a surrender benefit (a portion of the accumulation balance at a guaranteed interest rate) if premiums are not fully paid.

The Group accounts for these policies applying the General Model.

- Life Business – Deposit based policies.

These contracts are individual term assurance plans providing a death benefit with non-distinct investment components.

The Group accounts for these policies applying the General Model.

- **Group Life Business - The Group issues term assurance plans providing death benefits to employees of businesses with coverage of one year or less.**

The Group accounts for these contracts applying the Premium Allocation Approach (PAA).

- Non-Life Business - The Company issues non-life insurance to individuals and businesses. Non-life insurance products offered include motor, property, marine, fire and personal accident. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's accident.

The Group accounts for these contracts applying the Premium Allocation Approach (PAA).

The Group also holds the following types of reinsurance contracts to mitigate risk exposure.

- For the life business, the Group holds quota share reinsurance treaties and accounts for these treaties applying the PAA.
- For non-life, the Group holds facultative (excess of individual loss) reinsurance policies and quota share reinsurance contracts accounted for applying the PAA.

B. Definitions and classifications

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.

This assessment is made 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 contracts with direct participating features.

C. Combining a set or series of contracts

Sometimes, the Group enters into two or more contracts at the same time with the same or related counterparties to achieve an overall commercial effect. The Group accounts for such a set of contracts as a single insurance contract when this reflects the substance of the contracts. When making this assessment, the Group considers whether:

- The rights and obligations are different when looked at together compared to when looked at individually.
- The Group is unable to measure one contract without considering the other.

D. 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 IFRS rather than IFRS 17 (distinct non- insurance components). After separating any distinct components, an entity must apply IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Group's products do not include distinct components that require separation.

Some term life contracts issued by the Group include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component in IFRS 17. IFRS 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance expenses. The surrender options are considered non distinct investment components as the Group is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

Material Accounting Policies
For the interim period ended 30 September 2023

E. Level of aggregation

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. 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. 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 the Retail Life business, the determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis.
The composition of groups established at initial recognition is not subsequently reassessed.
For short term contracts accounted for applying the PAA, the Group determines that contracts are not onerous on 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 e.g. (PRAN rate review)
• Changes to the organization or processes
• Changes in underwriting and pricing strategies
• Trends in experience and expected variability in cashflows.

This consideration is only required for LRC and not LIC which is already measured at current fulfilment value. Fulfilment cashflows can be estimated at whichever aggregate level is deemed appropriate and then subsequently allocated into IFRS 17 portfolios and groups. The fact that incurred claims of a particular cohort is loss-making does not mean the LRC will be onerous as well. Judgement is applied to determine whether each cohort’s LRC will be similar to this incurred experience and hence onerous. For example, actions taken to improve profitability a historically loss-making cohort may indicate that the cohort will be non-onerous going forward.
All short-term contracts have currently been assessed as having no possibility of becoming onerous. Though the Fire portfolio (non-Life) has historically been loss-making, the portfolio has been showing some improvement post-implementation of PRAN rates and other underwriting strategies such as removal of some toxic accounts etc. The Group expects that improvements will be sustained in future and therefore the cohort will be non-onerous. 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.
Reinsurance contracts held 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. However, there are cases where a reinsurance contract covers separate and identifiable product lines which are only included in the same legal document for administrative convenience. These contracts have been separated into its different component. An example is the NLIP reinsurance contract covering Auto, Casualty and Employer’s Liability Lines. Each reinsured line is managed separately and priced separately so they are treated as separate reinsurance contracts.

If two or more reinsurance contracts are written on a particular product line, these may be grouped together in the same portfolio as they will be covering risks of the same nature and will be managed together. For example, the Surplus contracts (1&2) on Fire have been grouped together as they cover risks of the same nature and can be measured under the same measurement approach (PAA because they have a contract boundary of 1 year). While, facultative and excess of loss contracts are in separate groups; though they cover the same risks and are even managed together, differing measurement approaches as well as recognition requirements may apply.

F. Recognition

The Group recognizes groups of insurance contracts issued from the date when the first payment from a policyholder in the group becomes due. As AIICO 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 yearly cohorts. The contract groupings shall not be reassessed until they are derecognized.

G. 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.

Material Accounting Policies
For the interim period ended 30 September 2023

Contract Boundaries (continued)

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.

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

H. Measurement of insurance contracts issued.

1. General Model – Initial Measurement

The Group measures a group of contracts on initial recognition as the sum of the expected fulfilment cash flows within the contract boundary and the contractual service margin representing the unearned profit in the contracts relating to services that will be provided under the contracts.

Fulfilment cash flows within contract boundary

The fulfilment cash flows are the current unbiased and probability-weighted estimates of the present value of the future cash flows, including a risk adjustment for non-financial risk. In arriving at a probability-weighted mean, the Group considers a range of scenarios to establish a full range of possible outcomes incorporating all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of expected future cash flows. The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future The Group estimates expected future cash flows for a group of contracts at a portfolio level and allocates them to the groups in that portfolio in a systematic and rational way.

When estimating future cash flows, the Group includes all cash flows within the contract boundary including:

- Premiums and any additional cash flows resulting from those premiums.
- Reported claims that have not yet been paid, claims incurred but not yet reported, future claims expected to arise from the policy and potential cash inflows from recoveries on future claims covered by existing insurance contracts.
- An allocation of insurance acquisition cash flows attributable to the portfolio to which the issued contract belongs.
- Claim handling costs.
- Costs of providing contractual benefits in kind, such as home and vehicle repair
- Policy administration and maintenance costs including recurring commissions expected to be paid to intermediaries for policy administration services only (recurring commissions that are insurance acquisition cash flows are treated as such in the estimate of future cash flows)
- Transaction-based taxes

- **An allocation of fixed and variable overheads directly attributable to the fulfilment of insurance contracts including overhead costs such as accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities**
- Costs incurred for performing investment activities that enhance insurance coverage benefits for the policyholder.
- Costs incurred for providing investment-related service and investment-return service to policyholders.
- Other costs specifically chargeable to the policyholder under the terms of the contract.

The Group does not provide investment-return services in respect of contracts that it issues, nor does it perform investment activities for the benefit of policyholders.

The Company incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows. The Company estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders.
- Other information about the known or estimated characteristics of the insurance contracts
- Historical data about the Company's own experience, supplemented, when necessary, with data from other sources. Historical data is adjusted to reflect current conditions.
- Current pricing information, when available

The measurement of fulfilment cash flows includes insurance acquisition cash flows which are allocated as a portion of premium to profit or loss (through insurance revenue) over the period of the contract in a systematic and rational way on the basis of the passage of time. The Group does not elect to accrete interest on insurance acquisition cash flows to be allocated to profit or loss.

Discount Rate

The time value of money and financial risk 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 unless the Group has elected the accounting policy to present the time value of money separately in profit or loss and other comprehensive income. 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).

In determining discount rates for cash flows, the Group uses the 'bottom-up approach' to estimate discount rates starting from a risk-free rate with similar characteristics, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid FGN Bonds. The illiquidity premium is determined by reference to observable market rates, including sovereign debt, corporate debt and market swap rates.

Material Accounting Policies
For the interim period ended 30 September 2023

Risk adjustment for non-financial risk

The Group measures the compensation it would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than financial risk, separately as an adjustment for non-financial risk.

estimation technique are calibrated from the Group economic capital's approach within which the Group estimates the impact of non-financial risks. The economic capital approach includes a quantitative measure of the Group's risk appetite which allows a specific measure of the Group's non-financial risk and the degree of its risk aversion for financial reporting purposes. The Group's economical capital approach, and the risk adjustment calculation derived from it, include the benefits of diversification at the issuing entity level. This is allocated to all the groups of insurance contracts. Diversification benefits are derived from a study of the negative correlation that exists among the different non-financial variables impacting the cash flows from the portfolios of the Group and results in lower economic capital being necessary to absorb the residual level of uncertainty.

Contractual service margin (CSM)

The CSM is a component of the overall carrying amount of a group of insurance contracts representing unearned profit that the Group will recognize as it provides insurance contract services over the coverage period.

At initial recognition, the Group measures the CSM at an amount that, unless a group of insurance contracts is onerous, results in no gains recognized in profit or loss arising from:

- The expected fulfilment cash flows of the group.
- The amount of any derecognized asset for insurance acquisition cash flows allocated to the group.
- Any other asset or liability previously recognized for cash flows related to the group.
- Any cash flows that have already arisen on the contracts as of that date.

If a group of contracts is onerous, the Group recognizes a loss on initial recognition. This results in the carrying amount of the liability for the group being equal to the fulfilment cash flows, and the CSM of the group being nil. A loss component is recognized for any loss on initial recognition of the group of insurance contracts.

The Group determines at initial recognition the group's coverage units. The Group then allocates the group's CSM based on the coverage units provided in the period.

The Group allocates contracts acquired with claims in the settlement phase into annual groups based on the expected profitability of the contracts at the date of acquisition. The Group uses the consideration received or paid as an approximation of premiums to calculate the CSM on initial recognition.

Insurance acquisition cash flows

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 Company 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 Company did not identify any facts and circumstances indicating that the assets may be impaired.

2. General Model – Subsequent Measurement

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).

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 (i.e. provision of investment-return and investment-related services) and investment components and other amounts not related to insurance contract services that have not yet been transferred to the LIC. The LRC is comprised of:

(a) the fulfilment cash flows relating to future service,
(b) the CSM yet to be earned and
(c) any outstanding premiums for insurance contract services already provided.

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.

Changes in fulfilment cash flows

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

financial assumptions, changes in discount rates and financial assumptions. The Group first calculates the changes in discount rates and financial assumptions on the fulfilment cash flows (as expected at the beginning of the period) and then calculate changes on those cash flows from the change in non-financial assumptions.

Material Accounting Policies

For the interim period ended 30 September 2023

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.

Experience adjustments relating to future service are included in the LRC by adjusting the CSM. The release of the CSM depends on whether the contract does not participate, participates indirectly, or directly participates in the performance of the specified underlying items.

At the end of each reporting period, the Group re-estimates the LRC fulfilment cash flows, updating for changes in assumptions relating to financial and non-financial risks.

Adjustments to the CSM

The following changes in fulfilment cash flows are considered to be related to future service and adjust (or 'unlock') the CSM of the group of insurance contracts:

insurance acquisition cash flows and premium-based taxes measured at the 'locked in' discount rates applicable when the contracts in the group were initially recognized.

- **The change in the estimate of the present value of expected future cash flows in the liability for remaining coverage, related to non-financial variables, measured at the 'locked in' discount rates applicable when the contracts in the group were initially recognized. All financial variables are locked in at initial recognition.**
- Changes in the risk adjustment for non-financial risk relating to future service. The Group has elected not to disaggregate the change in the risk adjustment for non-financial risk between:
- a change related to non-financial risk and
- the effect of the time value of money and changes in the time value of money.
- Differences between the amount of investment components that were expected to be payable in the period and the amount of investment components that actually became payable. The amount of investment components expected to be payable in the period is measured at the discount rates applicable before it became payable.

The following adjustments do not relate to future service and thus do not adjust the CSM:

- Changes in fulfilment cash flows for the effect of the time value of money and the effect of financial risk and changes thereof.
- Changes in the fulfilment cash flows relating to the LIC.
- Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

Any further increases in fulfilment cash flows relating to future coverage are recognized in profit or loss as they occur, increasing the loss component of the group of insurance contracts. Any subsequent decreases in fulfilment cash flows related to future coverage do not adjust the CSM until the loss component of the group is fully reversed through profit or loss.

At the end of the reporting period, the carrying amount of the CSM for a group of insurance contracts without direct participating features is the carrying amount at the beginning of the period adjusted for:

- The effect of any new contracts added to the group.
- Interest accreted on the carrying amount of the CSM measured at the discount rates determined at initial recognition.
- The changes in fulfilment cash flows related to future service, except:
- Increases in fulfilment cash flows that exceed the carrying amount of the CSM, giving rise to a loss that results in the group of contracts becoming onerous or more onerous.
- Decreases in fulfilment cash flows that reverse a previously recognized loss on a group of onerous contracts.
- The effect of any currency exchange differences on the CSM
- The amount recognized as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining coverage period.

An amount of the CSM is released to profit or loss in each period during which the insurance contract services are provided.

In determining the amount of the CSM to be released in each period, the Group follows three steps:

- Determine the total number of coverage units in the group. The amount of coverage units in the group is determined by considering the quantity of benefits provided under the contract and the expected coverage period for each contract.
- Allocate the CSM at the end of the period (before any of it is released to profit or loss to reflect the insurance contract services provided in the period) equally to each of the coverage units provided in the current period and expected to be provided in the future.
- Recognize in profit or loss the amount of CSM allocated to the coverage units provided during the period.

The number of coverage units change as insurance contract services are provided, contracts expire, lapse or surrender and new contracts are added to the group. The total number of coverage units depends on the expected duration of the obligations that the Group has from its contracts. These can differ from the legal contract maturity because of the impact of policyholder behavior and the uncertainty surrounding future insured events.

By determining a number of coverage units, the Group exercises judgement in estimating the likelihood of insured events occurring and policyholder behavior to the extent that they affect expected period of coverage in the group, the different levels of service offered across periods and the 'quantity of benefits' provided under a contract.

Material Accounting Policies

For the interim period ended 30 September 2023

3. Premium Allocation Approach

This is a simplification of the general model. The Group applies the PAA to the measurement of group life and non-life insurance contracts with a coverage period of each contract in the group of one year or less.

Contracts with coverage period above one year which are not immediately eligible for the PAA, will be subjected to a PAA eligibility by assessing the expected LRC cashflows under both the PAA and General Model approaches. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.

On initial recognition, the Group measures the carrying amount of the Liability for remaining coverage for insurance contracts held as the premiums received - Gross Written premiums (which will be unearned at the start) less the acquisition costs (as the company has chosen not to expense acquisition costs as incurred). The Group has determined that there is no significant financing component in group life and non-life insurance contracts with a coverage period of one year or less. The Group does not discount the liability for remaining coverage to reflect the time value of money and financial risk for such insurance contracts.

At subsequent measurement, the LRC is effectively the unearned premium reserve (UPR) under IFRS 4 less the deferred acquisition costs (DAC). Unlike IFRS 4, DAC will not be presented as an asset under IFRS17. It is instead reflected in the overall insurance contract liability for remaining coverage, without being identified as a separate component in the balance sheet.

Premium Experience Adjustment: Where premium experience adjustments relate to current/ past service and are treated at the end of the period, this will be immediately recognized in the P&L as insurance revenue.

Insurance acquisition cash flows

IFRS 17 defines insurance acquisition cash flows as cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. These include direct and indirect costs incurred in originating insurance contracts, including cashflows related to unsuccessful efforts to obtain new business.

Under the PAA, an entity can choose to immediately expense insurance acquisition cash flows in the P&L when incurred if and only if each insurance contract in a group has a coverage period of one year or less. AIICO has opted not to expense acquisition cash flows immediately when incurred. Alternatively, an entity can recognize insurance acquisition cash flows in the measurement of liability for remaining coverage (LRC) and amortize insurance acquisition cash flows in the P&L (systematically - in line with earning pattern of premium revenue OR passage of time, with the former being the method adopted by AIICO).

The exiting IFRS 4 approach is to recognize a separate deferred acquisition cost (DAC) assets for costs associated with writing new insurance contracts (e.g., commissions paid to brokers). Under IFRS 17, if acquisition costs are paid before the related insurance groups are recognized, an entity shall recognize an asset. These assets are derecognized when the group of insurance contracts are recognized. If insurance acquisition cash flows are expected to be paid after the related group is recognized, then they are included as part of the measurement of insurance contracts (LRC).

IFRS 17 allows for the deferral of acquisition costs to smooth out the recognition of profits. Paid acquisition costs are an asset that is amortized (or derecognized) when they are included in the measurement of the related group of insurance contracts. AIICO has chosen to defer all insurance acquisition cash flows and recognize them over the coverage period of contracts or groups they are attributed to. Therefore, acquisition costs and related revenue are recognized over the same periods and in the same pattern, based on the passage of time.

It must be noted that IFRS 17 requires allocation to future renewals if the acquisition cashflows are judged to support future renewals. Also the expensing acquisition costs policy choice only applies for contracts with coverage period one year or less.

For contracts measured under PAA in the Group, insurance acquisition costs comprise of costs:

- that are directly attributable to individual contracts or groups of contracts in a portfolio

belongs; with the costs being allocated to groups on a systematic and rationale method e.g., Activity-Based Costing method or based on GWP proportions or claims cost etc.

4. Onerous contracts

The Group considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract, 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.

On initial recognition, the onerous assessment is done on an individual contract level 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.

On initial recognition, the CSM of the group of onerous contracts is nil and the group's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the group's 'loss component'. It is initially calculated when the group is first considered to be onerous and is recognized at that date in profit or loss. The amount of the group's loss component is tracked for the purposes of presentation and subsequent measurement.

After the loss component is recognized, the Group allocates any subsequent changes in fulfilment cash flows of the LRC on a systematic basis between the loss component and the LRC excluding the loss component. For groups of onerous contracts, without direct participating features, the Group uses locked-in discount rates. They are determined at initial recognition to calculate the changes in the estimate of future cash flows relating to future service (both changes in a loss component and reversals of a loss component).

For all issued contracts, other than those accounted for applying the PAA, the subsequent changes in the fulfilment cash flows of the LRC to be allocated are:

- Insurance finance income or expense
- Changes in risk adjustment for non-financial risk recognized in profit or loss representing release from risk in the period.
- Estimates of the present value of future cash flows for claims and expenses released from the LRC because of incurred insurance service expenses in the period.

Material Accounting Policies
For the interim period ended 30 September 2023

The Group determines the systematic allocation of insurance service expenses incurred based on the percentage of loss component to the total fulfilment cash outflows included in the LRC, including the risk adjustment for non- financial risk, excluding any investment component amount.

For contracts that are measured under PAA, the assumption is that there are no onerous contracts at initial recognition, unless facts and circumstances indicate otherwise. If the measurement of the LIC results in a loss-making group, this does not translate to the LRC being onerous. In this case, the group will be assessed as to whether its LRC will be similar to the incurred experience and hence considered to be onerous. For example, actions taken to improve profitability on the fire portfolio which has been historically loss-making may indicate that the LRC will have a different loss experience.

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:

- the carrying amount of the liability for remaining coverage; and
- 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.

I. Measurement of Reinsurance contracts issued.

I.1 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 2022 and the first fire insurance policy in the treaty is written in February 2022, then the date of recognition of the surplus reinsurance contract will be February 2022. 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.

I.2. Reinsurance contracts held measured under the PAA.

All reinsurance contracts with contract boundaries not exceeding one year are automatically considered to meet PAA eligibility. Most of the Group’s Surplus reinsurance contracts are immediately eligible for PAA as they are written on a clean-cut basis. At the end of the period, the reinsurer withdraws from the contract and the reinsurance held portfolio (including outstanding recoveries and ceded portion of unexpired premiums) is transferred to a new reinsurer.

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.

For example, if an insurance contract incepted in May 2022 and cedes to the Marine Hull Surplus reinsurance treaty (which incepted 1 January 2022); the contract boundary extends till May 2023 when the insurance contract will expire. So, the contract boundary for the reinsurance contract is beyond one year i.e.. 1 Jan 2022 – May 2023.

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.

I.3 Reinsurance contracts held measured under the General Model

The Group’s quota share life reinsurance and the facultative reinsurance contracts held are accounted for applying the measurement requirements of the General Model for estimates of cash flows and discount rates. The Group measures the reinsurance contracts held and the underlying insurance contracts issued using consistent assumptions. The Group includes in the estimates of the present value of expected future cash flows for a group of reinsurance contracts held the effect of any risk of non-performance by the reinsurer, including the effects of any collateral and losses from disputes. The effect of non-performance risk of the reinsurer is assessed at each reporting date.

In determining the asset representing the risk adjustment for non-financial risk transferred to the reinsurer, the Group assesses the amount of risk transferred by the Group to the reinsurer by calculating the risk adjustment of the underlying contracts before and after the effect of the reinsurance contracts held. The difference is recognised as the asset representing the risk adjustment reinsured.

On initial recognition, the Group recognises any net cost or net gain on purchasing the group of reinsurance contracts held as a reinsurance CSM, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts, where the Group recognises such a cost immediately in profit or loss as an expense as part of insurance service result.

For a group of reinsurance contracts held, on initial recognition of an underlying onerous group of insurance contracts or on addition of onerous underlying insurance contracts to a group, the Group establishes a loss recovery component and, as a result, recognises a gain in profit or loss. The amount of the loss recovery component adjusts the CSM of a group of reinsurance contracts held. It is calculated at an amount equal to the loss recognised on the underlying insurance contracts multiplied by the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. After initial recognition, the carrying amount of the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held. Reversal of the loss recovery component adjusts the CSM and the risk adjustment of the group of reinsurance contracts held. After establishing a reinsurance loss recovery component, except for further additions of onerous contracts to the underlying groups, its amount is adjusted for:

Material Accounting Policies
For the interim period ended 30 September 2023

• Changes in fulfilment cash flows of underlying insurance contracts related to future service and do not adjust the CSM of their respective groups
• Loss recovery component reversals to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.

These adjustments are calculated and presented in profit or loss.

The Group adjusts the carrying amount of the CSM of a group of reinsurance contracts held at the end of a reporting period to reflect changes in the fulfilment cash flows applying the same approach as for insurance contracts issued, except when the underlying contract is onerous and the change in the fulfilment cash flows for underlying insurance contracts is recognised in profit or loss by adjusting the loss component. The respective changes in reinsurance contracts held is also recognised in profit and loss (adjusting the loss recovery component).

J. 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 Group 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 applying the General Model, a change in the estimates of fulfilment cash flows results in a revised end of period CSM (before the current period allocation). A portion of the revised end of period CSM is allocated to the current period, as is the revised CSM amount applied from the beginning of the period but reflecting the change in the coverage units due to the modification during the period. This portion is calculated using updated coverage unit amounts determined at the end of the period and weighted to reflect the fact that the revised coverage existed for only part of the current period.
For insurance contracts accounted for applying 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.

- Adjusts the CSM of the group for the change in the fulfilment cash flows (unless it relates to the increase or reversal of the loss component).
- Adjusts the number of coverage units for expected remaining insurance contract services to reflect the coverage units derecognized from the group and recognizes in profit or loss in the period the amount of CSM based on that adjusted number.

When the Group transfers an insurance contract to a third party and that results in derecognition, the Group adjusts the CSM of the group from which the contract has been derecognized for the difference between the change in the carrying amount of the group caused by the derecognized fulfilment cash flows and the premium charged by the third party for the transfer.

When the Group derecognizes an insurance contract due to modification, it derecognizes the original insurance contract and recognizes a new one. The Group adjusts the CSM of the group from which the modified contract has been derecognized for the difference between the change in the carrying amount of the group as a result of adjustment to fulfilment cash flows due to derecognition and the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium actually charged for the modification.

K. Presentation

The Group has presented separately in the consolidated 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.

Material Accounting Policies

For the interim period ended 30 September 2023

3.37 Insurance Revenue

As the Group provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognizes insurance revenue, which is measured at the amount of consideration the Group expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under the General Model, insurance revenue consists of the sum of the changes in the LRC due to:

- The insurance service expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
- Amounts allocated to the loss component.
- Repayments of investment components.
- Amounts that relate to transaction-based taxes collected on behalf of third parties.
- Insurance acquisition expenses.
- Amounts relating to risk adjustment for non-financial risk.
- The change in the risk adjustment for non-financial risk, excluding:
- Changes that relate to future service that adjust the CSM.
- Amounts allocated to the loss component.
- The amount of CSM for the services provided in the period.
- Other amounts, such as experience adjustments for premium receipts that relate to current or past service, if any

Insurance revenue also includes the portion of premiums that relate to recovering those insurance acquisition cash flows included in the insurance service expenses in each period. Both amounts are measured in a systematic way on the basis of the passage of time.

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.

3.38 Insurance service expenses

Insurance service expenses arising from a group of insurance contracts issued comprises:

- Changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components.
- 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.
- Amortization of insurance acquisition cash flows, which is recognized at the same amount in both insurance service expenses and insurance contract revenue.
- Loss component of onerous groups of contracts initially recognized in the period.
- Changes in the LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous groups of contracts.

3.39 Income or 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 adjusts the CSM of the group of reinsurance contracts held. The loss recovery component is then adjusted to reflect:

- Changes in the fulfilment cash flows of the underlying insurance contracts that relate to future service and do not adjust the CSM of the respective groups to which the underlying insurance contracts belong to.
- 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.

3.40 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.

The use of OCI 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.

Material Accounting Policies
For the interim period ended 30 September 2023

Insurance finance income and expenses (continued)

The Group may reassess its accounting policy choice during the duration of a group of direct participating contracts when there is a change in whether the Group holds the underlying items or no longer holds the underlying items. When such change occurs, the Group includes the amount accumulated in OCI by the date of change as a reclassification adjustment to profit or loss spread across the period of change and future periods based on the method and on assumptions that applied immediately before the date of change. Comparatives are not restated.

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 group life and non-life policies with a coverage period of one year or less. For those claims that the Group expects to be paid within one year or less from the date of incurrence, 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.

L. Contracts existing at transition date.

On transition date, 1 January 2022, the Group:

- Has identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied (unless impracticable).
- Has identified, recognized and measured assets for insurance acquisition cash flows as if IFRS 17 had always applied. However, no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed, and no impairment loss was identified.
- Derecognized any existing balances that would not exist had IFRS 17 always applied.
- Recognized any resulting net difference in equity.

In determining the appropriate transition approach, the following were considered:

- the coverage period of the in-force policies
- the availability of historical data and assumptions driving measurement and the ability to obtain these without undue cost and effort.

1. Full Retrospective approach

On transition to IFRS 17, the Group applied the full retrospective approach unless impracticable to do so.

The Group has applied the full retrospective approach on transition to all short-term contracts (group life and non-life business) in force at the transition date.

To do this, at the transition date, we have identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied; and derecognized any existing balances that would not exist had IFRS 17 always applied; and finally recognized any resulting net difference in equity.

2. Fair Value approach

The Group has applied the fair value approach on transition for individual life contracts as, prior to transition, it grouped contracts from multiple cohorts and years into a single unit for accounting purposes. Obtaining reasonable and supportable information to apply the full retrospective approach was impracticable without undue cost or effort. The Group has determined the CSM of the liability for remaining coverage at the transition date, as the difference between the fair value of the group of insurance contracts and the fulfilment cash flows measured at that date. In determining fair value, the Company has applied the requirements of IFRS 13 Fair Value Measurement, except for the demand deposit floor requirement.

The Company has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition as it did not have reasonable and supportable information to aggregate groups into those including only contracts issued within one year.

Material Accounting Policies
For the interim period ended 30 September 2023

3.41 Investment and other Income

(a) Investment income

Interest income is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

(b) Fees and commission income

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. The administration fee is calculated as a flat charge payable monthly from contributions received while the fund management fee is an asset based fee charged as a percentage of the opening net assets value of the pension fund investment. These fees are recognized as revenue over the year in which the related services are performed. If the fees are for services provided in future years, then they are deferred and recognized over

(c) Realized gains and losses

Realized gains and losses recorded in the profit or loss on investments include gains and losses on financial assets and investment property. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

(d) Investment property rental income

Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.
Rental Income from other property is recognised as other income.

The fair value gain or loss on investment property is recognised in profit or loss

(e) Other operating income

Other operating income comprises of income from realised profits on sale of securities, realised foreign exchange gains and other sundry income.

3.42 Employee benefits

(a) Short term employee benefit

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company operates a contributory pension scheme in line with the provisions of the Pension Reform Act 2014. The Pension Reform Act 2014 requires a minimum contributions of 8% from the staff and 10% by the Company based on the basic salaries and other designated allowances. The Pension Reform Act 2014 also allows the Company to bear the full contribution on behalf of the employees as far as the minimum contributions of 18% is met. The Company bears the full contribution on behalf of the employees contributions which is charged to profit or loss.

3.43 Other operating expenses

Expenses are decreases in economic benefits during the accounting year in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.
Other operating expenses are accounted for on accrual basis and recognized in profit or loss upon utilization of the service or at the date of their origin.

3.44 Finance cost

Interest paid is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method.
Accrued interest is included within the carrying value of the interest bearing financial liability.

Material Accounting Policies
For the interim period ended 30 September 2023

3.45 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares held by the Group. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.46 Right-of-use assets

The Group recognises 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 amortization and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). Right-of-use assets for the Group relates to rental payments above two (2) yeare and they are amortised on a straight-line basis over the period of the lease. During the year under review, there were no consession lease incentives granted to the group on rental payments.

3.47 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
• What is meant by a right to defer settlement
• That a right to defer must exist at the end of the reporting period
• That classification is unaffected by the likelihood that an entity will exercise its deferral right
• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.
The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.
The amendments are not expected to have a material impact on the Group's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2024 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.
The Group is currently revisiting its accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.
The amendments are not expected to have a material impact on the Group's financial statements as the Group currently have material unrecognised deferred tax assets.

Material Accounting Policies (Continued)
For the interim period ended 30 September 2023

4 Critical accounting estimates and judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) The ultimate liability arising from claims made under insurance contracts

The estimation of the ultimate liability arising from claims made under insurance contracts is one of the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims.

The ultimate cost of outstanding claims is estimated by using a standard actuarial claims projection techniques called the Basic Chain Ladder (BCL).

The main assumption underlying these technique is that the Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, this method extrapolates the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years and the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, (for example to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims, inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

(b) Impairment of financial instrument

The Company has applied some judgment in carrying out an assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporating forward-looking information in the measurement of ECL.

The judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for debt instruments measured at amortised cost and fair value through other comprehensive income. In estimating these cash flows, the Company makes judgments about the borrower's financial situation and value of other collateral (where applicable). These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the debt portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, real estate prices indices, country risk and the performance of different individual groups).

These critical assumptions have been applied consistently to all years presented.

(c) Measurement of fair values

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data.

Material Accounting Policies (Continued)
For the interim period ended 30 September 2023

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the requirements.

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

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

- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations.

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them.

All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates.

(d) Fair value of unquoted equity financial instruments

Investments in unquoted equity financial instrument should be measured at fair value. The Group's investment in unquoted equity financial instrument are measured at fair value and are classified as a level 3 fair value hierachy. As observable prices are not available for these securities, the Group has used valuation techniques to derive the fair value. See note 7(e)(ii).

(e) Liabilities arising from life insurance contracts

The liabilities for life insurance contracts are estimated using appropriate and acceptable base tables of standard mortality according to the type of contract being written. Management make various assumptions such as expenses inflation, valuation interest rate, mortality and further mortality improved in estimating the required reserves for life contracts

(f) Depreciation and carrying value of property and equipment

The estimation of the useful lives of assets is based on management’s judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

(g) Determination of impairment of property and equipment and intangible assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management’s judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

(h) Impairment of goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount, an impairment is recognized.

The carrying amount of the Goodwill is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the goodwill is estimated.

An impairment loss is recognised if the carrying amount of the goodwill its Cash Generating Unit (CGU) exceeds its estimated recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. Impairment losses in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

Material Accounting Policies (Continued)
For the interim period ended 30 September 2023

(i) Investment properties

The Group's investment properties are valued on the basis of open market value. The fair values are determined by applying the direct market evidence comparative method of valuation to derive the open market value such as price per square meter, rate of development in the area and quality of the building. No adjustments were made on the inputs to the model and assumptions to the model remains consistent with what was used in previous years.
Investment properties are derecognized either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

(j) Current income tax

The current income tax charge is calculated on taxable income on the basis of the tax laws enacted or substantively enacted at the reporting date. The Company applies Section 16 of the Company Income Tax Act. It states that an Insurance business shall be taxed as;
• an insurance company, whether proprietary or mutual, other than a life insurance company; or
• a Nigerian company whose profit accrued in part outside Nigeria,

The profit on which tax may be imposed, shall be ascertained by taking the gross premium interest and other income receivable in Nigeria less reinsurance and deducting from the balance so arrived at, a reserve fund for unexpired risks at the percentage consistently adopted by the company in relation to its operation as a whole for such risks at the end of the year for which the profits are being ascertained, subject to the limitation below:
An insurance company, other than a life insurance company, shall be allowed as deductions from its premium the following reserves for tax purposes-

(a) for unexpired risks, 45 percent of the total premium in case of general insurance business other than marine insurance business and 25 percent of the total premium in the case of marine cargo insurance;

(b) for other reserves, claims and outgoings of the company an amount equal to 25 percent of the total premium.

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

(k) Deferred tax asset

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

(h) Sensitivity analysis

The sensitivity analysis reflects the impact, on profit or loss and equity, of changes in the relevant risk variables that are reasonably possible at the reporting date.

(l) Determining control over investee entities

Management applies its judgement to determine whether the Group has control over subsidiaries or significant influence over an investee company as set out in Note 3.1(b).
The Group has determined that it exercises control and significant influence over certain investee companies due to its representation on the Board of such companies and its significant participation in the Companies' operating and financial policies.

Condensed consolidated and separate statements of financial position

as of 30th September 2023

In thousands of naira	**Notes**	**Group 30-Sep-23**	**Group 31-Dec-22**	**Group 1-Jan-22**	**Company 30-Sep-23**	**Company 31-Dec-22**	**Company 1-Jan-22**
Assets			*restated*	*restated*		*restated*	*restated*
Cash and cash equivalents	6	19,897,792	15,915,258	25,490,105	7,946,817	6,521,824	9,062,962
Financial assets	7	246,655,198	225,460,028	172,501,020	229,283,100	208,421,569	152,718,223
Trade receivables	8	1,149,978	866,977	728,517	1,011,819	852,113	689,375
Reinsurance contract assets	9	18,381,456	11,489,975	10,283,653	18,381,456	11,489,975	10,283,653
Other receivables and prepayments	10	4,237,261	4,685,425	2,411,790	3,320,574	4,141,826	2,140,480
Deferred tax assets	12(d)	-	21,501	1,252	-	-	-
Investment in subsidiaries	13	-	-	-	1,087,317	1,087,317	1,087,317
Investment in associate	13(f)	-	-	705,629	-	-	705,691
Investment properties	14(a)	620,000	760,000	806,000	620,000	760,000	806,000
Property and equipment	16	8,315,121	8,359,520	7,068,787	8,100,841	8,064,528	6,847,439
Statutory deposits	17	500,000	500,000	500,000	500,000	500,000	500,000
Right of use assets	11	28,285	60,055	105,855	28,285	60,055	105,855
Goodwill and other intangible assets	15	906,638	928,672	934,748	834,546	846,825	838,252
Total assets		**300,691,730**	**269,047,411**	**221,537,355**	**271,114,755**	**242,746,032**	**185,785,246**
Liabilities							
Insurance contract liabilities	18(a)	208,254,710	187,868,485	142,132,091	207,950,901	187,868,485	142,132,091
Investment contract liabilities	18(b)	3,706,469	3,212,895	2,836,752	3,706,469	3,212,895	2,836,752
Trade payables	19	8,140,668	6,461,628	3,779,049	8,140,668	6,461,628	3,748,134
Other payables and accruals	20(a)	8,712,171	8,404,577	3,911,252	8,465,183	7,054,663	3,394,547
Fixed income liabilities	20(b)	26,749,624	22,781,598	33,506,178	-	-	-
Current income tax payable	12(a)	1,005,401	669,543	407,282	933,209	422,562	307,392
Deferred tax liabilities	12(d)	498	7,666	7,666	-	-	-
Total liabilities		**256,569,542**	**229,406,391**	**186,580,270**	**229,196,431**	**205,020,233**	**152,418,916**
Equity							
Share capital	21(a)	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638
Share premium	21(b)(i)	64,745	64,745	64,745	64,745	64,745	64,745
Revaluation reserve	21(c)	2,764,016	2,764,016	1,812,707	2,764,016	2,764,016	1,812,707
Fair value reserve	21(d)	(3,168,669)	(2,796,624)	(1,683,038)	(1,836,095)	(1,821,697)	(1,016,727)
Foreign exchange gains reserve	21(e)	-	-	175,600	-	-	175,600
Contingency reserve	21(h)	11,150,254	9,710,046	8,304,604	11,150,254	9,710,046	8,304,604
Retained earnings	21(i)	14,543,134	11,173,797	7,634,526	11,472,767	8,706,052	5,722,762
Shareholders' funds		**43,656,119**	**39,218,618**	**34,611,783**	**41,918,324**	**37,725,799**	**33,366,329**
Non-controlling interests	13(d)	466,070	422,402	345,303	-	-	-
Total equity		**44,122,188**	**39,641,020**	**34,957,086**	**41,918,324**	**37,725,799**	**33,366,329**
Total liabilities and equity		**300,691,730**	**269,047,411**	**221,537,355**	**271,114,755**	**242,746,032**	**185,785,246**

These consolidated and separate financial statements were approved by the Board of Directors on 26 October 2023 and signed on its behalf by:

Mr. Kundan Sainani
Chairman
FRC/2013/IODN/00000003622

Mr. Babatunde Fajemirokun
Managing Director/ Chief Executive Officer
FRC /2015/MULTI/00000019973

Mr. Oladeji Oluwatola
Chief Financial Officer
FRC/2013/ICAN/0000004910

The accompanying material accounting policies and notes to the consolidated and separate financial statements form an integral part of these interim financial statements.

Condensed consolidated and separate statements of profit or loss and other comprehensive income
For the interim period ended 30 September 2023

In thousands of naira	Notes	Group 30-Sep-23	Group 30-Sep-22	Company 30-Sep-23	Company 30-Sep-22
Insurance Revenue	22(a)	51,308,924	38,896,898	50,343,914	37,977,922
Insurance Service Expense	22(b)	(43,935,076)	(31,148,764)	(43,421,145)	(30,579,087)
Net Expenses from Reinsurance Contracts	22(c)	(7,589,681)	(6,402,126)	(7,589,681)	(6,402,126)
Insurance service result		**(215,833)**	**1,346,007**	**(666,912)**	**996,709**
Investment income	23(a)	19,176,206	12,622,207	18,680,592	11,813,019
Profit from deposit administration	23(b)	59,551	363,892	59,551	363,892
Net realised gain/(loss)	24(a)(i)	593,910	(602,010)	593,910	(602,010)
Net fair value losses	24(b)	(12,380,292)	(5,904,692)	(12,380,292)	(5,904,692)
Other operating income	25	3,800,579	(38,624)	3,515,132	(128,720)
Net investment income		**11,249,954**	**6,440,773**	**10,468,893**	**5,541,489**
Net Finance income/(expense) from Insurance Contracts	26(a)	(2,674,054)	(3,445,100)	(2,674,054)	(3,445,100)
Net Finance Income from Reinsurance Contracts	26(b)	383,897	436,660	383,897	436,660
Net insurance finance income/(expenses)		**(2,290,157)**	**(3,008,440)**	**(2,290,157)**	**(3,008,440)**
Net insurance and investment result		**8,743,964**	**4,778,340**	**7,511,825**	**3,529,758**
Other Expenses	28	(1,927,067)	(2,386,064)	(1,446,821)	(2,195,904)
Impairment Reversal / (Losses)	29	(71,852)	-	-	-
Profit before income tax from continuing operations		**6,745,045**	**2,392,276**	**6,065,004**	**1,333,854**
Income tax expense	12(b)(i)	(21,161)	(321,611)	-	(293,925)
Minimum tax	12(b)(i)	(638,194)	-	(638,194)	-
Profit after tax from continuing operations		**6,085,689**	**2,070,665**	**5,426,809**	**1,039,929**
Discontinued operations					
Profit from discontinued operations (net of tax)	13(j)	-	2,872,686	-	2,872,686
Profit for the period		**6,085,689**	**4,943,351**	**5,426,809**	**3,912,615**
Attributable to owners of the parent		6,004,750	4,897,998	5,426,809	3,912,615
Attributable to non-controlling interest holders	13(e)	80,939	45,353	-	-
		6,085,689	**4,943,351**	**5,426,809**	**3,912,615**
Other comprehensive income, net of tax					
Items within OCI that may be reclassified to profit or loss in subsequent periods:					
Fair value (loss)/gain on financial assets	21(d)	(411,783)	(717,202)	(14,398)	(100,035)
Impairment reversal/(charge) on FVTOCI		-	-	-	-
Items within OCI that will not be reclassified to profit or loss in subsequent periods:					
Fair value gain on equity securities	21(d)	24,681	10,304	-	-
Revaluation loss on property and equipment		-	-	-	-
Exchange (loss)/gains on financial assets		-	-	-	-
Total other comprehensive (loss)/ income		**(387,102)**	**(706,897)**	**(14,398)**	**(100,035)**
Total comprehensive income for the period		**5,698,588**	**4,236,454**	**5,412,411**	**3,812,580**
Attributable to owners of the parent		5,669,773	4,223,121	5,412,411	3,812,580
Attributable to non-controlling interests	13(e)	28,815	13,333	**-**	**-**
		5,698,588	**4,236,454**	**5,412,411**	**3,812,580**
Basic and diluted earnings per share (kobo)	30(a)	16	13	15	11

The accompanying material accounting policies and notes to the consolidated and separate financial statements form an integral part of these interim financial statements.

Condensed consolidated and separate statements of profit or loss and other comprehensive income
For the interim period ended 30th September 2023

	Group		Company	
In thousands of naira	**3 months ended 30 Sep-23**	**3 months ended 30 Sep-22**	**3 months ended 30 Sep-23**	**3 months ended 30 Sep-22**
Insurance Revenue	23,369,862	16,001,179	23,091,925	15,731,349
Insurance Service Expense	(28,616,183)	(14,411,106)	(28,373,389)	(14,118,757)
Net Expenses from Reinsurance Contracts	(1,859,542)	(2,741,372)	(1,859,542)	(2,741,372)
Insurance service result	**(7,105,862)**	**(1,151,299)**	**(7,141,006)**	**(1,128,780)**
Investment income	6,840,530	4,601,070	6,680,231	4,318,939
Profit from deposit administration	19,488	297,559	19,488	297,559
Net realised gain/(loss)	211,648	3,000	211,648	3,000
Net fair value losses	(5,585,082)	(5,952,993)	(5,585,082)	(5,952,993)
Other operating income	1,011,473	(134,459)	981,585	(163,320)
Net investment income	**2,498,057**	**(1,185,823)**	**2,307,870**	**(1,496,815)**
Net Finance income/(expense) from Insurance Contracts	1,133,490	(1,320,019)	1,133,490	(1,320,019)
Net Finance Income from Reinsurance Contracts	65,702	169,151	65,702	169,151
Net insurance finance income/(expenses)	**1,199,191**	**(1,150,867)**	**1,199,191**	**(1,150,867)**
Net insurance and investment result	**(3,408,613)**	**(3,487,990)**	**(3,633,944)**	**(3,776,462)**
Personnel expenses	2,093,698	1,807,913	1,760,451	1,503,127
Other operating expenses	2,222,315	1,392,908	2,726,917	1,444,882
Impairment reversal	-	-	-	-
Profit before income tax from continuing operations	**907,400**	**(287,168)**	**853,424**	**(828,452)**
Income tax expense	(5,961)	(63,819)	-	(77,694)
Minimum tax	(117,036)	-	(117,036)	-
Profit after tax from continuing operations	**784,403**	**(350,988)**	**736,387**	**(906,146)**
Discontinued operations				
Profit from discontinued operations (net of tax)	-	(0)	-	(1)
Profit for the period	**784,403**	**(350,988)**	**736,387**	**(906,147)**
Attributable to owners of the parent	783,374	(327,871)	736,387	(906,147)
Attributable to non-controlling interest holders	1,027	(23,117)	-	-
	784,403	**(350,988)**	**736,387**	**(906,147)**
Other comprehensive income, net of tax				
Items within OCI that may be reclassified to profit or loss in subsequent periods:				
Fair value (loss)/gain on financial assets	(543,740)	(1,021,063)	(143,008)	(253,875)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:				
Fair value gain on equity securities	8,741	-	-	-
Total other comprehensive (loss)/ income	**(534,999)**	**(1,021,063)**	**(143,008)**	**(253,875)**
Total comprehensive income for the period	**249,404**	**(1,372,051)**	**593,379**	**(1,160,022)**
Attributable to owners of the parent	302,428	(1,300,880)	593,379	(1,160,022)
Attributable to non-controlling interests	(53,026)	(71,170)	-	-
	249,404	**(1,372,051)**	**593,379**	**(1,160,022)**

The accompanying material accounting policies and notes to the consolidated and separate financial statements form an integral part of these interim financial statements.

Condensed Consolidated and Separate Statements of Changes in Equity - Group
For the interim period ended 30 September 2023

		Attributable to owners of the Group									
In thousands of naira	**Note**	**Issued Share Capital**	**Share Premium**	**Revaluation Reserve**	**Fair Value Reserve**	**Foreign exchange translation reserve**	**Contingency Reserve**	**Retained Earnings**	**Shareholders' Equity**	**Non Controlling Interests**	**Total equity**
Balance at 1 January 2022	**21**	18,302,638	64,745	1,812,707	(1,683,037)	175,600	8,304,604	11,051,695	**38,028,952**	345,303	**38,374,255**
IFRS 17 transition adjustments		-	-	-	-	-	-	(3,417,168)	**(3,417,168)**	-	**(3,417,168)**
Restated balance as at 1 Jan 2022 (restated)		18,302,638	64,745	1,812,707	- 1,683,037	175,600	8,304,604	7,634,527	**34,611,784**	345,303	**34,957,087**
Total comprehensive income for the period											
Profit for the period		-	-		-	-	-	4,887,312	**4,887,312**	54,766	**4,942,078**
Other comprehensive income		-	-	-	470,614	-	-	-	**470,614**	-	**470,614**
NCI Share of other comprehensive income		-	-	-	(38,612)	-	-	-	**(38,612)**	38,612	**-**
Total other comprehensive income for the period		-	-	-	432,002	-	-	4,887,312	**5,319,314**	93,378	**5,412,692**
Transfers within equity											
Transfer to contingency reserve			-	-	-	-	419,271	(419,271)	**-**	**-**	**-**
Transfer to/(from) retained earnings		-	-	-	(3,810)	-	-	3,810	**-**	-	**-**
Total transfers	**21(g)**	-	-	-	(3,810)	-	419,271	(415,461)	-	-	-
Transactions with owners, recorded directly in equity											
Dividend paid to ordinary shareholders		-	-	-	-	-	-	-	**-**	-	**-**
Total contributions by and distributions to equity holders		-	-	-	-	-	-	-	**-**	-	**-**
Balance at 30 September 2022		**18,302,638**	**64,745**	**1,812,707**	**(1,254,845)**	**175,600**	**8,723,876**	**15,523,546**	**43,348,266**	**438,681**	**43,786,947**
Balance at 1 January 2023		18,302,638	64,745	2,764,016	(2,796,624)	-	9,710,046	16,540,784	**44,585,605**	422,402	**45,008,007**
IFRS 17 transition adjustments	**21(i)**				-			(5,366,987)	**(5,366,987)**	-	**(5,366,987)**
Balance as at 1 Jan 2023 (restated)		18,302,638	64,745	2,764,016	(2,796,624)	-	9,710,046	11,173,797	**39,218,618**	422,402	**39,641,020**
Total comprehensive income for the period											
Profit for the period		-	-		-	-	-	6,004,750	**6,004,750**	80,939	**6,085,689**
Other comprehensive income		-	-	-	(387,102)	-	-	-	**(387,102)**	-	**(387,102)**
NCI Share of other comprehensive income		-	-	-	39,739	-	-	-	**39,739**	(52,124)	**(12,386)**
Total other comprehensive income for the period		-	-	-	(347,363)	-	-	6,004,750	**5,657,387**	28,815	**5,686,202**
Transfers within equity											
Transfer to contingency reserve		-	-	-	-	-	1,440,208	(1,440,208)	**-**	-	**-**
Transfer from fair reserve		-	-	-	-	-	-	(121,728)	**(121,728)**	-	**(121,728)**
Transfer to/(from) retained earnings		-	-	-	(24,681)	-	-	24,681	**-**	-	**-**
Total transfers		-	-	-	(24,681)	-	1,440,208	(1,537,255)	**(121,728)**	-	**(121,728)**
Transactions with owners, recorded directly in equity											
Dividend paid to ordinary shareholders		-	-	-	-	-	-	(1,098,158)	**(1,098,158)**	-	**(1,098,158)**
Total contributions by and distributions to equity holders		-	-	-	-	-	-	(1,098,158)	**(1,098,158)**	-	**(1,098,158)**
Balance at 30 September 2023		**18,302,638**	**64,745**	**2,764,016**	**(3,168,668)**	**-**	**11,150,254**	**14,543,134**	**43,656,119**	**451,217**	**44,107,336**

The accompanying material accounting policies and notes to the consolidated and separate financial statements form an integral part of these interim financial statements.

Condensed Consolidated and Separate Statements of Changes in Equity - Company

For the interim period ended 30 September 2023

		Attributable to owners of the Company							
In thousands of naira	Note	Issued Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Foreign exchange translation Reserve	Contingency Reserve	Retained Earnings	Total shareholders' Equity
Balance at 1 January 2022	21(a)(ii)	18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	9,139,931	36,783,498
IFRS 17 transition adjustment		-	-	-	-	-	-	(3,417,168)	(3,417,168)
Balance at 1 Jan 2022 (restated)		18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	5,722,763	33,366,330
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	4,590,082	4,590,082
Other comprehensive income		-	-	-	84,498	-	-	-	84,498
Total other comprehensive income for the period		-	-	-	84,498	-	-	4,590,082	4,674,580
Transfers within equity									
Transfer to contingency reserve		-	-	-	-	-	419,271	(419,271)	-
Dividend		-	-	-	-	-	-	-	-
Transfer to retained earnings		-	-	-	-	-	-	-	-
Transfer to retained earnings from fair value reserve		-	-	-	-	-	-	-	-
Total transfers within equity		-	-	-	-	-	419,271	(419,271)	-
Balance at 30 September 2022		**18,302,638**	**64,745**	**1,812,707**	**(932,229)**	**175,600**	**8,723,875**	**9,893,574**	**38,040,910**
Balance at 1 January 2023		18,302,638	64,745	2,764,016	(1,821,697)	-	9,710,046	14,073,037	43,092,785
IFRS 17 transition adjustment	**21(i)**	-	-	-	-	-	-	(5,366,986)	(5,366,986)
Balance at 1 Jan 2023 (restated)		18,302,638	64,745	2,764,016	(1,821,697)	-	9,710,046	8,706,051	37,725,799
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	5,426,809	5,426,809
Other comprehensive income		-	-	-	(14,398)	-	-	-	(14,398)
Total other comprehensive income for the period		-	-	-	(14,398)	-	-	5,426,809	5,412,411
Transfers within equity									
Transfer to contingency reserve		-	-	-	-	-	1,440,208	(1,440,208)	-
Transfer to retained earnings from fair value reserve	**21(i)**	-	-	-	-	-	-	(121,728)	(121,728)
Dividend paid to ordinary shareholders		-	-	-	-	-	-	(1,098,158)	(1,098,158)
Total transfers within equity		-	-	-	-	-	1,440,208	(2,660,094)	(1,219,886)
Balance as at 30 September 2023		**18,302,638**	**64,745**	**2,764,016**	**(1,836,095)**	**-**	**11,150,254**	**11,472,766**	**41,918,324**

The accompanying material accounting policies and notes to the consolidated and separate financial statements form an integral part of these interim financial statements.

Condensed Consolidated and Separate Statements of Cash Flows
For the interim period ended 30th September 2023
In thousands of naira

	Group		Company	
	30-Sep-23	**30-Sep-22**	**30-Sep-23**	**30-Sep-22**
Operating activities:				
Total premium received	84,854,815	69,290,979	84,350,456	68,763,434
Commission received	2,531,334	2,299,372	2,111,699	1,881,301
Commission paid	(8,167,319)	(7,075,981)	(8,068,889)	(6,949,467)
Premium received in advance	290,244	241,938	290,244	241,938
Unallocated premium	590,898	2,386,002	590,898	2,386,002
Reinsurance premium paid	(23,262,839)	(18,172,071)	(23,262,839)	(18,172,071)
Gross benefits and claims paid	(39,205,385)	(34,423,028)	(38,520,484)	(33,910,027)
Claims recoveries	2,571,880	2,799,650	2,571,880	2,799,650
Receipt from deposit administration	24,558	444,642	24,558	444,642
Withdrawal from deposit administration	(25,148)	(52,031)	(25,148)	(52,031)
Other underwriting expenses paid	(3,536,133)	(2,146,464)	(3,536,133)	(2,146,464)
Payments to employees	(4,425,142)	(2,870,657)	(3,910,435)	(2,425,627)
Other operating cash payments	(6,035,342)	(10,686,827)	(2,903,372)	(9,674,981)
Other income received	1,198,405	816,485	910,964	726,389
Proceeds from disposal of AIICO Pension	-	4,162,304	-	4,162,304
Fixed income net (settlement)/received	3,968,026	(3,224,987)	-	-
Income tax paid	(215,024)	(106,258)	(127,547)	(83,198)
Net cash flows from/(used in) operating activities	**11,157,828**	**3,683,066**	**10,495,851**	**7,991,793**
Investing activities:				
Interest income received	18,732,387	13,714,147	16,859,865	13,086,705
Purchase of property and equipment	(620,317)	(762,805)	(613,815)	(608,631)
Purchase of intangible asset	(1,425)	(34,893)	-	(30,268)
Proceeds from sale of property and equipment	35,361	32,788	19,264	26,619
Proceeds from sale of investment property	186,000	139,000	186,000	139,000
Purchase of financial assets at amortized cost	(17,213,793)	(3,797,039)	(9,824,420)	(2,297,039)
Purchase of financial assets at FVTOCI	(6,166,377)	(4,320,607)	(6,166,377)	(4,320,607)
Purchase of financial assets at FVTPL	(23,573,627)	(48,388,668)	(23,573,627)	(48,388,668)
Proceed on disposal/ redemption of financial assets	22,544,657	42,800,246	15,140,410	36,073,217
Net cash flows from/ (used in) investing activities	**(6,077,134)**	**(617,831)**	**(7,972,700)**	**(6,319,671)**
Financing activities:				
Dividend paid to equity holders	(1,098,158)	(732,106)	(1,098,158)	(732,106)
Dividend paid to non controlling interest	(1)	-	-	-
Net cash flows (used in)/ from financing activities	**(1,098,159)**	**(732,106)**	**(1,098,158)**	**(732,106)**
Net decrease/increase in cash and cash equivalents	3,982,535	2,333,127	1,424,993	940,018
Cash and cash equivalents at 1 January	15,915,258	25,490,105	6,521,824	9,062,962
Cash and cash equivalents as at 30 September	**19,897,792**	**27,823,231**	**7,946,817**	**10,002,980**

The accompanying statement of significant accounting policies and notes to the consolidated and separate financial statements form an integral part of these financial statements.

Notes to the Condensed Consolidated and Separate Financial Statements
For the interim period ended 30 September 2023

5 Segment Information

For management purposes, the Group is organized into business units based on their products and services and has four reportable operating segments as follows:

- The life insurance segment offers savings, protection products and other long-term contracts (both with and without insurance risk). It comprises a wide range of whole life, term assurance, guaranteed pensions, pure endowment pensions and mortgage endowment products. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.
- The non-life insurance segment comprises general insurance to individuals and businesses. Non-life insurance products offered include auto, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident.
- The Health segment is a Health Maintenance Organization for prepaid health plans to cater for the health needs of individuals and corporate organizations. The segment became a full subsidiary of AIICO Insurance Plc on July 1, 2012.
- The Wealth Management segment is registered and licensed by the Securities & Exchange Commission in 2012, to carry out portfolio/fund management services. The segment commenced full operations in 2014 through the provision of bespoke wealth solutions for clients, by adopting a research based approach for every investment decision. The segment offers portfolio management services, structured investments and mutual funds to suit the investment needs of corporate and individual clients.

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

5.1 Segment statement of profit or loss and other comprehensive income

In thousands of naira	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	30 September 2023
GWP	**54,754,322**	**29,755,838**	**-**	**84,510,160**	**627,654**	**-**	**-**	**85,137,814**
Insurance Revenue	27,309,925	23,033,990		50,343,914	965,010	-	-	51,308,924
Insurance Service Expense	(27,147,074)	(16,274,071)		(43,421,145)	(513,931)	-	-	(43,935,076)
Net Expenses from Reinsurance Contracts	(297,831)	(7,291,851)		(7,589,681)	-	-	-	(7,589,681)
Insurance service result	**(134,980)**	**(531,932)**	**-**	**(666,912)**	**451,079**	**-**	**-**	**(215,833)**
Investment income	16,805,440	1,875,152		18,680,592	96,987	398,628		19,176,206
Profit from deposit administration	59,551	-		59,551				59,551
Net realised gain/(loss)	269,794	324,116		593,910				593,910
Net fair value losses	(12,380,292)	-		(12,380,292)		-		(12,380,292)
Other operating income	1,374,616	2,140,516		3,515,132	18,979	780,927	(514,458)	3,800,579
Net investment income	**6,129,109**	**4,339,784**	**-**	**10,468,893**	**115,965**	**1,179,554**	**(514,458)**	**11,249,954**
Net Finance income/(expense) from Insurance Contracts	(1,978,220)	(695,834)		(2,674,054)				(2,674,054)
Net Finance Income from Reinsurance Contracts	86,101	297,796		383,897				383,897
Net insurance finance income/(expenses)	**(1,892,119)**	**(398,037)**	**-**	**(2,290,157)**	**-**	**-**	**-**	**(2,290,157)**
Net insurance and investment result	**4,102,010**	**3,409,814**	**-**	**7,511,825**	**567,044**	**1,179,554**	**(514,458)**	**8,743,964**
Personnel expenses	-	-		-	(248,659)	(266,047)		(514,707)
Other operating expenses	(996,965)	(449,856)		(1,446,821)	(210,107)	(269,892)	514,458	(1,412,361)
Impairment Reversal / (Expense)	-	-		-	-	(71,852)	-	(71,852)
Profit before income tax from continuing operations	**3,105,045**	**2,959,959**	**-**	**6,065,004**	**108,278**	**571,763**	**-**	**6,745,045**
Income tax expense	-	-		-	-	-		-
Minimum tax	(310,870)	(327,325)		(638,194)	-	(21,161)		(659,356)
Profit after tax from continuing operations	**2,794,176**	**2,632,634**	**-**	**5,426,809**	**108,278**	**550,602**	**-**	**6,085,689**
								-
Discontinued operations								-
Profit from discontinued operations (net of tax)	-	-		-				-
Profit for the period	**2,794,176**	**2,632,634**	**-**	**5,426,809**	**108,278**	**550,602**	**-**	**6,085,689**
Attributable to owners of the parent	2,794,176	2,632,634	-	5,426,809	82,399	495,542	-	6,004,750
Attributable to non-controlling interest holders				-	25,879	55,060		80,939
	2,794,176	**2,632,634**	**-**	**5,426,809**	**108,278**	**550,602**	**-**	**6,085,689**
Other comprehensive income, net of tax								
Items within OCI that may be reclassified to profit or loss in subsequent periods:								
Fair value (loss)/gain on financial assets	195,493	(209,890)		(14,398)	-	(397,385)		(411,783)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:								
Fair value gain on equity securities	-	-		-		24,681		24,681
Total other comprehensive (loss)/ income	**195,493**	**(209,890)**	**-**	**(14,398)**	**-**	**(372,704)**	**-**	**(387,102)**
Total comprehensive income for the period	**2,989,668**	**2,422,743**	**-**	**5,412,412**	**108,278**	**177,898**	**-**	**5,698,588**

No single external customer contributed 10 percent or more of the entity's revenues as at end of the period

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

(b) Segment statement of profit or loss and other comprehensive income

In thousands of naira	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	30 September 2022
GWP	**45,909,203**	**22,992,640**	**-**	**68,901,844**	**600,890**	**-**	**-**	**69,502,733**
Insurance Revenue	20,327,080	17,650,842		37,977,922	918,976			38,896,898
Insurance Service Expense	(20,226,490)	(10,352,597)		(30,579,087)	(569,678)			(31,148,764)
Net Expenses from Reinsurance Contracts	112,122	(6,514,249)		(6,402,126)				(6,402,126)
Insurance service result	**212,713**	**783,996**	**-**	**996,709**	**349,298**	**-**	**-**	**1,346,007**
Investment income	10,497,505	1,315,514		11,813,019	84,244	724,945		12,622,207
Profit from deposit administration	363,892	-		363,892	-			363,892
Net realised gain/(loss)	(602,010)	-		(602,010)	-			(602,010)
Net fair value losses	(5,904,692)	-		(5,904,692)	-			(5,904,692)
Other operating income	55,213	(183,934)		(128,721)	8,693	81,404		(38,624)
Net investment income	**4,409,908**	**1,131,580**	**-**	**5,541,488**	**92,937**	**806,348**	**-**	**6,440,773**
Net Finance income/(expense) from Insurance Contracts	(2,869,660)	(575,439)		(3,445,100)	-	-		(3,445,100)
Net Finance Income from Reinsurance Contracts	134,183	302,476		436,660	-	-		436,660
Net insurance finance income/(expenses)	**(2,735,477)**	**(272,963)**	**-**	**(3,008,440)**	**-**	**-**	**-**	**(3,008,440)**
Net insurance and investment result	**1,887,144**	**1,642,613**	**-**	**3,529,757**	**442,235**	**806,348**	**-**	**4,778,340**
Other operating expenses	(1,267,980)	(927,924)		(2,195,904)	(352,611)	(539,330)	701,780	(2,386,064)
Profit before income tax from continuing operations	**619,163**	**714,690**	**-**	**1,333,853**	**89,624**	**267,019**	**701,780**	**2,392,276**
Income tax expense	(201,357)	(92,568)		(293,925)		(27,686)		(321,611)
Minimum tax				-				-
Profit after tax from continuing operations	**417,806**	**622,122**	**-**	**1,039,928**	**89,624**	**239,333**	**701,780**	**2,070,666**
Discontinued operations								
Profit from discontinued operations (net of tax)	1,615,280	1,257,406		2,872,686				2,872,686
Profit for the period	**2,033,086**	**1,879,529**	**-**	**3,912,615**	**89,624**	**239,333**	**701,780**	**4,943,352**
Attributable to owners of the parent	2,033,086	1,879,529	-	3,912,615	68,204	215,399	701,780	4,897,998
Attributable to non-controlling interest holders				-	21,420	23,933		45,353
	2,033,086	**1,879,529**	**-**	**3,912,615**	**89,624**	**239,333**	**701,780**	**4,943,352**
Other comprehensive income, net of tax								
Items within OCI that may be reclassified to profit or loss in subsequent periods:								
Fair value (loss)/gain on financial assets	27,235	(127,270)	-	(100,035)		(617,167)		(717,202)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:								
Fair value gain on equity securities	-	-	-	-		10,304		10,304
Total other comprehensive (loss)/ income	**27,235**	**(127,270)**	**-**	**(100,035)**	**-**	**(606,863)**	**-**	**(706,897)**
Total comprehensive income for the period	**2,060,321**	**1,752,259**	**-**	**3,812,580**	**89,624**	**(367,530)**	**701,780**	**4,236,454**

No single external customer contributed 10 percent or more of the entity's revenues as at end of the year.

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

5.2 Segment Statement of Financial Position

In thousands of naira	Life	General	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	Continued Operations	Disposal group AIICO Pensions Limited	30 September 2023
Assets										
Cash and cash equivalents	6,020,180	1,926,637	-	7,946,817	83,074	11,867,901	-	19,897,792	-	19,897,792
Financial assets	199,902,467	29,380,633	-	229,283,100	1,164,157	23,116,794	(6,908,854)	246,655,198	-	246,655,198
Trade receivables	-	1,011,819	-	1,011,819	130,930	370,163	(362,934)	1,149,978	-	1,149,978
Contracts assets	3,130,672	15,250,784	-	18,381,456	-	-	-	18,381,456	-	18,381,456
Deferred acquisition costs	-	-	-	-	-	-	-	-	-	-
Other receivables and prepayments	3,786,492	764,134	(1,230,053)	3,320,574	65,712	655,342	195,634	4,237,262	-	4,237,262
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	837,317	250,000	-	1,087,317	-	-	(1,087,317)	-	-	-
Investment in associate	-	-	-	-	-	-	-	-	-	-
Investment properties	330,000	290,000	-	620,000	-	-	-	620,000	-	620,000
Property and equipment	5,989,767	2,111,074	-	8,100,841	47,556	166,724	-	8,315,121	-	8,315,121
Statutory deposits	200,000	300,000	-	500,000	-	-	-	500,000	-	500,000
Right of use assets	4,606	23,680	-	28,285	-	-	-	28,285	-	28,285
Goodwill and other intangible assets	33,683	800,863	-	834,546	20,697	51,395	-	906,638	-	906,638
Total assets	**220,235,183**	**52,109,624**	**(1,230,053)**	**271,114,755**	**1,512,126**	**36,228,320**	**(8,163,472)**	**300,691,730**	**-**	**300,691,730**
Liabilities										
Insurance contract liabilities	182,389,071	25,561,830	-	207,950,901	303,809	-	-	208,254,710	-	208,254,710
Investment contract liabilities	3,706,469	-	-	3,706,469	-	-	-	3,706,469	-	3,706,469
Trade payables	6,105,875	2,034,794	-	8,140,668	-	-	(0)	8,140,668	-	8,140,668
Other payables and accruals	4,512,149	5,183,086	(1,230,053)	8,465,183	235,046	374,877	(362,935)	8,712,171	-	8,712,171
Fixed income liabilities	-	-	-	-	-	33,658,478	(6,908,854)	26,749,624	-	26,749,624
Current income tax payable	392,997	540,212	-	933,209	29,277	42,915	(0)	1,005,401	-	1,005,401
Deferred tax liabilities	-	-	-	-	498	-	-	498	-	498
Total liabilities	**197,106,561**	**33,319,922**	**(1,230,053)**	**229,196,431**	**568,631**	**34,076,270**	**(7,271,789)**	**256,569,542**	**-**	**256,569,542**
Equity										
Share capital	8,003,650	10,298,988	-	18,302,638	600,000	1,200,000	(1,800,000)	18,302,638	-	18,302,638
Share premium	64,745	-	-	64,745	47,494	41,346	(88,839)	64,745	-	64,745
Revaluation reserve	1,865,146	898,870	-	2,764,016	-	-	-	2,764,016	-	2,764,016
Fair value reserve	(550,899)	(1,285,196)	-	(1,836,095)	-	(1,334,376)	1,802	(3,168,669)	-	(3,168,669)
Foreign exchange gains reserve	-	-	-	-	-	-	-	-	-	-
Contingency reserve	5,145,325	6,004,929	-	11,150,254	-	-	(0)	11,150,254	-	11,150,254
Retained earnings	8,600,656	2,872,110	-	11,472,766	296,001	2,245,081	529,286	14,543,134	-	14,543,134
Shareholders' funds	**23,128,622**	**18,789,702**	**-**	**41,918,324**	**943,496**	**2,152,051**	**(1,357,752)**	**43,656,118**	**-**	**43,656,118**
Non-controlling interests	-	-	-	-	-	-	466,070	466,070	-	466,070
Total equity	**23,128,622**	**18,789,702**	**-**	**41,918,324**	**943,496**	**2,152,051**	**(891,682)**	**44,122,188**	**-**	**44,122,188**
Total liabilities and equity	**220,235,183**	**52,109,624**	**(1,230,053)**	**271,114,755**	**1,512,126**	**36,228,320**	**(8,163,472)**	**300,691,730**	**-**	**300,691,730**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

6 Cash and cash equivalents

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Cash on hand	4,096	1,127	2,268	3,956	470	724
Cash in bank	8,850,088	6,547,583	4,831,744	7,221,872	5,730,674	4,200,237
Bank Placement	11,055,978	9,378,917	22,442,215	721,736	791,426	4,867,214
Cash at bank attributable to discontinued operations	-	-	(1,764,924)	-	-	-
	19,910,162	15,927,627	25,511,303	7,947,564	6,522,570	9,068,175
Allowance for impairment on short term deposits relating to disposal group	(12,370)	(12,369)	(25,500)	(747)	(747)	(5,213)
Allowance for impairment on short term deposits transferred to disposal group	-	-	4,303	-	-	-
	19,897,792	15,915,258	25,490,105	7,946,817	6,521,824	9,062,962
At 1 January	(16,732)	(21,198)	(5,774)	(747)	(5,213)	(3,362)
(Charge) / recovery in the period	59	163	(24,029)	-	4,466	(1,851)
Allowance for impairment on short term deposits transferred to disposal group	4,303	4,303	4,303	-	-	-
Balance as at	(12,370)	(16,732)	(25,500)	(747)	(747)	(5,213)
Current	19,897,792	15,915,258	25,490,105	7,946,817	6,521,824	9,062,962
Non Current	-	-	-	-	-	-
	19,897,792	15,915,258	25,490,105	7,946,817	6,521,824	9,062,962

(a) Short-term deposits are made for 'varying periods' of between one day and three months, depending on the immediate cash requirements of the Group and Company. The carrying amounts disclosed above reasonably approximate fair value at the reporting date and the average interest rate on the short-term deposits as at the reporting date was 9% per annum.
Interest rates on this deposit ranges from 12-18% and maturities ranging between 30-90days. These funds are placed with local banks.

(b) Included in cash and cash equivalents are placements with local banks representing assets of the fixed income liabilities of ₦26.7bn (see note 20(b)(ii)) (2022: ₦22.8bn)

7 Financial assets

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Financial assets at amortized cost (see note (a) below)	101,024,877	83,886,914	73,506,456	83,652,777	74,070,085	63,972,911
Fair value through other comprehensive income (see note (b) below)	11,902,965	16,339,689	16,031,736	11,902,967	9,118,059	5,580,095
Fair value through profit or loss (see note (c) below)	133,727,356	125,233,425	83,165,217	133,727,356	125,233,425	83,165,217
Amortised cost financial assets transferred to disposal group	-	-	(202,389)	-	-	-
	246,655,198	225,460,028	172,501,020	229,283,100	208,421,569	152,718,223
Current	145,630,321	141,573,114	99,196,953	145,630,323	134,351,484	88,745,312
Non Current	101,024,877	83,886,914	73,304,067	83,652,777	74,070,085	63,972,911
	246,655,198	225,460,028	172,501,020	229,283,100	208,421,569	152,718,223

(a) Financial assets at amortised cost

Federal Government Bonds	75,207,693	73,691,883	54,049,576	60,678,489	55,424,640	53,883,240
Treasury Bills	-	-	15,521,762	-	-	-
Other financial assets (see (i) below)	-	1,278,200	-	6,927,485	9,975,464	6,268,966
Corporate Bonds	1,583,536	1,621,544	100,493	1,583,536	1,621,544	100,493
Euro Bond	11,638,481	2,602,355	-	9,572,111	2,602,355	-
Commercial Paper	105,786	123,744	-	105,786	123,744	-
Loans to policyholders	3,034,150	2,882,253	2,620,611	3,034,150	2,882,253	2,620,611
Staff loans	1,427,593	1,424,332	1,018,838	589,389	1,177,482	910,476
Agent loans	100,820	83,228	80,188	92,188	83,228	80,188
Other loans	473,535	271,511	134,466	1,161,777	271,511	134,466
	93,571,594	**83,979,050**	**73,525,934**	**83,744,911**	**74,162,221**	**63,998,440**
Allowance for Impairment of other loans (see (ii) below)	(3,766)	(3,767)	(1,697)	(3,766)	(3,766)	(898)
Allowance for Impairment of bonds (see (ii) below)	(69,737)	(69,737)	(17,780)	(69,737)	(69,737)	(17,780)
Allowance for Impairment of other financial assets (see (ii) below)	(18,631)	(18,631)	-	(18,631)	(18,631)	(6,850)
	(92,134)	(92,135)	(19,478)	(92,134)	(92,134)	(25,528)
	93,479,460	83,886,915	73,506,456	83,652,777	74,070,087	63,972,911
Transfer to disposal group	-	-	(202,495)	-	-	-
Allowance for impairment transferred to disposal group	-	-	106	-	-	-
	93,479,460	**83,886,915**	**73,304,067**	**83,652,777**	**74,070,087**	**63,972,911**

(i) Other financial aasets relates to an investment in AIICO Capital's GIN (Guaranteed income note) for investment in bonds and treasury bills at a guaranteed return of 7% per annum. AIICO Capital is regulated by Securities and Exchange Commission (SEC) to invest in the capital market and carries out this type of investments for its clients.

(ii) Movement in impairment allowance during the period is as follows:

	Group			Company		
	Sep-23	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	92,136	19,373	27,218	92,136	25,528	35,897
12 months ECL charge for the period bonds	(0)	51,958	8,064	-	51,958	8,065
12 months ECL charge for the period, treasury bills	0	0	(1,032)	-	-	-
12 months ECL charge for the period other loans	-	2,070	(14,879)	-	2,869	(2,244)
12 months ECL charge for the period other financial assets	-	18,735	-	(0)	11,781	(16,189)
Recoveries	-	-	106	-	-	-
Balance as at	92,136	92,136	19,478	92,135	92,136	51,055

(iii) Movement in amortized cost portfolio is as follows;

In thousands of naira						
Balance at 1 January	83,979,050	73,525,830	44,079,333	74,162,221	63,998,439	37,951,504
Additions during the year	17,213,793	17,392,235	55,102,639	9,824,420	10,410,626	39,996,468
Asset transfer from portfolio acquisition*	-	4,435,786			4,435,786	
Disposals/Repayments	(2,892,441)	(11,860,022)	(26,039,538)	(2,892,441)	(5,123,320)	(14,894,483)
Accrued interest	2,816,612	485,221	383,394	2,650,715	440,690	944,950
Transferred to disposal group (see note 18)	-	-	-	-	-	-
	101,117,014	83,979,050	73,525,828	83,744,916	74,162,221	63,998,439
Allowance for 12 months ECL charge (see (ii) above)	(92,136)	(92,136)	(19,373)	(92,135)	(92,136)	(25,528)
Allowance for impairment transferred to disposal group	-	-	-	-	-	-
	101,024,877	83,886,914	73,506,456	83,652,781	74,070,085	63,972,911

* This relates to the asset brought into the books from the acquisition of tangerine annuity portfolio.

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

(b) Financial assets classified at fair value through other comprehensive income

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Federal Government Bonds	7,573,319	4,676,584	12,503,621	7,703,436	4,676,584	2,084,327
Corporate Bonds	974,078	826,208	240,157	974,078	826,208	240,157
Euro Bond	-	279,662	-	-	279,662	-
Equities (see note (i) below)	3,355,567	10,557,235	3,287,958	3,225,453	3,335,605	3,255,611
	11,902,964	16,339,689	16,031,736	11,902,967	9,118,059	5,580,095

(i) Equity instruments designated at fair value through other comprehensive income

In thousands of naira						
Quoted equities	603,635	871,423	589,313	473,521	871,423	556,966
Unquoted equities	2,751,932	9,685,812	2,698,645	2,751,932	2,464,182	2,698,645
	3,355,567	10,557,235	3,287,958	3,225,453	3,335,605	3,255,611

(ii) Movement in financial asset classified as fair value through other comprehensive income (FVTOCI) is as follows;

In thousands of naira						
Balance at 1 January	16,339,688	16,031,736	27,275,901	9,118,059	5,580,094	11,144,862
Additions during the period	6,166,377	4,910,765	2,171,083	6,166,377	4,365,711	1,043,777
Asset transfer from portfolio acquisition(see note 20 (f))	-	167,119	-	-	167,119	-
Disposals	(11,164,835)	(4,892,155)	(12,811,450)	(3,760,589)	(1,173,155)	(6,311,450)
Exchange (loss)/ gain	-	-	-	-	-	-
Accrued interest	973,517	1,273,895	729,005	393,517	995,621	366,656
Fair value loss during the period	(411,783)	(1,139,311)	(1,330,219)	(14,398)	(804,970)	(661,167)
Impairment (ECL)	(11,000)	(12,361)	(2,583)	(11,000)	(12,361)	(2,583)
Balance as at	11,902,964	16,339,688	16,031,736	11,902,966	9,118,059	5,580,095

(c) Financial assets classified at fair value through profit or loss

In thousands of naira						
Federal Government bonds	131,166,329	122,587,329	83,116,679	131,166,329	122,587,329	83,116,679
State Government bonds	-	-	48,538	-	-	48,538
Corporate bonds	2,561,027	2,646,096	-	2,561,027	2,646,096	-
Treasury bills	-	-	-	-	-	-
Balance as at	133,727,356	125,233,425	83,165,217	133,727,356	125,233,425	83,165,217

(i) Movement in financial asset classified as fair value through profit or loss (FVTPL) is as follows;

In thousands of naira						
Balance at 1 January	125,233,425	83,165,217	117,013,926	125,233,425	83,165,217	117,013,926
Additions during the period	23,573,627	54,633,943	98,087,827	23,573,627	54,633,943	98,087,827
Asset transfer from portfolio acquisition (see note 20 (f))	-	24,545,595	-	-	24,545,595	-
Disposals during the period	(7,909,996)	(35,872,976)	(102,216,810)	(7,909,996)	(35,872,976)	(102,216,809)
Accrued interest	5,210,592	4,935,707	4,978,756	5,210,592	4,935,707	4,978,756
Fair value gain/(loss) during the year (Note 30)	(12,380,292)	(6,174,060)	(34,698,482)	(12,380,292)	(6,174,060)	(34,698,482)
Balance as at	133,727,356	125,233,425	83,165,216	133,727,356	125,233,425	83,165,217

(d)
(i) Gross movement in financial assets 2023 (Group)

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	83,979,050	16,339,688	125,233,425	225,552,163
Additions during the period	17,213,793	6,166,377	23,573,627	46,953,797
Disposals/Repayments during the period	(2,892,441)	(11,164,835)	(7,909,996)	(21,967,272)
Accrued interest	2,816,612	973,517	5,210,592	9,000,721
Fair value gain / (loss)	-	(411,783)	(12,380,292)	(12,792,075)
Exchange gain	-	-	-	-
Impairment loss	(92,136)	-	-	(92,136)
	101,024,878	**11,902,964**	**133,727,356**	**246,655,199**

(ii) Gross movement in financial assets 2022 (Group)

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	73,525,830	16,031,736	83,165,217	**172,722,783**
Additions during the year	17,392,235	4,910,765	54,633,942	**76,936,943**
Asset transfer from portfolio acquisition	4,435,786	167,119	24,545,595	**29,148,500**
Disposals/Repayments during the period	(11,860,022)	(4,892,155)	(35,872,976)	**(52,625,153)**
Accrued interest	485,221	1,273,895	4,935,707	**6,694,823**
Fair value loss	-	(1,139,311)	(6,174,060)	**(7,313,371)**
Exchange gain			-	**-**
Impairment loss	(92,136)	(12,361)	-	**(104,497)**
	83,886,914	**16,339,689**	**125,233,425**	**225,460,028**

(iii) Gross movement in financial assets 2023 (Company)

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	74,162,221	9,118,059	125,233,425	208,513,706
Additions during the year	9,824,420	6,166,377	23,573,627	39,564,424
Disposals/Repayments during the year	(2,892,441)	(3,760,589)	(7,909,996)	(14,563,026)
Accrued interest	2,650,715	393,517	5,210,592	8,254,824
Fair value (loss)/ gain	-	(14,398)	(12,380,292)	(12,394,690)
Exchange gain	-	-	-	-
Impairment loss	(92,135)	-	-	(92,135)
	83,652,781	**11,902,966**	**133,727,356**	**229,283,103**

(iv) Gross movement in financial assets 2022 (Company)

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	63,998,439	5,580,094	83,165,217	152,743,750
Additions during the period	10,410,626	4,365,711	54,633,942	69,410,280
Disposals/Repayments during the period	(5,123,320)	(1,173,155)	(35,872,976)	(42,169,451)
Asset transfer from portfolio acquisition	4,435,786	167,119	24,545,595	29,148,500
Accrued interest	440,690	995,621	4,935,707	6,372,018
Fair value (loss)/ gain	-	(804,970)	(6,174,060)	(6,979,030)
Exchange gain	-	-	-	-
Impairment loss	(92,136)	(12,361)	-	(104,497)
Transferred to disposal group	-	-	-	-
	74,070,085	**9,118,059**	**125,233,425**	**208,421,569**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

(e)(i) Policy loans

The Group granted loans to policyholders in line with the insurance policy provisions (terms and conditions). The maximum loan amount that could be granted to policyholders is 90% of the policy cash value. The cash value (worth of the policy as determined by the actuary) is the cash amount due to policyholders upon surrender of the insurance contract as at the date of determination and it is used as collateral on policy cash loan granted.

The tenor of the loan is within the policy duration and such policy must be in force and must have acquired cash value before loan application can be considered. A pre-determined interest rate (compounded daily) is applied on the loan. The rate is currently 12% per annum and it is reviewed annually.

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

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Group
Fair value measurements At 30 September 2023

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
-Federal Government bonds	-	131,166,329	-	131,166,329
-State Government bonds	-	-	-	-
-Corporate bonds	-	2,561,027	-	2,561,027
-Treasury bills	-	-	-	-
Group Financial Assets at FVTPL as at 30 September 2023	-	133,727,356	-	133,727,356
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	7,573,319	-	7,573,319
-Corporate bonds	-	974,078	-	974,078
-Treasury bills	-	-	-	-
-Quoted equities	603,635		-	603,635
-Unquoted equities	-	-	2,751,932	2,751,932
Group Financial Assets at FVOCI as at 30 September 2023	603,635	8,547,397	2,751,932	11,902,965

Fair value measurements At 31 December 2022
Group

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	122,587,329	-	122,587,329
-State Government bonds	-	-	-	-
-Corporate bonds	-	2,646,096	-	2,646,096
-Treasury bills	-	-	-	-
Group Financial Assets at Fair value as at 31 December 2022	-	125,233,425	-	125,233,425
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	4,676,584	-	4,676,584
-Corporate bonds	-	826,208	-	826,208
-Treasury bills	-	279,662	-	279,662
-Quoted equities	871,423		-	871,423
-Unquoted equities	-	-	9,685,812	9,685,812
Group Financial Assets at Fair value as at 31 December 2022	871,423	5,782,454	9,685,812	16,339,689

Fair value measurements At 31 December 2021

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVI				
-Federal Government bonds	-	83,116,679	-	83,116,679
-State Government bonds	-	48,538	-	48,538
Group Financial Assets at Fair value as at 31 December 2021	-	83,165,217	-	83,165,217
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	12,503,621	-	12,503,621
-Corporate bonds	-	240,157	-	240,157
-Quoted equities	589,313	-	-	589,313
-Unquoted equities	-	-	2,698,645	2,698,645
Group Financial Assets at Fair value as at 31 December 2021	589,313	12,743,778	2,698,645	16,031,736

Fair value measurements At 30 September 2023
Company

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	131,166,329	-	131,166,329
-State Government bonds	-	-	-	-
-Corporate bonds	-	2,561,027	-	2,561,027
-Treasury bills	-	-	-	-
Company Financial Assets at Fair value as at 30 September 2023	-	133,727,356	-	133,727,356
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	7,703,436	-	7,703,436
-Corporate bonds	-	974,078	-	974,078
-Quoted equities	473,521	-	-	473,521
-Unquoted equities	-	-	2,751,932	2,751,932
Company Financial Assets at Fair value as at 30 September 2023	473,521	8,677,514	2,751,932	11,902,967

Fair value measurements At 31 December 2022
Company

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
-Federal Government bonds	-	122,587,329	-	122,587,329
-State Government bonds	-	-	-	-
-Corporate bonds	-	2,646,096	-	2,646,096
Company Financial Assets at Fair value as at 31 December 2022	-	125,233,425	-	125,233,425
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	4,676,584	-	4,676,584
-Corporate bonds	-	826,208	-	826,208
-Quoted equities	871,423	-	-	871,423
-Unquoted equities	-	-	2,464,182	2,464,182
Company Financial Assets at Fair value as at 31 December 2022	871,423	5,502,792	2,464,182	8,838,397

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

Fair value measurements At 31 December 2021
Company

In thousands of naira	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss (FVTPL)				
-Federal Government bonds	-	83,116,679	-	83,116,679
-State Government bonds	-	48,538	-	48,538
Company Financial Assets at Fair value as at 31 December 2021	-	83,165,217	-	83,165,217
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	2,084,327	-	2,084,327
-Corporate bonds	-	240,157	-	240,157
-Quoted equities	556,966	-	-	556,966
-Unquoted equities	-	-	2,698,645	2,698,645
Company Financial Assets at Fair value as at 31 December 2021	556,966	2,324,484	2,698,645	5,580,095

Recognised fair value measurements

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:
-the use of quoted market prices or dealer quotes for similar instruments
-for other financial instruments – Price to book value approach.

All of the resulting fair value estimates are included in level 1, except for unlisted equity securities, where the fair values have been determined based on present values and the discount rates used were weighted average cost of capital..

(iii) Other loans relates to various staff and agent loans.

8 Trade receivables

(a) Trade receivables comprise:

	Group			**Company**		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Due from brokers	1,011,819	852,113	689,374	1,042,605	852,113	689,375
Due from direct clients (see note (i) below)	280,220	156,924	285,625	-	-	-
Trade receivables attributable to discontinued operations (see note 19)	-	-	(154,771)			-
	1,292,039	1,009,037	820,228	1,042,605	852,113	689,375
Allowance for impairment on trade receivables (see note (ii) below)	(142,061)	(142,060)	(107,384)	-	-	-
Allowance for impairment on trade receivables ttributable to discontinued operations (see note (19) below)	-	-	15,673	(30,786)	-	-
	1,149,978	866,977	728,517	1,011,819	852,113	689,375

(i) Insurance receivable is analyzed as follows:

Due from brokers	1,011,819	59,106		1,011,819	59,106	
Due from others (see (ii) below)	138,159	-		-	-	
	1,149,978	59,106		1,011,819	59,106	

(ii) Due from others represent receivables from travel insurance policies.

Age Analysis of trade receivables:	**Group**			**Company**		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Within 30 days	1,011,819	788,343	689,374	1,011,819	852,113	689,375
Above 30 days	138,159	78,634	39,143	-	-	-
Balance as at	1,149,978	866,977	728,517	1,011,819	852,113	689,375

(i) Due from direct clients relates to fees receivables.
(ii) The movement in impairment allowance during the period is shown below;

In thousands of naira						
At 1 January	142,060	107,384	134,724	-	-	-
Charge/(Reversal) for the period (Note 35 a)	(0.0)	34,676	(43,013)	-	-	-
	142,060	142,060	91,711	-	-	-

9 Reinsurance contract assets

This represents reinsurance assets and is broken down as follows:

	Group			**Company**		
	Sep-23	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Reinsurance contract held (see a below)	16,322,425	9,858,529	8,957,265	16,322,425	9,858,529	8,957,265
Reinsurance Receivable on Paid Claims	2,059,031	1,631,446	1,326,388	2,059,031	1,631,446	1,326,388
Reinsurance Assets	18,381,456	11,489,975	10,283,653	18,381,456	11,489,975	10,283,653

(a) Reinsurance contract held

A. Life business

The following table shows the reconciliation from the opening to the closing balances of the net asset for the remaining coverage and the assets for incurred claims recoverable from reinsurance.

	Assets for Remaining coverage		**Amounts**		**Total**
September-23	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of present value of future cash flows**	**Risk adjustment for non financial risk**	
	₦	**₦**	**₦**	**₦**	**₦**
Opening assets	398,725	12,228	1,219,240	32,432	**1,662,625**
Opening liabilities	-	-	-	-	-
Net opening balance	**398,725**	**12,228**	**1,219,240**	**32,432**	**1,662,625**
Changes in the statement of profit or loss and OC					
Allocation of reinsurance premiums paid	(1,075,871)	0	-	-	**(1,075,871)**
Amounts recovered from reinsurers	-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	1,065,359	(4,043)	**1,061,316**
Changes in the loss recovery component	-	(0)	-	-	**(0)**
Changes in expected recoveries on past claims	-	-	(275,271)	(8,005)	**(283,276)**
Net expenses from reinsurance contracts held	**(1,075,871)**	**(0)**	**790,088**	**(12,048)**	**(297,831)**
Finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	83,058	3,043	**86,101**
Effect of movements in exchange rates	-	-	-	-	**-**
Total changes in the statement of profit or loss	**(1,075,871)**	**(0)**	**873,147**	**(9,006)**	**(211,730)**
Investment components excluded from reinsurance service expenses	-	-	-	-	**-**
Cash flows					
Premiums paid	1,450,469	-	-	-	**1,450,469**
Amounts received from reinsurers relating to incurred claims	-	-	(1,211,710)	-	**(1,211,710)**
Total cash flows	**1,450,469**	**-**	**(1,211,710)**	**-**	**238,759**
Net closing balance	**773,324**	**12,228**	**880,677**	**23,426**	**1,689,655**
Closing assets	773,324	12,228	880,677	23,426	**1,689,655**
Closing liabilities	-	-	-	-	**-**
Net closing balance	**773,324**	**12,228**	**880,677**	**23,426**	**1,689,655**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

B Non-life business
Reinsurance contracts held – motor and home (under PAA)The following table shows the reconciliation from the opening to the closing balances of the net asset for the remaining coverage and the assets for incurred claims recoverable from reinsurance. The coverage period of quota-share reinsurance contracts held for motor and home insurance contracts issued by the Group have either a coverage period of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA. See Note 1.H.3 for further details on the accounting policies applied for insurance contracts measured under PAA.

September-23	Assets for Remaining coverage		Amounts		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non financial risk	
	₦	₦	₦	₦	₦
Opening assets	4,019,601	138,552	3,740,044	297,707	**8,195,904**
Opening liabilities	-	-	-	-	-
Net opening balance	**4,019,601**	**138,552**	**3,740,044**	**297,707**	**8,195,904**
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(11,911,988)	(877)	-	-	**(11,912,865)**
Amounts recovered from reinsurers	-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	3,931,165	71,486	**4,002,651**
changes in the asset for remaining coverage for income recognised in the period for newl	-	(192)	-	-	**(192)**
Changes in recoveries for past claims	-	-	466,691	130,185	**596,876**
Net expenses from reinsurance contracts held	**(11,911,988)**	**(1,069)**	**4,397,856**	**201,671**	**(7,313,530)**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	269,868	27,929	**297,796**
Finance income or expenses from reinsurance contracts recognised in OC	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(11,911,988)**	**(1,069)**	**4,667,724**	**229,599**	**(7,015,734)**
Investment components excluded from reinsurance service expenses	-	-	-	-	**-**
Cash flows					
premiums paid	15,770,105	-	-	-	**15,770,105**
Amounts received from reinsurers relating to incurred claims	-	-	(1,783,309)	-	**(1,783,309)**
Total cash flows	**15,770,105**	**-**	**(1,783,309)**	**-**	**13,986,797**
Additional Items					
DAR Cashflow	(534,197)	-	-	-	**(534,197)**
Total Additional Items	(534,197)	-	-	-	**(534,197)**
Net closing balance	7,343,521	137,483	6,624,459	527,307	**14,632,770**
Closing assets	7,343,521	137,483	6,624,459	527,307	14,632,770
Closing liabilities	-	-	-	-	-
Net closing balance	**7,343,521**	**137,483**	**6,624,459**	**527,307**	**14,632,770**
Total Composite	**8,116,845**	**149,712**	**7,505,135**	**550,733**	**16,322,425**

10 Other receivables and prepayments

In thousands of naira	Sep-23	Dec-22	Jan-22	Sep-23	Dec-22	Jan-22
Prepaid expenses (see note (i) below)	1,058,234	395,189	730,110	1,058,234	395,189	730,110
Short term lease payment	221,123	110,031	156,613	16,459	25,483	25,483
Prepaid minimum deposit	-	112,809	52,415	-	112,809	52,415
Receivable from agents	100,892	67,347	76,768	100,892	67,347	76,768
WHT Receivable-Dividend	152,661	139,450	90,701	152,661	94,450	90,701
Subscription for Shares (see note (ii) below	-	-	-	-	-	-
Receivable on recoveries	1,465,365	1,496,223	1,152,137	1,465,365	1,496,223	1,011,956
Sundry receivables (see note (ii) below)	1,238,987	2,483,765	153,046	526,962	2,018,913	153,046
Receivable from part disposal of subsidiary (see note (iii) below)	-	-	-	-	-	-
Doubtful receivables (see note (iv) below)	-	-	68,588	-	-	68,588
	4,237,261	4,804,814	2,480,378	3,320,574	4,210,414	2,209,068
Less allowance for impairment	-	(119,388)	(68,588)	-	(68,588)	(68,588)
	4,237,261	4,685,425	2,411,790	3,320,574	4,141,826	2,140,480

	Group			Company		
In thousands of naira	Sep-23	Dec-22	Jan-22	Sep-23	Dec-22	Jan-22
Current	4,237,261	4,685,425	2,411,790	3,320,574	4,141,826	2,140,480
Non Current	-	-	-	-	-	-
Balance as at	4,237,261	4,685,425	2,411,790	3,320,574	4,141,826	2,140,480

(i) Prepaid expenses relate to rent and other expenses.

(ii) Sundry receivables relates to balances in the bank

(iii) Receivable from part disposal of subsidiary relates to the proceeds from disposal of 33.91% of the shares of AIICO pensions which represents 48.1% of the company's total investment in the company. The funds were subsequently received.

(iv) This represents receivable amount under reconciliation and which are likely to be written off based on the available information.

11 Right of use assets

In thousands of naira	Sep-23	Dec-22	Jan-22	Sep-23	Dec-22	Jan-22
Balance at 1 January	60,055	105,855	21,987	60,055	105,855	21,987
Additions	50,471	50,694	188,166	50,471	50,694	188,166
Amortization in the period	(82,240)	(96,495)	(104,297)	(82,240)	(96,495)	(104,297)
Balance as at	28,285	60,055	105,855	28,285	60,055	105,855

There are no lease liability in relation to the right of use assets as it relates to rents paid in advance for period ranging from 12 months and above and there were no lease incentives granted to the group.

Current	-	-	-	-	-	-
Non Current	28,285	60,055	105,855	28,285	60,055	105,855
	28,285	60,055	105,855	28,285	60,055	105,855

12 Income taxes

(a) Current income tax payable
The movement in current income tax payable can be analyzed as follows:

	Group			Company		
In thousands of naira	Sep-23	Dec-22	Jan-22	Sep-23	Dec-22	Jan-22
Balance at 1 January	669,543	407,282	358,099	422,562	307,392	307,621
Charge for the period	647,580	425,255	257,905	638,194	198,370	120,548
Payments made during the period	(311,722)	(162,994)	(201,791)	(127,547)	(83,200)	(120,777)
Transferred to disposal group (see note 19(b))	-	-	(6,931)	-	-	-
Balance as at	1,005,401	669,543	407,282	933,209	422,562	307,392

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

(b) Amounts recognised in profit or loss

	Group		Company	
In thousands of naira	**Sep-23**	**Dec-22**	**Sep-23**	**Dec-22**
Minimum tax (see note (iii) below)	638,194	147,215	638,194	147,215
	638,194	147,215	638,194	147,215

		Group		Company	
	In thousands of naira	**Sep-23**	**Dec-22**	**Sep-23**	**Dec-22**
(i)	**Income tax expense**				
	Current income tax expense	659,213	196,322	638,052	-
	Police Trust Fund Levy	143	241	143	211
	Tertiary tax	-	29,711	-	8,736
	NITDA levy	-	51,766	-	42,208
	Current income tax expense	659,356	278,040	638,194	51,155
	Deferred tax expense				
	Origination of temporary differences	-	(20,249)	-	-
	Total deferred income tax (benefit)/ expense	-	(20,249)	-	-
	Total income taxes	**659,356**	**257,791**	**638,194**	**51,155**

(ii) Current Income tax expense

In thousands of naira				
Minimum tax (see note (i) above)	638,194	147,215	638,194	147,215
Corporate tax (see note (i) above)	21,161	278,040	-	51,155
Deferred tax (benefit)/expense	-	(20,249)	-	-
Current income tax expense	**659,356**	**405,006**	**638,194**	**198,370**

* The Company was assessed to minimum tax using section 16 of the Company Income Tax Act (CITA) as there was no taxable profit.

The Directors believe that accruals for tax liabilities are adequate for all open tax periods based on its assessment of relevant factors, including the interpretations of tax law and tax practices in the determination of obligation for income taxes.

(c) Amounts recognised in OCI

Group	**Sep-23**		
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	(411,783)	-	(411,783)
Balance as at	(411,783)	-	(411,783)

Company	**Sep-23**		
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets (see note 24 e)	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	(14,398)	-	(14,398)
Balance as at	(14,398)	-	(14,398)

Group	**Dec-22**		
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets	-	-	-
Fair value loss on fair value financial assets	(1,139,312)	-	(1,139,312)
Balance as at	(1,139,312)	-	(1,139,312)

Company	**Dec-22**		
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets	-	-	-
Fair value loss on fair value financial assets	(804,970)	-	(804,970)
Balance as at	(804,970)	-	(804,970)

(d) Movement in deferred tax balances

2023
Group

				Balance at 30 September		
In thousands of naira	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Net**	**Deferred tax assets**	**Deferred tax liabilities**
Property and Equipment	(6,996)		-	(498)		(498)
Unrelieved losses	-		-	-	-	
Investment property	-		-	-	-	
Unrealised exchange gain on financial assets	(670)		-	-		
Increase in liability	-			-	-	
	(7,666)	**-**	**-**	**(498)**	**-**	**(498)**

2022
Group

				Balance at 31 December		
In thousands of naira	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Net**	**Deferred tax assets**	**Deferred tax liabilities**
Property and Equipment	(7,559)	(5,449)	-	(13,008)	(6,012)	(6,996)
Unrealised exchange gain on financial assets	1,145	(1,815)	-	(670)	-	(670)
Impairment of trade and other receivables		27,513	-	27,513	27,513	-
	(6,414)	**20,249**	**-**	**13,835**	**21,501**	**(7,666)**

(e) Unrecognised deferred tax on unrelieved losses

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Unrecognised deferred tax	11,870,014	19,254,551	11,870,014	11,870,014	19,254,551	11,870,014
	11,870,014	19,254,551	11,870,014	11,870,014	19,254,551	11,870,014

This represents the deferred tax on unrelieved losses on the life and non life businesses.
The Group did not recognise this amount as it is of the view that it may not be probable to have taxable profits against which the tax assets can be utilised, due to the four-period tax lapse period for unrelieved losses for insurance companies in Nigeria.

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

13 Investment in subsidiaries

The Group is made up of four entities, as follows:

AIICO Insurance PLC	- Parent
AIICO Pension Managers Limited	- Associate
AIICO Multishield Limited	- Subsidiary
AIICO Capital Limited	- Subsidiary

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
AIICO Multishield Limited(see note (c) below)	-	-	-	587,317	587,317	587,317
AIICO Capital Limited see note (d) below)	-	-	-	500,000	500,000	500,000
Balance as at	-	-	-	1,087,317	1,087,317	1,087,317

(a) The movement in investment in subsidiaries is as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Balance at 1 January	-	-	-	1,087,317	1,087,317	1,087,317
	-	-	-	-	-	-
Balance as at	-	-	-	1,087,317	1,087,317	1,087,317

(b) AIICO Multishield Limited

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Balance at 1 January	-	-	-	587,317	587,317	587,317
Balance as at	-	-	-	587,317	587,317	587,317

(ii) The Company has 76.10% interest in AIICO Multishield Limited (2021: 76.10%). AIICO Multishield Limited is involved in health management insurance.

(c) AIICO Capital Limited

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Balance at 1 January	-	-	-	500,000	500,000	500,000
Balance as at	-	-	-	500,000	500,000	500,000

This represents the Company's 90% (2021: 90%) investment in AIICO Capital Limited. AIICO Capital is involved in providing portfolio and fund management services.

(d) Non-controlling interests

In thousands of naira	**NCI Percentage Holding**	**Sep-23**	**NCI Percentage Holding**	**Dec-22**	**Jan-22**
AIICO Multishield HMO	23.9%	244,954	23.9%	211,269	146,797
AIICO Capital	10.0%	221,115	10.0%	211,133	198,506
		466,070		422,402	345,303

(e) The movement in the NCI account during the period is as follows:

In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**
Balance at 1 January	422,402	345,303	957,243
Share of profit	80,939	112,104	62,725
Realized gain/ (loss) on equities	2,468	1,024	(547)
Fair value reserves	(39,739)	(36,029)	(66,100)
Dividend paid	(1)	-	(608,018)
Transfer to sale of discontinued operation	-	-	-
Balance as at	466,070	**422,402**	**345,303**

(f) Investment in associate

AIICO Pension Managers Limited	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Balance as at 1 January	-	705,629	-	-	705,691	705,691
Reclassifed from assets held for sale (see note 19.1(b))			740,532			
Share of associate profit (see Note 19.2)			(34,902)	-	-	-
Disposed during the period	-	(705,629)	-	-	(705,691)	(705,691)
Balance as at	-	**-**	**705,629**	**-**	**-**	**-**

(j) Profit on disposal of investment in associate

AIICO Pension Managers Limited	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Consideration	-	4,061,856	-	-	4,061,856	-
Interest on sales proceed	-	100,448	-	-	100,448	-
Less:						
Cost to sale	-	(264,876)	-	-	(264,876)	-
Disposal of investment in associate	-	(705,629)	-	-	(705,691)	-
Profit on disposal of associate	-	3,191,798	-	-	3,191,737	-
Capital gains tax	-	(319,051)	-	-	(319,051)	
Profit after tax on disposal of associate	-	**2,872,747**	**-**	**-**	**2,872,686**	**-**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

14 Investment properties

(a) The balance in this account can be analysed as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Balance at 1 January	760,000	806,000	758,000	760,000	806,000	758,000
Additions	-	-	-	-	-	-
Disposals	(140,000)	(184,000)	48,000	(140,000)	(184,000)	48,000
Changes in fair value	-	138,000	-	-	138,000	-
Balance as at	**620,000**	**760,000**	**806,000**	**620,000**	**760,000**	**806,000**
Current	-	-	-	-	-	-
Non Current	620,000	760,000	806,000	620,000	760,000	806,000
Balance as at	**620,000**	**760,000**	**806,000**	**620,000**	**760,000**	**806,000**

Changes in fair values are recognised as gains in profit or loss and included in 'other operating income'. All gains are unrealised.

The items of investment property are valued as shown below:
Investment properties, principally residential buildings, are held for long term rental yields and are not occupied by the Group. They are carried at fair value.
Property interest held under operating leases are not classified as investment properties.

(i) **The movement in investment property is as follows;**
Group

	Opening bal	**Additions**	**Disposal**	**Fair value gain/(loss)**	**Closing bal**	**Status**
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	230,000	-	**(140,000)**	-	**90,000**	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	265,000	-	-	-	**265,000**	Deed of Assigment
1 Unit Terrace Houses GRA	95,000	-	-	-	**95,000**	Deed of Assigment
Awolowo Towers	170,000	-	-	-	**170,000**	Deed of Assigment
	760,000	**-**	**(140,000)**	**-**	**620,000**	

Company

	Opening bal	**Additions**	**Disposal**	**Fair value gain/(loss)**	**Closing bal**	**Title**
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	230,000	-	**(140,000)**	-	**90,000**	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	265,000	-	-	-	**265,000**	Deed of Assigment
1 Unit Terrace Houses GRA	95,000	-	-	-	**95,000**	Deed of Assigment
Awolowo Towers	170,000	-	-	-	**170,000**	Deed of Assigment
	760,000	**-**	**(140,000)**	**-**	**620,000**	

Profit on disposal of Investment property

	Group		Company	
In thousands of naira	**Sep-23**	**Dec-22**	**Sep-23**	**Dec-22**
Disposal Proceeds	140,000	186,000	140,000	186,000
Cost of Investment properties disposed	(140,000)	(184,000)	(140,000)	(184,000)
	-	**2,000**	**-**	**2,000**

(b) Measurement of fair values
(i) Fair value hierarchy

The fair value of investment properties was determined by an external, independent property valuer, having relevant recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuer, Niyi Fatokun of Niyi Fatokun & Co. (Estate Surveyors and Valuers, FRC/2013/NIESV/70000000/1217) valued the properties on the basis of open market value as at 31 December 2022.

The Safecourt apartment (Off Lekki Expressway) had a fair value gain of N6million, the Terrace houses(GRA Ikeja) had a fair value loss of N20million,while Awolowo Towers had no fair value (loss)/gain, hence a net fair value loss of N14million as shown in (a) above.

The fair value measurement for the investment properties of ₦616million (2022: ₦760million) has been categorised as a Level 3 fair value based on the inputs into the valuation technique used.
None of the Group's assets had been pledged as collateral during the period.

(ii) Valuation technique
The following table shows the valuation technique used in measuring the fair value of investment property

Location of properties	***Valuation technique***	***Significant observable inputs***
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	Market comparison approach	Recent sale price of similar property in the same area at the time of valuation was N50m
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	Market comparison approach	A newly built terrace house in the same environment was sold at N120m
1 Unit Terrace Houses GRA	Market comparison approach	A newly built terrace house in the same environment was sold at N120m
Awolowo Towers	Income approach/ DCF Method	Estimated rent per annum is between N4.5m - N5m and capitalization rate of 5%

Amounts recognised in profit or loss for investment properties

	Group		Company	
In thousands of naira	**Sep-23**	**Dec-22**	**Sep-23**	**Dec-22**
Rental income from operating leases	14,833	14,833	14,833	14,833
Fair value gain/ loss recognised in other income	-	-	-	-
	14,833	**14,833**	**14,833**	**14,833**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

15 Goodwill and other intangible assets

(a) Reconciliation of carrying amount

GROUP

	Goodwill	Computer Software	Total
Balance at 1 January 2023	800,863	701,418	1,502,281
Acquisitions	-	3,800	3,800
Reclassification from PPE (see note 16 a below)	-	-	-
Disposals	-	-	-
Transfer to disposal group		-	-
Balance at 30 September 2023	800,863	705,218	1,506,082
Accumulated amortization			
Balance at 1 January 2023	-	573,608	573,608
Amortization	-	25,834	25,834
Disposals	-	-	-
Transfer to disposal group		-	-
Balance at 30 September 2023	-	599,442	599,442
Carrying amounts			
Balance at 30 September 2023	800,863	105,776	906,638
Cost			
Balance at 1 January 2022	800,863	667,774	1,468,637
Acquisitions	-	33,644	33,644
Transfer to disposal group			
Balance at 31 December 2022	800,863	701,418	1,502,281

	Goodwill	Software	Total
Accumulated amortization			
Balance at 1 January 2022	-	533,889	533,889
Amortization	-	39,719	39,719
Adjustments			
Transfer to disposal group	-		
Balance at 31 December 2022	-	573,608	573,608
Carrying amounts			
Balance at 31 December 2022	800,863	127,810	928,672

COMPANY

In thousands of naira	Goodwill	Software	Total
Cost			
Balance at 1 January 2023	800,863	568,045	1,368,908
Acquisitions	-	-	-
Transfer from property and equipment (see note 17)	-	-	-
Disposals	-	-	-
Balance at 30 September 2023	800,863	568,045	1,368,908
Accumulated amortization			
Balance at 1 January 2023	-	522,083	522,083
Amortization	-	12,280	12,280
Adjustments	-	-	-
Balance at 30 September 2023	-	534,363	534,363
Carrying amounts			
Balance at 30 September 2023	800,863	33,683	834,546
Cost			
Balance at 1 January 2022	800,863	537,778	1,338,641
Acquisitions	-	30,268	30,268
Balance at 31 December 2022	800,863	568,045	1,368,908
Accumulated amortization			
Balance at 1 January 2022	-	500,387	500,387
Amortization	-	21,695	21,695
Adjustments	-	-	-
Balance at 31 December 2022	-	522,083	522,083
Carrying amounts			
Balance at 31 December 2022	800,863	45,963	846,825

16 Property and equipment

(a) Group

In thousands of naira	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2023	2,064,500	4,566,125	9,858	3,721,640	1,974,011	12,336,134
Additions	-	-	-	259,728	381,989	641,717
Revaluation	-	-	-	-	-	-
Disposals	-	-	(9,858)	(7,886)	(149,993)	(167,737)
Reclassifications	-	-	-	-	-	-
Reclassification to Intangibles (see note 16)	-	-	-	-	-	-
Write offs	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
			-	-	-	-
At 30 September 2023	**2,064,500**	**4,566,125**	**- 0**	**3,973,483**	**2,206,006**	**12,810,114**
Accumulated depreciation						
At 1 January 2023	-	7,076	-	2,647,315	1,322,223	3,976,614
Depreciation for the period	-	79,105	-	278,573	263,602	621,280
Disposals	-	-	-	(5,239)	(97,662)	(102,901)
Reclasssification	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
At 30 September 2023	**-**	**86,181**	**-**	**2,920,648**	**1,488,163**	**4,494,992**
Net book value						
At 30 September 2023	**2,064,500**	**4,479,944**	**- 0**	**1,052,835**	**717,843**	**8,315,121**

In thousands of naira	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2022	1,715,000	4,094,891	22,414	3,067,003	1,194,278	10,093,586
Additions	-	157,837	-	530,497	721,948	1,410,282
Reclassification	349,500.00	313,397	-	-	-	662,897
Disposals	-	-	(2,795)	(57,059)	(72,065)	(131,918)
Opening balance adjustment	-	-	(9,761.00)	181,198	129,850	301,287
At 31 December 2022	**2,064,500**	**4,566,125**	**9,858**	**3,721,640**	**1,974,011**	**12,336,134**
Accumulated depreciation						
At 1 January 2022	-	204,509	-	2,089,348	730,942	3,024,799
Depreciation for the period	-	90,980	-	326,875	335,257	753,112
Disposals	-		-	(53,138)	(48,748)	(101,886)
Reclasssification	-	-	-	-	-	-
Revaluation	-	(288,413)	-	-	-	(288,413)
Opening balance adjustment (Note 19)	-	-		284,230	304,772	589,002
At 31 December 2022	**-**	**7,076**	**-**	**2,647,315**	**1,322,222**	**3,976,614**
Net book value						
At 31 December 2022	**2,064,500**	**4,559,049**	**9,858**	**1,074,325**	**651,788**	**8,359,520**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

16 Property and equipment - continued
(b) Company

In thousands of naira	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2023	2,064,499	4,566,126	9,858	3,451,449	1,570,423	11,662,355
Additions	-	-	-	252,827	360,989	613,815
Revaluation	-	-	(9,858)	(7,263)	(97,802)	(114,923)
Disposals	-	-	-	-	-	-
Reclasifications *	-	-	-	-	-	-
Reclassification to Intangibles	-	-	-	-	-	-
Write off	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
At 30 September 2023	**2,064,499**	**4,566,126**	**(0)**	**3,697,013**	**1,833,610**	**12,161,248**
Accumulated depreciation						
At 1 January 2023	-	-	-	2,573,142	1,024,686	3,597,828
Depreciation for the period	-	68,493	-	254,050	206,218	528,761
Disposals	-	-	-	(4,958)	(61,226)	(66,184)
Reclasifications	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
At 30 September 2023	**-**	**68,493**	**-**	**2,822,233**	**1,169,679**	**4,060,405**
Net book value						
At 30 September 2023	**2,064,499**	**4,497,633 -**	**0**	**874,780**	**663,931**	**8,100,841**

i. The Company had no capital commitments as at the reporting date. (2023: Nill)
ii. There were no capitalized borrowing costs related to the acquisition of property and equipment as at the reporting date.
iii Reclaissifcations are items of major repairs on buildings and purchase of equipments that have been put to full use.

In thousands of naira	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2022	1,715,000	4,094,891	9,858	3,124,859	1,237,672	10,182,280
Additions	-	157,837	-	327,477	387,816	873,130
Reclasifications	-	-	-	-	-	-
Disposals	-	-	-	(887)	(55,065)	(55,952)
Revaluation	349,500	313,397	-	-	-	662,897
At 31 December 2022	**2,064,500**	**4,566,125**	**9,858**	**3,451,449**	**1,570,423**	**11,662,355**
Accumulated depreciation						
At 1 January 2022	-	204,508	-	2,270,521	859,812	3,334,841
Depreciation for the period	-	83,905	-	303,077	205,731	592,713
Disposals	-	-		(458)	(40,857)	(41,315)
Revaluation		(288,413)	-	-	-	(288,413)
At 31 December 2022	**-**	**(0)**	**-**	**2,573,140**	**1,024,686**	**3,597,826**
Net book value						
At 31 December 2022	**2,064,500**	**4,566,125**	**9,858**	**878,308**	**545,737**	**8,064,528**

i. The Group had no capital commitments as at the reporting date. (2022: Nill)
ii. There were no capitalized borrowing costs related to the acquisition of property and equipment as at the reporting date.
iii. None of the Group's assets had been pledged as collateral during the

The status of the properties of land and building is as follows;

Location	Title	Status
Plot Pc 12 Churchgate street Victoria Island.	Certificate of Occupancy	Pefected
Plot 2 Oba Akran Avenue Ikeja.	Deed of Assignment	Perfected
12 Moshood Abiola Way, Liberty road Ibadan	Receipt of purchase	Acquired via acquisition
AIICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	Deed of Assignment	Perfected

17 Statutory deposits

This represents the amount deposited with the Central Bank of Nigeria as at 30 September 2023 in accordance with section 9(1) and section 10(3) of Insurance Act 2003. Interest income earned on this deposit is included in the investment income.

	Group			Company		
In thousands of naira	Sep-23	Dec-22	Jan-22	Sep-23	Dec-22	Jan-22
Non life business	300,000	300,000	300,000	300,000	300,000	300,000
Life business	200,000	200,000	200,000	200,000	200,000	200,000
	500,000	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**

In thousands of naira	Sep-23	Dec-22	Jan-22	Sep-23	Dec-22	Jan-22
At 1 January	500,000	500,000	500,000	500,000	500,000	500,000
Balance as at	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**

18 (a) Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	Group	Sep-23			Dec-22			Jan-22		
		Assets	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**
18(a)	Insurance contracts issued	-	208,254,710	**208,254,710**	-	187,868,485	**187,868,485**	-	142,132,091	**142,132,091**
9(a)	Reinsurance contracts held	18,381,456	-	**18,381,456**	11,489,975	-	**11,489,975**	10,283,653	-	**10,283,653**
	Total insurance contract issued	**18,381,456**	**208,254,710**	**226,636,166**	**11,489,975**	**187,868,485**	**199,358,460**	**10,283,653**	**142,132,091**	**152,415,743**

Company	Sep-23			Dec-22			Jan-22		
	Assets	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**
Insurance contracts issued	-	207,950,901	**207,950,901**	-	187,868,485	**187,868,485**	-	142,132,091	**142,132,091**
Reinsurance contracts held	18,381,456	-	**18,381,456**	11,489,975	-	**11,489,975**	10,283,653	-	**10,283,653**
Total insurance contract issued	**18,381,456**	**207,950,901**	**226,332,357**	**11,489,975**	**187,868,485**	**199,358,460**	**10,283,653**	**142,132,091**	**152,415,743**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

18a. Insurance contract assets and liabilities
A. Life business – non-participating contracts
The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts.

September-23	Asset for insurance acquisition cash flows	Liability for remaining coverage: Excluding loss component	Loss component	Liability for incurred claims: Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	₦	₦	₦	₦	₦	₦
Opening assets	-	-	-	-	-	-
Opening liabilities	-	155,917,187	4,049,414	12,307,595	101,185	**172,375,382**
Net opening balance	**-**	**155,917,187**	**4,049,414**	**12,307,595**	**101,185**	**172,375,382**
Changes in the statement of profit or loss						
Insurance revenue						
Contracts under the modified retrospective approach	-	(21,337,974)	-	-	-	**(21,337,974)**
Other contracts	-	(5,971,951)	-	-	-	**(5,971,951)**
Insurance revenue	**-**	**(27,309,925)**	**-**	**-**	**-**	**(27,309,925)**
Insurance service expenses						
Incurred claims and other insurance service expenses	-	-	(1,629,070)	39,346,351	(9,798)	**37,707,483**
Adjustments to liabilities for incurred claims	-	-	-	(17,344,546)	5,738	**(17,338,808)**
Losses and reversals of losses on onerous contracts	-	-	3,300,510	-	-	**3,300,510**
Insurance acquisition cash flows		-	-	-	-	**-**
Amortisation of insurance acquisition cash flows	-	3,392,987	-	-	-	**3,392,987**
Impairment loss and reversals of impairment	-	-	-	-		**-**
Insurance service result	**-**	**(23,916,938)**	**1,671,441**	**22,001,805**	**(4,061)**	**(247,752)**
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	1,248,518	461,805	258,405	9,492	**1,978,220**
Effect of movements in exchange rates	-	-	-	-	-	**-**
Total Changes in the statement of profit or loss	**-**	**(22,668,420)**	**2,133,245**	**22,260,211**	**5,432**	**1,730,468**
Investment components excluded from insurance revenue and insurance service expenses	-	(19,198,370)	-	19,198,370		-
Allocation of IACF to related group of contracts	-	-	-	-		-
Cash flows						
Premiums received (including investment components)	-	54,772,469	-	-	-	**54,772,469**
Insurance acquisition cash flows	-	(4,907,061)	-	-	-	**(4,907,061)**
Claims and other insurance service expenses paid (including investment components)	-	-	-	(40,635,982)	-	**(40,635,982)**
Total cash flows	**-**	**49,865,408**	**-**	**(40,635,982)**	**-**	**9,229,426**
Additional Items						
DAC Cashflow	-	(946,205)	-	-	-	**(946,205)**
Total Additional Items	**-**	**(946,205)**	**-**	**-**	**-**	**(946,205)**
Net closing balance	**-**	**162,969,600**	**6,182,660**	**13,130,195**	**106,617**	**182,389,071**
Closing assets	-	-	-	-		-
Closing liabilities	-	**162,969,600**	**6,182,660**	**13,130,195**	**106,617**	**182,389,071**
Net closing balance	**-**	**162,969,600**	**6,182,660**	**13,130,195**	**106,617**	**182,389,071**

The following table shows the reconciliation from the opening to the closing balances of the net insurance contract liability analysed by components - estimates of the present value of future cash flows, risk adjustment and CSM:

	Asset for Insurance acquisition cash flows	Estimates of present value of future cash	Risk Adjustment	CSM	Total
	₦	₦	₦	₦	₦
Opening assets	-	-	-	-	-
Opening liabilities	-	150,878,094	2,879,641	13,545,794	**167,303,530**
Net opening balance	**-**	**150,878,094**	**2,879,641**	**13,545,794**	**167,303,530**
Changes in the statement of profit or loss and OCI					
Changes that relate to current service					
CSM recognised for services provided	-	-	-	(3,166,470)	**(3,166,470)**
Change in risk adjustment for non-financial risk for risk expired	-	-	(101,573)	-	**(101,573)**
Experience adjustments	-	(143,841)	-	-	**(143,841)**
Total - Changes that relate to current service	**-**	**(143,841)**	**(101,573)**	**(3,166,470)**	**(3,411,883)**
Changes that relate to future service					
Contracts initially recognised in the year	-	(3,896,122)	415,059	6,125,594	**2,644,531**
Changes in estimates that adjust the CSM	-	(3,407)	2,909,111	(2,905,704)	**-**
Changes in estimates that result in losses and reversals of losses on onerous contracts	-	2,611,558	(3,011,245)	1,055,666	**655,979**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	618,393	-	-	**618,393**
Insurance service result	**-**	**(813,419)**	**211,352**	**1,109,087**	**507,020**
Insurance finance income or expenses from insurance contracts recognised in P&L or loss	-	152,462	-	1,557,860	**1,710,323**
Insurance finance expenses from insurance contracts recognised in OC	-	-	-	-	**-**
Effect of movements in exchange rates	-	-	-	-	**-**
Total changes in the statement of profit or loss and OC	**-**	**(660,957)**	**211,352**	**2,666,947**	**2,217,342**
Allocation of IACF to related group of contracts	-	-	-	-	**-**
Cash flows					
Premiums received (including investment components)	-	47,565,862	-	-	**47,565,862**
Insurance acquisition cash flows	-	(4,907,061)	-	-	**(4,907,061)**
Claims and other insurance service expenses paid (including investment components)	-	(35,935,603)	-	-	**(35,935,603)**
Total cash flows	**-**	**6,723,198**	**-**	**-**	**6,723,198**
Net closing balance	**-**	**156,940,336**	**3,090,993**	**16,212,742**	**176,244,071**
Closing assets	-	-	-	-	**-**
Closing liabilities	-	156,940,336	3,090,993	16,212,742	**176,244,071**
Net closing balance	**-**	**156,940,336**	**3,090,993**	**16,212,742**	**176,244,071**

The following table provides an analysis of insurance contracts initially recognised in the period

September-23	Contracts issued: Profitable contracts	Contracts issued: Onerouscontracts	Acquired contracts: Profitable contracts	Acquired contracts: Onerous contracts	Total
	₦	₦	₦	₦	₦
Life Insurance contract liabilities					
Insurance acquisition cash flows	2,755,136	2,149,919	-	-	**4,905,055**
Estimate of present value of future cash outflows, excluding insurance acquisition cash flows	30,849,989	6,901,590	-	-	**37,751,578**
Estimates of present value of future cash outflow	33,605,125	9,051,509	-	-	**42,656,634**
Estimates of present value of future cash inflow	(40,122,238)	(6,430,518)	-	-	**(46,552,756)**
Risk adjustment for non-financial risk	391,519	23,540	-	-	**415,059**
CSM	6,125,594	-	-	-	**6,125,594**
Losses on onerous contracts at initial recognition	**(0)**	**2,644,531**	**-**	**-**	**2,644,531**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

B. Non-Life

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for policies measured under PAA. See further details on the accounting policies applied for insurance contracts measured under PAA.

September-23	Liability for remaining coverage		Liability for incurred		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	₦	₦	₦	₦	₦
Opening assets	-	-	-	-	-
Opening liabilities	5,978,960	196,328	8,630,802	687,012	**15,493,103**
Net opening balance	**5,978,960**	**196,328**	**8,630,802**	**687,012**	**15,493,103**
Changes in the statement of profit or loss and OC					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	(23,033,990)	-	-	-	**(23,033,990)**
	(23,033,990)	**-**	**-**	**-**	**(23,033,990)**
Insurance service expenses					
Incurred claims and other insurance service expense	-	-	7,242,456	43,921	**7,286,377**
Adjustments to liabilities for incurred claims	-	-	5,545,013	171,033	**5,716,046**
Losses on onerous contracts	-	(1,943)	-	-	**(1,943)**
Amortisation of insurance acquisition cash flows	3,273,591	-	-	-	**3,273,591**
Insurance service result	**(19,760,399)**	**(1,943)**	**12,787,469**	**214,954**	**(6,759,919)**
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	631,383	64,450	695,834
Insurance finance income or expenses from insurance contracts recognised in OCI	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(19,760,399)**	**(1,943)**	**13,418,853**	**279,405**	**(6,064,085)**
Investment components excluded from insurance revenue and insurance service expenses	-	-	-	-	-
Cash flows					
Premiums received (including investment components)	29,755,828	-	-	-	29,755,828
Claims and other insurance service expenses paid (including investment components)	-	-	(9,908,745)	-	(9,908,745)
Total cash flows	**29,755,828**	**-**	**(9,908,745)**	**-**	**19,847,082**
Additional Items					
DAC Cashflow	(3,714,270)	-	-	-	(3,714,270)
Net closing balance	**12,260,119**	**194,385**	**12,140,910**	**966,416**	**25,561,830**
Closing assets	-	-	-	-	-
Closing liabilities	12,260,119	194,385	12,140,910	966,416	25,561,830
Net closing balance	**12,260,119**	**194,385**	**12,140,910**	**966,416**	**25,561,830**
Composite balance (Life + Non-Life)	**175,229,719**	**6,377,044**	**25,271,104**	**1,073,033**	**207,950,901**

IFRS 17.100 requires that entities disclose movements in the net asset or liability relating to insurance contracts issued showing separately changes in the liabilities for remaining coverage, loss component and liabilities for incurred claims. The movements are disclosed in accordance with IFRS 17.103 and comprise lines recognised in profit or loss. See note 19a in the extended disclosure.

18(b) Investment contract liabilities

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Deposit administration (see note (i) below)	3,706,469	3,212,895	2,836,752	3,706,469	3,212,895	2,836,752
Total investment contract liabilities	**3,706,469**	**3,212,895**	**2,836,752**	**3,706,469**	**3,212,895**	**2,836,752**

(i) Movement in deposit administration is shown below:

	Group			Company		
	Sep-23	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	3,212,895	2,836,752	2,906,733	3,212,895	2,836,752	2,906,733
Deposits	516,602	3,475,376	380,955	516,602	3,475,376	380,955
Withdrawals	(25,148)	(472,789)	(91,692)	(25,148)	(472,789)	(91,692)
Transfer of Agent NPF portfolio	-	(2,731,965)	-	-	(2,731,965)	-
Fees and other deductions	-	-	-	-	-	-
Credit of interest and other income	5,628	107,744	99,030	5,628	107,744	99,030
Impact of actuarial valuation	(3,507)	(2,223)	(458,274)	(3,507)	(2,223)	(458,274)
Balance as at	**3,706,469**	**3,212,895**	**2,836,752**	**3,706,469**	**3,212,895**	**2,836,752**

Other investment contract liabilities represent deposit-based policies for individual savings business wth insignificant risk element.

19 Trade Payables

Trade payables represent amounts payable to reinsurers, co-insurers, agents and brokers at the end of the period. The carrying amounts disclosed below approximate the fair values at the reporting date.

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Reinsurance & Co-insurance Payable	3,877,328	3,180,819	2,082,373	3,877,328	3,180,819	2,082,373
Premium Paid in Advance	290,244	118,405	150,302	290,244	118,405	150,302
Unallocated premium (see (a) below)	3,574,155	2,983,257	1,434,866	3,574,155	2,983,257	1,434,866
Refund to policyholders (see (b) below)	121,095	47,935	33,025	121,095	47,935	33,025
Commission Payable	277,846	131,212	47,568	277,846	131,212	47,568
Others (see (c) below)	-	-	62,507	-	-	-
Transfer to held for sale	-	-	(31,592)	-	-	-
	8,140,668	**6,461,628**	**3,779,049**	**8,140,668**	**6,461,628**	**3,748,134**

(a) This relates to premiums yet to be matched to policies due to various reasons.

(b) This relates to premiums refundable to policyholders on policies cancelled during the grace period.

(c) This relates to trade payables of subsidiaries.

20 (a) Other payables and accruals

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Accrued expenses (see note (iii) below)	2,527,553	1,355,361	1,023,137	2,346,995	1,328,709	781,461
NAICOM levy	845,348	877,441	710,024	845,348	877,440	710,024
Agent provident fund	534,801	289,741	229,454	534,801	289,741	229,454
Gratuity payable (see note (i) below)	11,693	10,380	11,549	11,693	10,380	11,549
Deferred income (fees & Commission)	954,943	652,174	552,048	954,943	652,174	552,047
Sundry Payables	1,574,716	1,924,488	544,778	1,145,351	751,439	93,042
Sundry credit balances (see note (ii) below)	2,263,117	2,979,291	869,819	2,263,117	2,993,850	869,819
Payable to subsidiaries	-	-	-	362,935	150,930	147,151
Other liabilities (Subsidiary)	-	315,700	211,033	-	-	-
Transferred to disposal group (see note 19(b))	-	-	(240,590)	-	-	-
	8,712,171	**8,404,577**	**3,911,252**	**8,465,183**	**7,054,663**	**3,394,547**

(i) The Company's retirement benefit obligation was terminated in 2014 and the liability as at the date of termination - April 30, 2014, was transferred to a payable account.

(ii) Sundry credit balances represent outstanding bank credits which have not been matched to the prospective policyholders.

(iii) Included in accrued expense is N118m (2022: N354m) which

(b) Fixed income liabilities

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Guaranteed income notes (see note (i))	26,749,624	22,781,598	33,506,178	-	-	-
	26,749,624	22,781,598	33,506,178	-	-	-

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

(i) AIICO Capital Limited, a subsidiary company, manages a guaranteed income product, held as fixed income liabilities.
The assets held under this arrangement are in the name of AIICO Capital Limited and the underlying risks are retained by the Company.

(ii) These fixed income liabilities are invested as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
Cash and cash equivalents	599,691	541,485	791,245	-	-	-
Financial assets	26,149,933	22,240,113	32,714,933	-	-	-
	26,749,624	22,781,598	33,506,178	-	-	-

21 Capital and reserves

(a) Share capital

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
(a)(i) Authorised:						
At 1 January 2023: 37,600,000,000 shares of 50k each	18,302,638	18,800,000	18,800,000	18,302,638	18,800,000	18,800,000
Increase during the period: Nil	-	-	-	-	-	-
Cancelled during the period* 2023 Nil (2022:994,723,987 units of 50k each)		(497,362)	-		(497,362)	-
At 30 September 2023: 37,600,000,000 shares of 50k each	**18,302,638**	**18,302,638**	**18,800,000**	**18,302,638**	**18,302,638**	**18,800,000**

(a)(ii) Ordinary shares issued and fully paid:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January 2023: 36,605,275,996 (2022:36,605,275,996) shares of 50k each	18,302,638	18,302,638	7,843,988	18,302,638	18,302,638	7,843,988
Increase: Nil (2021: Bonus issue of 20,917,299,080 shares at 50k each)	-		10,458,650			10,458,650
At 30 September 2023: 36,605,275,996 shares of 50k each	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**

(a)(iii) Ordinary shares issued and fully paid can be further analysed as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
General business - 20,597,978,694 ordinary shares at 50 kobo each	10,298,988	10,298,988	10,298,988	10,298,988	10,298,988	10,298,988
Life business - 16,007,300,002 ordinary shares at 50 kobo each	8,003,650	8,003,650	8,003,650	8,003,650	8,003,650	8,003,650
	18,302,638	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**

(b)(i) Share premium

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	64,745	64,745	64,745	64,745	64,745	64,745
Bonus issue during the period (transfer to share capital)	-	-	-	-	-	-
Balance as at	**64,745**	**64,745**	**64,745**	**64,745**	**64,745**	**64,745**

(b)(ii) Share premium can be further analysed as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
General business	-	-	-	-	-	-
Life business - (2022: 129,489,292) ordinary shares at 50 kobo each	64,745	64,745	64,745	64,745	64,745	64,745
Balance as at	**64,745**	**64,745**	**64,745**	**64,745**	**64,745**	**64,745**

(c) Revaluation reserve
(i) The balance in this account is analysed as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	2,764,016	1,812,707	1,812,707	2,764,016	1,812,707	1,812,707
Revaluation gain	-	951,309	-	-	951,309	-
Transfer to retained earnings	-	-	-	-	-	-
Balance as at	**2,764,016**	**2,764,016**	**1,812,707**	**2,764,016**	**2,764,016**	**1,812,707**

(d) Fair value reserve

	Group			Company		
	Sep-23	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	(2,796,624)	(1,683,037)	(507,416)	(1,821,697)	(1,016,727)	(438,588)
Reclassification from fair value reserves	(24,681)	(10,304)	91,081	-	-	85,611
Net fair value gain/(loss)	(387,102)	(1,139,312)	(1,330,219)	(14,398)	(804,970)	(661,167)
Impairment adjustment	-		(2,583)		-	(2,583)
Transfer to NCI	39,739	36,029	66,100	-	-	-
Balance as at	**(3,168,669)**	**(2,796,624)**	**(1,683,038)**	**(1,836,095)**	**(1,821,697)**	**(1,016,727)**

(e) Foreign exchange gains reserve

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	-	175,600	175,600	0	175,600	175,600
Transfer to Retained earnings	-	(175,600)	-	-	(175,600)	-
Exchange (loss)/gains on financial assets	-	-	-	-	-	-
Balance as at	**-**	**-**	**175,600**	**0**	**0**	**175,600**

(h) Contingency reserve

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	9,710,046	8,304,604	7,213,594	9,710,046	8,304,604	7,213,594
Transfer from retained earnings	1,440,208	1,405,442	1,091,010	1,440,208	1,405,442	1,091,010
Balance as at	**11,150,254**	**9,710,046**	**8,304,604**	**11,150,254**	**9,710,046**	**8,304,604**

Contingency reserve is calculated, in the case of non-life business, at the rate of the higher of 3% of total premium income receivable during the period or 20% of the net profits in accordance with Section 21(2) of Insurance Act, 2003.

(i) Retained earnings
The movement in retained earnings can be analysed as follows:

	Group			Company		
In thousands of naira	**Sep-23**	**Dec-22**	**Jan-22**	**Sep-23**	**Dec-22**	**Jan-22**
At 1 January	16,540,784	11,051,695	9,924,143	14,073,037	9,139,930	8,834,102
IFRS 17 Adjustment** (see (j) below)**	(5,366,987)	(3,417,168)	(3,417,168)	(5,366,985)	(3,417,168)	(3,417,168)
At 1 January (restated)	*11,173,797*	*7,634,527*	*6,506,975*	*8,706,052*	*5,722,762*	*5,416,934*
Transfer from statement of profit or loss and other comprehensive income	6,004,750	5,490,913	4,853,283	5,426,809	4,945,236	4,968,664
Transfer from/(to) contingency reserve	(1,440,208)	(1,405,442)	(1,091,010)	(1,440,208)	(1,405,442)	(1,091,010)
Transfer from statutory reserve	-	-	202,042	-	-	-
Transfer from foreign exchange reserve	-	175,600	-	-	175,600	-
Transfer to investment in associate	-	-	740,532	-	-	-
Dividend paid to ordinary shareholders***	(1,098,158)	(732,105)	-	(1,098,158)	(732,105)	-
Realised gain / (loss) on equities	24,681	10,304	(91,081)	-	-	(85,611)
Transfer from revaluation reserve	(121,728)	-	-	(121,728)	-	-
Transfer to share capital	-	-	(3,486,215)	-	-	(3,486,215)
Balance as at	**14,543,134**	**11,173,797**	**7,634,526**	**11,472,767**	**8,706,052**	**5,722,762**

Impact of Transition on Net Assets, relative to IFRS 4 Balance Sheet.
(j) Transition Changes 2021YE

IFRS 17 Adjustment****	**NGN '000**
Retail Life	(3,825,053)
Group Life	170,396
Life Total	**(3,654,657)**
Non-life	237,489
Composite	**(3,417,168)**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

22 Insurance result

(a) Insurance revenue

Amounts relating to the changes in the liability for remaining coverage

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Expected insurance service expenses incurred in the period	15,177,309	11,209,440	15,177,309	11,209,440
Change in the risk adjustment for non-financial risk	47,459	35,999	47,459	35,999
Amount of CSM recognised in profit or loss	3,166,470	2,146,156	3,166,470	2,146,156
Misc insurance revenue adjustment	128,808	-	128,808	-
Others (describe) see a(i)	965,010	918,976	-	-
Acquisition Expenses Recovered from Premiums	2,817,928	852,270	2,817,928	852,270
PAA Premium Reserve Release	29,005,941	23,734,057	29,005,941	23,734,057
Total - Insurance revenue	**51,308,924**	**38,896,898**	**50,343,914**	**37,977,922**

a(i) Others (describe)

Others amounts to premium from subsidiary (AIICO Multishield - HMO).

25a. Insurance revenue (company)

The following tables present an analysis of the insurance revenue recognised in the period

September-23	Non-Participating Contracts Life	Non-Life	Direct participating contracts	Indirect participating contracts	Investment contracts with DPF	Total
	₦		₦	₦	₦	₦
Contracts not measured under the PAA						
Amounts relating to changes in liabilities for remaining coverage						
Expected incurred claims and other insurance service expenses	15,177,309	-	-	-	-	**15,177,309**
Change in risk adjustment for non- financial risk for risk expired	47,459	-	-	-	-	**47,459**
CSM recognised for services provided	3,166,470	-	-	-	-	**3,166,470**
Misc insurance revenue adjustment	128,808	-	-	-	-	**128,808**
Recovery of insurance acquisition cash flow	2,817,928	-	-	-	-	**2,817,928**
Contracts measured under the PAA Total insurance revenue	5,971,951	23,033,990	-	-	-	**29,005,941**
Total Insurance revenue	**27,309,925**	**23,033,990**	**-**	**-**	**-**	**50,343,914**

September-22	Non-Participating Life	Non-Life	Direct	Indirect	Investment	Total
	₦		₦	₦	₦	₦
Contracts not measured under the PAA						
Amounts relating to changes in liabilities for remaining coverage						
Expected incurred claims and other insurance service expenses	11,209,440	-	-	-	-	**11,209,440**
Change in risk adjustment for non- financial risk for risk expired	35,999	-	-	-	-	**35,999**
CSM recognised for services provided	2,146,156	-	-	-	-	**2,146,156**
Recovery of insurance acquisition cash flow	852,270	-	-	-	-	**852,270**
Contracts measured under the PAA Total insurance revenue	6,083,215	17,650,842	-	-	-	**23,734,057**
Total Insurance revenue	**20,327,080**	**17,650,842**	**-**	**-**	**-**	**37,977,922**

a(ii) Contractual service margin (company)

The following table shows an analysis of the expected recognition of the CSM remaining at the end of reporting period in profit or loss.

2023	Less than 1 year	In 1 to3 years	In 4 to 5 years	> 5 years	Total
	₦	₦	₦	₦	₦
Insurance contracts					
Non-participating contracts					
Life	991,696	5,706,475	3,657,025	5,857,546	**16,212,742**
Total CSM for insurance contracts	**991,696**	**5,706,475**	**3,657,025**	**5,857,546**	**16,212,742**

Insurance revenue in the tables comprise the expected cash outflows, risk adjustment expired, allocation of acquisition cash flows and allocation of the CSM to profit or loss. For the detailed breakdown of insurance revenue please refer to Note 25a extended disclosure.

(b) Insurance service expenses:

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Incurred claims and other expenses	45,078,762	28,934,404	45,078,762	28,934,404
Losses on onerous contracts and reversals of those losses	3,298,567	3,692,083	3,298,567	3,692,083
Amortisation of insurance acquisition cash flows	6,666,578	3,276,012	6,666,578	3,276,012
Other Contract Expenses (see (i) below)	513,931	569,678	-	-
Changes to liabilities for incurred claims	(11,622,762)	(5,323,412)	(11,622,762)	(5,323,412)
	43,935,076	**31,148,764**	**43,421,145**	**30,579,087**

b(i) Others (describe)

Others amounts to claims and other relates expenses from subsidiary (AIICO Multishield - HMO).

25b. Insurance service expenses (company)

The tables below show an analysis of insurance service expenses recognised in the period

September-23	Non-Participating Contracts Life	Non-Life	Direct participating contracts	Investment contracts with DPF	Indirect participating contracts	Total
	₦	₦	₦	₦	₦	₦
Incurred claims and other incurred insurance service expenses	37,792,385	7,286,377	-	-	-	**45,078,762**
Changes that relate to past service - adjustment to the LIC	(17,338,808)	5,716,046	-	-	-	**(11,622,762)**
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	3,300,510	(1,943)	-	-	-	**3,298,567**
Insurance acquisition cash flows						
Amortisation	3,392,987	3,273,591	-	-	-	**6,666,578**
Total Insurance expenses	**27,147,074**	**16,274,071**	**-**	**-**	**-**	**43,421,145**

September-22	Non-Participating Contracts Life	Non-Life	Direct participating contracts	Investment contracts with DPF	Indirect participating contracts	Total
	₦	₦	₦	₦	₦	₦
Incurred claims and other incurred insurance service expenses	24,168,122	4,766,283	-	-	-	**28,934,404**
Changes that relate to past service - adjustment to the LIC	(8,485,984)	3,162,572	-	-	-	**(5,323,412)**
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	3,692,083	(0)	-	-	-	**3,692,083**
Insurance acquisition cash flows						
Amortisation	852,270	2,423,742	-	-	-	**3,276,012**
Total Insurance expenses	**20,226,490**	**10,352,597**	**-**	**-**	**-**	**30,579,087**

Insurance claims and other expenses are represented by actual cash outflows on insured events that have occurred. Changes in the liability for remaining coverage due to incurred claims and other insurance service expenses are allocated between the loss component and the remainder of the liability for remaining coverage on a systematic basis.

Losses on onerous contracts are represented by a loss component that is recognised and reversed as the amounts move into the liability for incurred claims or are no longer required.

Changes to the liabilities for incurred claims show changes in expected cash flows for insured events that have occurred and release of the risk adjustment.

(c) Net expense from reinsurance contracts held

(i) *In thousands of naira*	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Misc reinsurance premiums adjustment	(12,988,736)	(8,914,343)	(12,988,736)	(8,914,343)
Allocation of reinsurance premiums	**(12,988,736)**	**(8,914,343)**	**(12,988,736)**	**(8,914,343)**
Amounts recoverable for claims and other expenses incurred in the period	(5,063,967)	(2,246,001)	(5,063,967)	(2,246,001)
Changes in amounts recoverable arising from changes in liability for incurred claims	(335,279)	(254,121)	(335,279)	(254,121)
Changes in fulfilment cash flows which relate to onerous underlying contracts	192	(12,095)	192	(12,095)
Amounts recoverable from reinsurers	**(5,399,054)**	**(2,512,216)**	**(5,399,054)**	**(2,512,216)**
Net expense from reinsurance contracts held	**(7,589,681)**	**(6,402,126)**	**(7,589,681)**	**(6,402,126)**

25c. Net Income or expenses from reinsurance contracts held

An analysis of allocation of reinsurance premiums paid and amounts recovered from reinsurers, are presented in the tables below.

Reinsurance contracts held for:

September-23	Non-Participating Contracts Life	Non-Participating Contracts Non-Life	Direct participating contracts	Indirect participating contracts	Total
	₦	₦	₦	₦	₦
Contracts not measured under the PAA	-	-	-	-	-
Contracts measured under the PAA	**(1,075,871)**	**(11,912,865)**	-	-	**(12,988,736)**
Allocation of reinsurance premiums paid	**(1,075,871)**	**(11,912,865)**	-	-	**(12,988,736)**
Amounts recoverable for incurred claims and other incurred insurance service expenses	(1,061,316)	(4,002,651)	-	-	(5,063,967)
Changes in amounts recoverable that relate to past service – adjustments to incurred claims	283,276	(618,555)	-	-	(335,279)
Recoveries of losses on onerous group of underlying contracts and reversal of such losses	0	192	-	-	192
Contracts not measured under the PAA	-	-	-	-	-
Contracts measured under the PAA	**(778,040)**	**(4,621,014)**	-	-	**(5,399,054)**
Amounts recovered from reinsurers	**(778,040)**	**(4,621,014)**	-	-	**(5,399,054)**
Net expenses from reinsurance contracts held	**(297,831)**	**(7,291,851)**	-	-	**(7,589,681)**

September-22	Non-Participating Contracts Life	Non-Participating Contracts Non-Life	Direct participating contracts	Indirect participating contracts	Total
	₦	₦	₦	₦	₦
Contracts not measured under the PAA	-	-	-	-	-
Contracts measured under the PAA	**(998,881)**	**(7,915,462)**	-	-	**(8,914,343)**
Allocation of reinsurance premiums paid	**(998,881)**	**(7,915,462)**	-	-	**(8,914,343)**
Amounts recoverable for incurred claims and other incurred insurance service expenses	(871,151)	(1,374,850)	-	-	(2,246,001)
Changes in amounts recoverable that relate to past service – adjustments to incurred claims	(227,625)	(26,497)	-	-	(254,121)
Recoveries of losses on onerous group of underlying contracts and reversal of such losses	(12,228)	134	-	-	(12,095)
Contracts not measured under the PAA	-	-	-	-	-
Contracts measured under the PAA	**(1,111,004)**	**(1,401,213)**	-	-	**(2,512,216)**
Amounts recovered from reinsurers	**(1,111,004)**	**(1,401,213)**	-	-	**(2,512,216)**
Net expenses from reinsurance contracts held	**112,122**	**(6,514,249)**	-	-	**(6,402,126)**

Notes

a. Expected recovery for insurance service expenses incurred in the period comprise recovery for claims and other expenses which the Company expects to receive from reinsurers on insured events occurred during the period.
b. Change in risk adjustment shows amount of risk which expired during the period.
c. Net cost/gain recognised in profit or loss during the coverage period of the corresponding group of reinsurance contracts held based on coverage units.

23 (a) Investment income

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Policyholders' funds (see note (i) below)	8,732,449	6,591,857	8,732,449	6,591,857
Annuity funds (see note (ii) below)	8,072,991	3,905,647	8,072,991	3,905,647
Shareholders' funds (see note (iii) below)	2,370,766	2,124,703	1,875,152	1,315,515
	19,176,206	**12,622,207**	**18,680,592**	**11,813,019**

(i) Investment income attributable to policyholders' funds

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Interest income on financial assets	8,268,226	5,606,368	8,268,226	5,606,368
Interest income on cash and cash equivalents	252,030	647,655	252,030	647,655
Income on policy loan	158,354	140,382	158,354	140,382
Dividend income	53,838	197,452	53,838	197,452
	8,732,449	**6,591,857**	**8,732,449**	**6,591,857**

(ii) Investment income attributable to annuity funds

Interest income on financial assets	8,072,991	3,905,647	8,072,991	3,905,647
	8,072,991	**3,905,647**	**8,072,991**	**3,905,647**

(iii) Investment income attributable to shareholders' funds

Interest income on financial assets	1,562,697	1,275,145	1,164,070	550,201
Interest income on cash and cash equivalents	737,040	748,880	640,053	664,636
Dividend income	71,030	100,678	71,030	100,678
	2,370,766	**2,124,703**	**1,875,152**	**1,315,515**

(b) Profit on deposit administration

Investment income on deposit administration can be analysed as follows:	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Investment income on deposit	62,080	256,956	62,080	256,956
Guaranteed interest to policyholders	(5,628)	(79,039)	(5,628)	(79,039)
Acquisition expense	(408)	(363)	(408)	(363)
Impact of actuarial valuation	3,507	186,338	3,507	186,338
Profit from deposit administration	**59,551**	**363,892**	**59,551**	**363,892**

24 (a)(i) Net realised gains

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Net realised gains are attributable to the following:				
Property and equipment	16,525	11,983	16,525	11,983
Fair value financial instruments (see (ii) below)	577,385	(613,993)	577,385	(613,993)
	593,910	**(602,010)**	**593,910**	**(602,010)**

(ii) Net realised gains on fair value financial instrument can be analysed as follows:

Realised loss on FGN Bonds	577,385	(613,993)	577,385	(613,993)
	577,385	**(613,993)**	**577,385**	**(613,993)**

24 (b) Net fair value (losses)/ gains

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Financial assets	(12,380,292)	(5,904,692)	(12,380,292)	(5,904,692)
Investment properties (Note 7(c.)(i)	-	-	-	-
	(12,380,292)	**(5,904,692)**	**(12,380,292)**	**(5,904,692)**

25 Other operating income

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Sundry income	1,196,411	816,485	910,964	726,389
Exchange (loss)	2,604,168	(855,109)	2,604,168	(855,109)
	3,800,579	**(38,624)**	**3,515,132**	**(128,720)**

(a) Sundry income is analysed as follows:

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Recoveries on written-off assets	-	9,552	-	9,552
Income from statutory deposit	-	9,210	-	9,210
Administrative charges	1,715,368	225,300	1,715,368	225,300
Rental income	102,679	69,013	102,679	69,013
Others (see (i) below)	(621,637)	503,410	(907,083)	413,314
	1,196,411	**816,485**	**910,964**	**726,389**

(i) Amount represents sundry income from charges on lost documents, income on bank balances management fees and service charges.

26 Net Insurance finance income/(expenses) for insurance contracts issued

(a) Net Finance Income/(expenses) from Insurance Contracts

	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Interest accreted to insurance contracts using current financial assumptions	17,907,741	12,916,879	17,907,741	12,916,879
Interest accreted to insurance contracts using locked-in rate	(163,051,987)	(149,903,152)	(163,051,987)	(149,903,152)
Due to changes between current rates and locked-in rates when measuring changes in estimates	-	-	-	-
Due to changes in interest rates and other financial assumptions	147,818,300	140,431,372	147,818,300	140,431,372
Net foreign exchange income / (expense)	-	-	-	-
Total Net Insurance Finance Expense	**2,674,054**	**3,445,100**	**2,674,054**	**3,445,100**
Net Finance Expense to P&L	**2,674,054**	**3,445,100**	**2,674,054**	**3,445,100**

Insurance finance expenses comprises the change in the carrying amount of the group of insurance contracts arising from:
• The effect of the time value of money and changes in the time value of money.
• The effect of financial risk and changes in financial risk.
Insurance finance expenses in the table above includes amounts recognised in the profit or loss.

(b) Net Finance Income from Reinsurance Contracts issued

	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Interest accreted to reinsurance contracts using current financial assumptions	(383,897)	(436,660)	(383,897)	(436,660)
Total Net Reinsurance Finance Expense	**(383,897)**	**(436,660)**	**(383,897)**	**(436,660)**
Net Finance Expense to P&L	**(383,897)**	**(436,660)**	**(383,897)**	**(436,660)**

(c) Insurance finance income/expenses from insurance contracts issued

September-2023	Non-Participating Contracts Life	Non-Participating Contracts Non-Life	Direct participating contracts	Investment contracts with DPF	Indirect participating contracts	Total
	₦	₦	₦	₦	₦	₦
Insurance finance income/expenses from insurance contracts issued						
Interest accreted to insurance contracts	17,211,908	695,834	-	-	-	**17,907,741**
Effect of differences between current rates and locked-in rates when measuring changes in estimates	(163,051,987)	-	-	-	-	**(163,051,987)**
Effect of changes in interest rates and other financial assumption	147,818,300	0	-	-	-	**147,818,300**
Insurance finance income/expenses from insurance contracts issued	-	-	-	-	-	-
Total insurance finance income/ expenses from insurance contracts issued recognised in P&L	**1,978,220**	**695,834**	**-**	**-**	**-**	**2,674,054**
Total insurance finance income/ expenses from insurance contracts issued	**1,978,220**	**695,834**	**-**	**-**	**-**	**2,674,054**
Finance income/expenses from reinsurance contracts held						
Interest accreted to reinsurance contracts	(86,101)	(297,796)	-	-	-	(383,897)
Effect of changes in interest rates and other financial assumption	0	0	-	-	-	0
Total finance income/expenses from reinsurance contracts held recognised in P&L	**(86,101)**	**(297,796)**	**-**	**-**	**-**	**(383,897)**
Total finance income/expenses from reinsurance contracts held recognised in OCI	**-**	**-**	**-**	**-**	**-**	**-**
Total finance income/expenses from reinsurance contracts held	**(86,101)**	**(297,796)**	**-**	**-**	**-**	**(383,897)**
Net insurance finance income or expenses	**1,892,119**	**398,037**	**-**	**-**	**-**	**2,290,157**

September-2022	Non-Participating Contracts Life	Non-Participating Contracts Non-Life	Direct participating contracts	Investment contracts with DPF	Indirect participating contracts	Total
	₦	₦	₦	₦	₦	₦
Insurance finance income/expenses from insurance contracts issued						
Interest accreted to insurance contracts	12,341,440	575,439	-	-	-	**12,916,879**
Effect of differences between current rates and locked-in rates when measuring changes in estimates	(149,903,152)	-	-	-	-	**(149,903,152)**
Effect of changes in interest rates and other financial assumption	140,431,372	-	-	-	-	**140,431,372**
Insurance finance income/expenses from insurance contracts issued	-	-	-	-	-	-
Total insurance finance income/ expenses from insurance contracts issued recognised in P&L	**2,869,660**	**575,439**	**-**	**-**	**-**	**3,445,100**
Total insurance finance income/ expenses from insurance contracts issued	**2,869,660**	**575,439**	**-**	**-**	**-**	**3,445,100**
Finance income/expenses from reinsurance contracts held						
Interest accreted to reinsurance contracts	(134,183)	(302,476)	-	-	-	(436,660)
Effect of changes in interest rates and other financial assumption	0	0	-	-	-	0
Total finance income/expenses from reinsurance contracts held recognised in P&L	**(134,183)**	**(302,476)**	**-**	**-**	**-**	**(436,660)**
Total finance income/expenses from reinsurance contracts held recognised in OCI	**-**	**-**	**-**	**-**	**-**	**-**
Total finance income/expenses from reinsurance contracts held	**(134,183)**	**(302,476)**	**-**	**-**	**-**	**(436,660)**
Net insurance finance income or expenses	**2,735,477**	**272,963**	**-**	**-**	**-**	**3,008,440**

Reinsurance finance income comprises the change in the carrying amount of groups of reinsurance contracts held arising from:
• The effect of the time value of money and changes in the time value of money.
• The effect of financial risk and changes in financial risk.
Reinsurance finance income in the table above includes amounts recognised in both profit or loss and OCI.

27 (a) Personnel expenses (attributable)

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Salaries	2,059,516	811,398	2,059,516	811,398
Allowances and other benefits	1,850,919	1,614,229	1,850,919	1,614,229
	3,910,435	**2,425,627**	**3,910,435**	**2,425,627**

27 (b) Other Operating Expenses (attributable)

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Travel and representation (attributable)	380,266	273,267	380,266	273,267
Marketing and administration (attributable)	858,768	720,337	858,768	720,337
Advertising (attributable)	129,260	247,482	129,260	247,482
Occupancy (attributable)	534,804	370,476	534,804	370,476
Amortization of Right of Use Assets (attributable)	82,240	73,674	82,240	73,674
Communication and postages	827,730	552,778	827,730	552,778
Office supply and stationery (attributable)	110,940	71,050	110,940	71,050
Fees and assessments (attributable)	740,790	-	740,790	-
NAICOM levy (attributable)	845,348	693,455	845,348	693,455
Directors emolument (attributable)	31,046	-	31,046	-
Regulatory fees & expenses (local licensing and filing) (attributable)	115,660	-	115,660	-
Legal fees (attributable)	80,060	-	80,060	-
Consulting fees (IT, contract staff related) (attributable)	562,189	-	562,189	-
Miscellaneous expenses	12,920	-	12,920	
	5,312,022	**3,002,519**	**5,312,022**	**3,002,519**

(i) The auditors did not earn any non-audit fees during the period.
(ii) Miscellaneous expenses relate to local taxes including tenement rates, land use charges, parking fees, etc payable to local tax authorities.

28 (a)

Personnel Expenses (non-attributable)

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Salaries	338,214	320,240	-	-
Allowances and other benefits	176,493	124,790	-	-
	514,707	**445,030**	**-**	**-**

28 (b)

Other Operating Expenses (non-attributable)

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Travel and representation (attributable)	33,265	41,245	-	-
Marketing and administration (attributable)	23,654	11,379	-	-
Occupancy (attributable)	28,428	26,597	-	-
Communication and postages	29,388	26,294	-	-
Office supply and stationery (attributable)	25,516	46,478	-	-
Auditor's fees (see note (i) below) (attributable)	12,824	10,308	-	-
Dues and subscriptions	65,255	64,251	56,053	36,929
Depreciation and amortisation	647,115	544,879	541,040	446,126
Fees and assessments	438,277	1,414,066	849,159	1,602,132
Miscellaneous expenses (see note (i) below) (Misc. local taxes)	108,638	200,567	570	110,717
	1,412,360	**2,386,064**	**1,446,821**	**2,195,904**

29 Impairment reversal (non-attributable)

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Impairment loss on financial instruments and others	71,852	-	-	-
	71,852	**-**	**-**	**-**

30 Earnings per share

(a) Earnings per share from continued operation

Basic earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at the reporting date.

In thousands of naira	Group Sep-23	Group Sep-22	Company Sep-23	Company Sep-22
Net profit from operations	6,004,750	4,897,998	5,426,809	3,912,615
Less: NCI share of Net profit from operations	(80,939)	(45,353)	-	-
Net profit attributable to ordinary shareholders from operation	5,923,812	4,852,644	5,426,809	3,912,615
Net profit attributable to ordinary shareholders from discontinued operation	-	-	-	
	5,923,812	**4,852,644**	**5,426,809**	**3,912,615**
Number of shares in issue	**36,605,276**	**36,605,276**	**36,605,276**	**36,605,276**
Weighted average of ordinary shares in issue	36,605,276	36,605,276	36,605,276	36,605,276
Basic and diluted earnings per share from continued operation (kobo)	16	13	15	11
Basic and diluted earnings per share (kobo)	**16**	**13**	**15**	**11**

31 Related party disclosures

(a) Parent and ultimate controlling party

The ultimate controlling party of the Group is AIICO Insurance PLC.

(b) Transactions with related parties and key management personnel

(b)(i) Loan to directors

In 2023, no loan was advanced to directors (2022: nil).

(b)(ii) Related party transactions and balances.

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.
A number of these companies transacted with the Group during the period. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related companies on an arm's length basis.

Company			**Transaction values ('000)**		**Balance outstanding**	
Name of related party	**Relationship**	**Nature of transaction**	**Sep-23**	**Sep-22**	**Sep-23**	**Sep-22**
AIICO Multishield Limited	Subsidiary	Health Premium	21,274	23,134	-	-
		Insurance Premium	2,787	5,289	-	-
AIICO Capital Limited*	Subsidiary	Portfolio Management	514,458	432,009	362,935	150,930
		Insurance Premium	6,901	59,295	-	-
		Rent	8,621	24,632	-	-
Magnartis Finance and Investment Limited**	Common Director	Stockbrokers	648,882	-	104,340	54,919
			1,202,923	544,359	467,275	205,849

* AIICO Insurance Plc employs the services of AIICO Capital Limited to manage its financial assets. In return, AIICO Capital charges a percentage on the income generated as management fees.

**Magnartis Finance and Investment Limited are stockbrokers that trades the Company's equity portfolio. The balance reflected above are the unsettled balances on stock transactions as at reporting date.

The terms and conditions of the finance lease transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related
All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within 3 months of the reporting date. None of the balances are secured. No expense has been recognised in the current period or prior period for bad or doubtful debts in respect of amounts owed by related parties.

31 Related party disclosures - continued

(b) (iii) Directors remuneration

Directors remuneration excluding pension contributions and certain benefits was provided as follows:

	Group		**Company**	
In thousands of naira	**Sep-23**	**Sep-22**	**Sep-23**	**Sep-22**
Fees as Directors	42,121	-	26,821	-
Other allowances	9,000	42,334	-	31,434
	51,121	42,334	26,821	31,434
Executive compensation	134,583	129,813	134,583	122,316
	185,704	**172,147**	**161,404**	**153,750**
Chairman	6,400	4,875	5,400	3,675
Highest paid director	6,400	11,297	5,400	1,028

The number of directors, including the Chairman, whose emoluments were within the following range were:

	Group		**Company**	
	Sep-23	**Sep-22**	**Sep-23**	**Sep-22**
1,000,001 - 2,000,000	8	6	1	-
2,000,001 and above	-	12	-	6
	8	18	1	6

32 Contingencies and commitments

(a)(i) Legal proceedings and obligations

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. There are 2 judgements against the company as at the end of Q3 2023 with a total claim of N26,513,284 The Directors, having sought legal opinion, are of the view that the Company stands a good chance on those cases and hence do not foresee those cases having any material effect on the Company's results and financial position. Therefore, no provisions have been made in the financial statements.

(ii) Some time ago, AIICO Insurance Plc ("the Company" or "AIICO" or "the Claimant") filed a suit against Megamound Investment Limited and Indemnity Finance Limited ("the defendants") for the recovery of its outstanding loan plus interest of N1.4b. Although the defendant, via a letter dated 9 Nov 2007 allocated 1.5 hectares of land (1.089 hectare, if the portion allocated for common areas is considered) at Lekki County Estate to the Company, it never effected a transfer. The Claimant sought and obtained a judgement of the court in terms of the loan. The Court, via a judgement dated 30 May 2014, ordered that the defendants execute and deliver to the Claimant the property in respect of the 1.5 hectares of land at Lekki County Home Estate, excluding the area marked for provision of common services. The Court further ordered that possession should be granted to the Claimant of the 1.5 hectares of land at Lekki County homes Estate, excluding the areas marked for the provision of common services measuring 4,108.5 square metres. AIICO commenced execution of this judgment on 6 January 2022. However, when AIICO sought to take over the property, the management of Lekki County Estate obstructed AIICO from taking possesion of the allocated land and also harassed and assaulted its staff. Consequently, AIICO has not recognized this land in its books but has hereby made disclosure of its existence while filing requisite actions including Contempt of Court proceedings against the management of Lekki County Estate. The Company has taken further steps required for the purposes of enforcement of the judgement.

(iii) The Company is also subject to insurance solvency regulations of NAICOM. There are no contingencies related to such regulations.

(b) Funds under management

These funds do not form part of the assets and liabilities of the Group as the risks and rewards of these investments belong to the customers.
This represents investments held on behalf of clients and are stated at amortised cost.

An analysis of funds under management is shown below:

	Group		**Company**	
In thousands of naira	**Sep-23**	**Sep-22**	**Sep-23**	**Sep-22**
AIICO Money Market Fund (AMMF) (see note (i) below)	3,694,235	1,021,923	-	-
AIICO Balance Mutual Fund (ABF) (see note (ii) below)	201,393	162,493	-	-
Portfolio management - others (see note (iii) below)	4,196,551	3,221,272	-	-
Total funds	8,092,179	4,405,688	-	-

Fees earned from the management of these funds are as follows:

	Group		**Company**	
In thousands of naira	**Sep-23**	**Sep-22**	**Sep-23**	**Sep-22**
AMMF	29,056	9,907	-	-
ABF	2,010	1,781	-	-
Portfolio management - others	2,833	-	-	-
Total funds	33,899	11,688	-	-

(i) AIICO Money Market Fund (AMMF)

This Fund was floated by AIICO Capital Limited on 17 June 2014. The Fund represents customers' investments in the AIICO Money Market Fund and it invests in money market instruments, as approved by the investment committee to the Fund. AIICO Capital has 12.53% (2021: 20.45%) interest in the fund. AIICO Capital earns 1.4% of the net asset value of the Fund on a quarterly basis. UBA Trustees Limited is the trustee to the Fund while United Bank for Africa PLC (Global Investor Services) is the custodian to the Fund. The Fund has 31 December as its year end and is regulated by the Nigerian Securities and Exchange Commission (SEC). It currently trades at ₦100 per unit as at 30 September 2023 (2022: ₦100). The Group has investments of ₦160million in the Fund (2021: ₦160million)

(ii) High Networth Individuals Fund (HNI)

This represents customers' investment in High Networth Individuals Fund, which is managed by AIICO Capital Limited, a subsidiary of the Company. This fund started in August 2015.

Returns on this fund are discretionary, however, when the Group exceeds the returns agreed with the customer, they earn a 20% performance fee on the excess. The Group also charges management fees on this Fund.

(c) Unclaimed dividend

The Company has unclaimed dividend of ₦1.2bn as at 30 September 2023 (2022: N896million). As required by section 16(d) of the Nigerian Securities and Exchange Commission (SEC) guidelines the assets representing these unclaimed dividend do not form part of the assets of the Company. These funds were returned to AIICO insurance and is domiciled with the custodian.

33 Contraventions and penalties

NIL

34 Personnel

The average number of persons employed at the end of the period was:

	Group		Company	
Number	**Sep-23**	**Sep-22**	**Sep-23**	**Sep-22**
Managerial	80	81	61	58
Senior staff	304	269	272	242
Junior staff	74	78	6	6
	458	428	339	306

(a) The personnel expenses for the above persons were:

In thousands of naira				
Wages and salaries	2,059,516	1,857,842	2,059,516	1,325,455
Other staff costs	1,850,919	2,806,183	1,850,919	2,678,692
	3,910,435	4,664,025	3,910,435	4,004,147

(b) The number of employees paid emoluments, excluding pension and allowances, above ₦100,000 for the period were:

	Group		Company	
Number	**Sep-23**	**Sep-22**	**Sep-23**	**Sep-22**
100,000 - 600,000	320	350	306	277
600,001 - 1,200,000	54	39	25	21
1,200,001 - 2,400,000	50	14	5	6
2,400,001 and above	34	25	3	2
	458	428	339	306

35 Securities trading policy

(a) In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) AIICO Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodly reviews 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.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

36 Hypothecation of assets

2023

	Policyholder's fund						
	Life Fund	**Annuity**	**Investment Contract Liabilities**	**Non-life Insurance Contract Liabilities**	**Total Policyholders fund**	**Shareholders' fund**	**Total**
Cash and cash equivalents	4,353,507	320,985	1,165,058	1,926,634	7,766,184	180,632	7,946,817
Financial assets:							
Bonds and treasury bills	92,299,030	83,196,471	3,152,483	8,033,233	186,681,216	34,393,141	221,074,357
Quoted equities	2,777	-	114,567	356,178	473,521	-	473,521
Unquoted equities	701,033	-	174,026	954,632	1,829,692	922,240	2,751,932
Loans & receivables	3,034,150	-	-	-	3,034,150	1,949,140	4,983,290
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment in associate	-	-	-	-	-	-	-
Investment properties	330,000	-	-	290,000	620,000	-	620,000
Property and equipment	-	-	-	-	-	8,100,841	8,100,841
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (See a below)	3,130,672	-	-	16,262,604	19,393,275	4,183,405	23,576,680
Total assets (a)	103,851,169	83,517,456	4,606,134	27,823,279	219,798,038	51,316,717	271,114,755
Policyholders liabilities (b)	102,543,519	79,845,552	3,706,469	25,561,830	211,657,370	59,457,385	271,114,755
Excess/ (shortfall) of assets over liabilities (a-b)	**1,307,650**	**3,671,905**	**899,665**	**2,261,449**	**8,140,668**	**(8,140,669)**	**(0)**

(a) Other Assets

Trade receivables	-	-	-	1,011,819	1,011,819	-	1,011,819
Reinsurance assets	3,130,672	-	-	15,250,785	18,381,456	-	18,381,456
Other receivables and prepayments	-	-	-	-	-	3,348,859	3,348,859
Goodwill and other intangible assets	-	-	-	-	-	834,546	834,546
	3,130,672	-	-	16,262,604	19,393,275	4,183,405	23,576,680

2022

	Policyholder's fund						
	Life Fund	**Annuity**	**Investment Contract Liabilities**	**Non-life Insurance Contract Liabilities**	**Total Policyholders fund**	**Shareholders' fund**	**Total**
Cash and cash equivalents	3,504,909	258,418	937,962	1,675,112	6,376,401	145,423	6,521,824
Financial assets:							-
Bonds and treasury bills	87,408,305	76,645,833	2,394,099	3,959,748	170,407,984	30,139,762	200,547,746
Quoted equities	5,132		211,749	658,309	875,190	-	875,190
Unquoted equities	627,731	-	155,830	854,813	1,638,374	825,808	2,464,182
Money market placements	-	-	-	-	-	-	-
Loans & receivables	2,882,193	-	-	-	2,882,193	1,652,258	4,534,451
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment in Associate	-	-	-	-	-	-	-
Investment properties	420,000	-	-	340,000	760,000	-	760,000
Property and equipment	-	-	-	-	-	8,124,583	8,124,583
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (See a below)	2,720,294	-	-	9,621,795	12,342,088	4,988,651	17,330,739
Total assets (a)	97,568,562	76,904,251	3,699,639	17,109,776	195,282,230	47,463,802	242,746,032
Policyholders liabilities (b)	96,056,907	76,318,475	3,212,895	15,493,103	191,081,380	51,664,652	242,746,032
Excess/ (shortfall) of assets over liabilities (a-b)	**1,511,655**	**585,776**	**486,744**	**1,616,673**	**4,200,850**	**(4,200,850)**	**0**

Other Assets

Trade receivables	-	-	-	852,113	852,113	-	852,113
Reinsurance assets	2,720,294	-	-	8,769,682	11,489,975	-	11,489,975
Other receivables and prepayments	-	-	-	-	-	4,141,826	4,141,826
Goodwill and other intangible assets	-	-	-	-	-	846,825	846,825
	2,720,294	-	-	9,621,795	12,342,088	4,988,651	17,330,739

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

37.

In thousands of naira			N5b 30-Sep 2023	N18b 30-Sep 2023			N5b 31-Dec 2022	N18b 31-Dec 2022
	Total	**Inadmissible**	**Admissible**	**Admissible**	**Total**	**Inadmissible**	**Admissible**	**Admissible**
Assets								
Cash and cash equivalents	7,946,817	-	7,946,817	7,946,817	6,521,824	-	6,521,824	6,521,824
Trade receivables	1,011,819	-	1,011,819	1,011,819	852,113	-	852,113	852,113
Reinsurance assets	18,381,456	-	18,381,456	18,381,456	11,489,975	-	11,489,975	11,489,975
Financial assets	229,283,100	-	229,283,100	229,283,100	208,421,569	-	208,421,569	208,421,569
Investment in subsidiaries	1,087,317	-	1,087,317	1,087,317	1,087,317	-	1,087,317	1,087,317
Deferred acquisition costs	-	-	-	-	-	-	-	-
Investment property	620,000	-	620,000	620,000	760,000	-	760,000	760,000
Property and equipment	8,100,841	5,022,521	3,078,320	3,078,320	8,064,528	5,000,007	3,064,521	3,064,521
Other receivables and prepayments	3,320,574	3,320,574	-	-	4,141,826	4,141,826	-	-
Right of use asset	28,285	28,285	-	-	60,055	60,055	-	-
Statutory deposits	500,000	-	500,000	500,000	500,000	-	500,000	500,000
Goodwill and other intangible assets	834,546	792,818	41,727	41,727	846,825	804,484	42,341	42,341
Investment in Associate	-	-						
	271,114,755	**9,164,199**	**261,950,556**	**261,950,556**	**242,746,032**	**10,006,372**	**232,739,660**	**232,739,660**
Liabilities								
Insurance contract liabilities	207,950,901	-	207,950,901	207,950,901	187,868,485	-	187,868,485	187,868,485
Investment contract liabilities	3,706,469	-	3,706,469	3,706,469	3,212,895	-	3,212,895	3,212,895
Trade payables	8,140,668	-	8,140,668	8,140,668	6,461,628	-	6,461,628	6,461,628
Other payables	8,465,183	-	8,465,183	8,465,183	7,054,663	-	7,054,663	7,054,663
Taxation payable	933,209	-	933,209	933,209	422,562	-	422,562	422,562
Total admissible liabilities	**229,196,431**	**-**	**229,196,431**	**229,196,431**	**205,020,233**	**-**	**205,020,233**	**205,020,233**
Excess of total admissible assets over admissible liabilities	**41,918,324**	**9,164,199**	**32,754,125**	**32,754,125**	**37,725,799**	**10,006,372**	**27,719,427**	**27,719,427**
Higher of:								
Gross premium written			84,510,111	84,510,111			85,292,276	85,292
Less: Reinsurance expense			(15,229,760)	(15,229,760)			(15,330,978)	(15,331)
Net premium			**69,280,351**	**69,280,351**			**69,961,298**	**69,961**
15% of net premium (annualised)			13,856,070	13,856,070			10,494,195	10,494
Minimum paid up capital			5,000,000	18,000,000			5,000,000	18,000,000
The higher thereof:			**13,856,070**	**18,000,000**			**10,494,195**	**18,000,000**
Excess of solvency margin over			**18,898,055**	**14,754,125**			**17,225,233**	**9,719,427**
Solvency margin ratio			**236%**	**182%**			**264%**	**154%**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

38 IFRS 17 Transition adjustments

The Group adopted IFRS 17 effective 1 January 2023. This affected the measurement and presentation of insurance and reinsurance contracts and related expenses and income. In line with the transition requirements of IFRS, the Group has presented below the structure of its SOFP and SOCI pre the adoption of IFRS 17, highlighting the transition adjustments for the periods presented:

(a) Opening Balance sheet - 1 January 2022

		OPENING BALANCE SHEET					
As at 1 Jan 2022			**Group**			**Company**	
		IFRS 4	**Adj**	**IFRS 17**	**IFRS 4**	**Adj**	**IFRS 17**
In thousands of naira	**Notes**	**31-Dec-21**		**31-Dec-21**	**31-Dec-21**		**31-Dec-21**
Assets							
Cash and cash equivalents		25,490,105	-	25,490,105	9,062,962	-	9,062,962
Financial assets		172,501,020	-	172,501,020	152,718,223	-	152,718,223
Trade receivables		728,517	-	728,517	689,375	-	689,375
Reinsurance assets	i	10,387,924	(104,271)	10,283,653	10,387,924	(104,271)	10,283,653
Deferred acquisition costs	ii	739,222	(739,222)	-	739,222	(739,222)	-
Other receivables and prepayments		2,411,790	-	2,411,790	2,140,480	-	2,140,480
Deferred tax assets		1,252	-	1,252	-	-	-
Investment in subsidiaries		-	-	-	1,087,317	-	1,087,317
Investment in associate		705,629	-	705,629	705,691	-	705,691
Investment properties		806,000	-	806,000	806,000	-	806,000
Property and equipment		7,068,787	-	7,068,787	6,847,439	-	6,847,439
Statutory deposits		500,000	-	500,000	500,000	-	500,000
Right of use assets		105,855	-	105,855	105,855	-	105,855
Goodwill and other intangible assets		934,748	-	934,748	838,252	-	838,252
Total assets		**222,380,849**	**(843,493)**	**221,537,355**	**186,628,740**	**(843,493)**	**185,785,246**
Liabilities							
Insurance contract liabilities	iii	119,776,331	22,355,760	142,132,091	119,565,299	22,566,792	142,132,091
Investment contract liabilities	iv	22,829,871	(19,993,119)	2,836,752	22,829,871	(19,993,119)	2,836,752
Trade payables		3,779,049	-	3,779,049	3,748,134	-	3,748,134
Other payables and accruals		3,700,218	211,034	3,911,252	3,394,547	-	3,394,547
Fixed income liabilities		33,506,178	-	33,506,178	-	-	-
Current income tax payable		407,282	-	407,282	307,392	-	307,392
Deferred tax liabilities		7,666	-	7,666	-	-	-
Total liabilities		**184,006,595**	**2,573,675**	**186,580,270**	**149,845,243**	**2,573,673**	**152,418,916**
Equity							
Share capital		18,302,638	-	18,302,638	18,302,638	-	18,302,638
Share premium		64,745	-	64,745	64,745	-	64,745
Revaluation reserve		1,812,707	-	1,812,707	1,812,707	-	1,812,707
Fair value reserve		(1,683,037)	(1)	(1,683,038)	(1,016,727)	-	(1,016,727)
Foreign exchange gains reserve		175,600	-	175,600	175,600	-	175,600
Contingency reserve		8,304,604	-	8,304,604	8,304,604	-	8,304,604
Retained earnings	v	11,051,694	(3,417,168)	7,634,526	9,139,930	(3,417,168)	5,722,762
Shareholders' funds		**38,028,951**	**(3,417,169)**	**34,611,783**	**36,783,497**	**(3,417,168)**	**33,366,329**
Non-controlling interests		345,303	-	345,303	-	-	-
Total equity		**38,374,254**	**(3,417,169)**	**34,957,086**	**36,783,497**	**(3,417,168)**	**33,366,329**
Total liabilities and equity		**222,380,849**	**(843,494)**	**221,537,355**	**186,628,740**	**(843,495)**	**185,785,246**

(b) Comparative period (SOFP) - 31 December 2022

COMPARATIVE - SOFP							
As at 31 Dec 2022			**Group**			**Company**	
		IFRS 4	**Adj**	**IFRS 17**	**IFRS 4**	**Adj**	**IFRS 17**
In thousands of naira	**Notes**	**31-Dec-22**		**31-Dec-22**	**31-Dec-22**		**31-Dec-22**
Assets							
Cash and cash equivalents		15,915,258	-	15,915,258	6,521,824	-	6,521,824
Financial assets		225,460,028	-	225,460,028	208,421,569	-	208,421,569
Trade receivables		866,977	-	866,977	852,113	-	852,113
Reinsurance assets	i	11,913,776	(423,801)	11,489,975	11,913,776	(423,801)	11,489,975
Deferred acquisition costs	iii	858,307	(858,307)	-	858,307	(858,307)	-
Other receivables and prepayments		4,685,425	-	4,685,425	4,141,826	-	4,141,826
Deferred tax assets		21,501	-	21,501	-	-	-
Investment in subsidiaries		-	-	-	1,087,317	-	1,087,317
Investment properties		760,000	-	760,000	760,000	-	760,000
Property and equipment		8,359,520	-	8,359,520	8,064,528	-	8,064,528
Statutory deposits		500,000	-	500,000	500,000	-	500,000
Right of use assets		60,055	-	60,055	60,055	-	60,055
Goodwill and other intangible assets		928,672	-	928,672	846,825	-	846,825
Total assets		**270,329,519**	**(1,282,108)**	**269,047,411**	**244,028,140**	**(1,282,108)**	**242,746,032**
Liabilities							
Insurance contract liabilities	iv	165,404,474	22,464,011	187,868,485	165,088,774	22,779,711	187,868,485
Investment contract liabilities	v	21,907,727	(18,694,832)	3,212,895	21,907,727	(18,694,832)	3,212,895
Trade payables		6,461,628	-	6,461,628	6,461,628	-	6,461,628
Other payables and accruals		8,088,876	315,701	8,404,577	7,054,663	-	7,054,663
Fixed income liabilities		22,781,598	-	22,781,598	-	-	-
Current income tax payable		669,543	-	669,543	422,562	-	422,562
Deferred tax liabilities		7,666	-	7,666	-	-	-
Total liabilities		**225,321,512**	**4,084,880**	**229,406,391**	**200,935,354**	**4,084,879**	**205,020,233**
Equity							
Share capital		18,302,638	-	18,302,638	18,302,638	-	18,302,638
Share premium		64,745	-	64,745	64,745	-	64,745
Revaluation reserve		2,764,016	-	2,764,016	2,764,016	-	2,764,016
Fair value reserve		(2,796,624)	-	(2,796,624)	(1,821,697)	-	(1,821,697)
Contingency reserve		9,710,046	-	9,710,046	9,710,046	-	9,710,046
Retained earnings	vi	16,540,784	(5,366,987)	11,173,797	14,073,038	(5,366,986)	8,706,052
Shareholders' funds		**44,585,605**	**(5,366,987)**	**39,218,618**	**43,092,786**	**(5,366,986)**	**37,725,799**
Non-controlling interests		422,402	-	422,402	-	-	-
Total equity		**45,008,007**	**(5,366,987)**	**39,641,020**	**43,092,786**	**(5,366,986)**	**37,725,799**
Total liabilities and equity		**270,329,519**	**(1,282,107)**	**269,047,412**	**244,028,140**	**(1,282,107)**	**242,746,032**

(c) Current period (SOFP) - 30 September 2023

		CURRENT PERIOD					
As at 30 September 2023			**Group**			**Company**	
		IFRS 4	**Adj**	**IFRS 17**	**IFRS 4**	**Adj**	**IFRS 17**
In thousands of naira	**Notes**	**30-Sep-23**		**30-Sep-23**	**30-Sep-23**		**30-Sep-23**
Assets							
Cash and cash equivalents		19,897,792	-	19,897,792	7,946,810	7	7,946,817
Financial assets		246,655,198	-	246,655,198	229,283,101	(1)	229,283,100
Trade receivables		1,149,978	-	1,149,978	1,011,817	2	1,011,819
Reinsurance assets		19,143,158	(761,702)	18,381,456	19,143,158	(761,702)	18,381,456
Deferred acquisition costs		1,546,652	(1,546,652)	-	1,546,652	(1,546,652)	-
Other receivables and prepayments		4,237,256	5	4,237,261	3,320,569	5	3,320,574
Investment in subsidiaries		-	-	-	1,087,317	-	1,087,317
Investment properties		620,000	-	620,000	620,000	-	620,000
Property and equipment		8,315,121	-	8,315,121	8,100,844	(3)	8,100,841
Statutory deposits		500,000	-	500,000	500,000	-	500,000
Right of use assets		28,285	-	28,285	28,285	-	28,285
Goodwill and other intangible assets		906,638	-	906,638	834,546	-	834,546
Total assets		**303,000,080**	**(2,308,349)**	**300,691,730**	**273,423,099**	**(2,308,344)**	**271,114,755**
Liabilities							
Insurance contract liabilities		188,327,108	19,927,602	208,254,710	188,023,298	19,927,604	207,950,901
Investment contract liabilities		20,136,772	(16,430,303)	3,706,469	20,136,772	(16,430,303)	3,706,469
Trade payables		8,140,668	-	8,140,668	8,140,662	6	8,140,668
Other payables and accruals		8,712,172	(1)	8,712,171	8,465,182	1	8,465,183
Fixed income liabilities		26,749,624	-	26,749,624	-	-	-
Current income tax payable		1,005,401	-	1,005,401	933,209	-	933,209
Deferred tax liabilities		498	-	498	-	-	-
Total liabilities		**253,072,244**	**3,497,298**	**256,569,542**	**225,699,123**	**3,497,308**	**229,196,431**
Equity							
Share capital		18,302,638	-	18,302,638	18,302,639	(1)	18,302,638
Share premium		64,745	-	64,745	64,745	-	64,745
Revaluation reserve		2,764,016	-	2,764,016	2,764,015	1	2,764,016
Fair value reserve		(3,168,668)	(1)	(3,168,669)	(1,836,095)	-	(1,836,095)
Contingency reserve		11,150,254	-	11,150,254	11,150,254	-	11,150,254
Retained earnings		20,363,635	(5,820,501)	14,543,134	17,278,418	(5,805,651)	11,472,767
Shareholders' funds		**49,476,620**	**(5,820,502)**	**43,656,119**	**47,723,976**	**(5,805,651)**	**41,918,324**
Non-controlling interests		451,216	14,854	466,070	-	-	-
Total equity		**49,927,836**	**(5,805,648)**	**44,122,188**	**47,723,976**	**(5,805,651)**	**41,918,324**
Total liabilities and equity		**303,000,080**	**(2,308,350)**	**300,691,730**	**273,423,099**	**(2,308,343)**	**271,114,755**

Notes to the Consolidated and Separate Financial Statements (Continued)
For the interim period ended 30 September 2023

(d) Comparative period (SOCI) - 30 September 2022

		CURRENT PERIOD					
		Group			Company		
In thousands of naira	**Notes**	**30-Sep-22 IFRS 4**	**Adj**	**30-Sep-22 IFRS 17**	**30-Sep-22 IFRS 4**	**Adj**	**30-Sep-22 IFRS 17**
Gross premium written	i	**69,502,732**	**(24,663,743)**	**-**	**68,901,842**	**(68,901,842)**	**-**
Gross premium income	ii	63,513,391	(63,513,391)	-	62,982,534	(62,982,534)	-
Reinsurance expenses	iii	(11,101,778)	11,101,778	-	(11,101,778)	11,101,778	-
Net premium income		**52,411,613**	**(16,868,909)**	**-**	**51,880,756**	**(51,880,756)**	**-**
Fee and commission income							
Insurance contracts	iv	1,881,301	(1,881,301)	-	1,881,301	(1,881,301)	-
Pension and other contracts	v	418,071	(418,071)	-	-	-	-
Net underwriting income		**54,710,985**	**(54,710,985)**	**-**	**53,762,057**	**(53,762,057)**	**-**
Claims expenses:						-	
Claims expenses (Gross)	vi	(35,873,195)	35,873,195	-	(35,430,033)	35,430,033	-
Claims expenses recovered from reinsurers	vii	2,918,142	(2,918,142)	-	2,918,142	(2,918,142)	-
Claims expenses (Net)		**(32,955,053)**	**32,955,053**	**-**	**(32,511,891)**	**32,511,891**	**-**
Underwriting expenses	viii	(8,489,442)	8,489,442	-	(8,362,928)	8,362,928	-
Change in life fund	ix	(5,165,524)	5,165,524	-	(5,165,524)	5,165,524	-
Change in annuity fund	x	(614,308)	614,308	-	(614,309)	614,309	-
Change in other investment contracts	xi	(2,081,771)	2,081,771	-	(2,081,771)	2,081,771	-
Total underwriting expenses		**(49,306,097)**	**49,306,097**	**-**	**(48,736,423)**	**48,736,423**	**-**
Insurance Service Result							
Insurance Revenue	xii	-	38,896,898	38,896,898	-	37,977,922	37,977,922
Insurance Service Expense	xiii	-	(31,148,764)	(31,148,764)	-	(30,579,087)	(30,579,087)
Net Expenses from Reinsurance Contracts	xiv	-	(6,402,126)	(6,402,126)	-	(6,402,126)	(6,402,126)
Insurance service result		**-**	**1,346,007**	**1,346,007**	**-**	**996,709**	**996,709**
Investment income		12,622,207	-	12,622,207	11,813,019	-	11,813,019
Profit from deposit administration		363,892	-	363,892	363,892	(0)	363,892
Net realised (loss)/gain		(602,010)	-	(602,010)	(602,010)	-	(602,010)
Net fair value losses		(5,904,692)	-	(5,904,692)	(5,904,692)	-	(5,904,692)
Other operating income		(38,624)	-	(38,624)	(128,720)	(0)	(128,720)
Net investment income		**6,440,773**	**-**	**6,440,773**	**5,541,489**	**(0)**	**5,541,489**
Net Finance Expenses from Insurance Contracts	xv	-	(3,445,100)	(3,445,100)	-	(3,445,100)	(3,445,100)
Net Finance Income from Reinsurance Contracts	xvi	-	436,660	436,660	-	436,660	436,660
Net insurance finance expenses		**-**	**(3,008,440)**	**(3,008,440)**	**-**	**(3,008,440)**	**(3,008,440)**
Net insurance and investment result		**11,845,661**	**(7,067,321)**	**4,778,340**	**10,567,123**	**(7,037,366)**	**3,529,758**
Personnel expenses		(2,870,657)	2,870,657	-	(2,425,627)	2,425,627	-
Other operating expenses		(5,388,585)	3,002,521	(2,386,064)	(5,198,423)	3,002,519	(2,195,904)
Impairment (charges)/reversal		-	-	-	-	-	-
Profit before income tax from continuing operations		**3,586,419**	**(1,194,143)**	**2,392,276**	**2,943,074**	**(1,609,220)**	**1,333,854**
Income tax expense		(321,611)	-	(321,611)	(293,925)	-	(293,925)
Minimum tax		-	-	-	-	-	
Profit after tax from continuing operations		**3,264,808**	**(1,194,143)**	**2,070,665**	**2,649,149**	**(1,609,220)**	**1,039,929**
Discontinued operations							
Profit from discontinued operations (net of tax)		2,872,686	-	2,872,686	2,872,686	(0)	2,872,686
Profit for the period		**6,137,495**	**(1,194,144)**	**4,943,351**	**5,521,835**	**(1,609,221)**	**3,912,615**
Attributable to owners of the parent		6,063,476	(1,165,478)	4,897,998	5,521,835	(1,609,221)	3,912,615
Attributable to non-controlling interest holders		74,019	(28,666)	45,353	-	-	-
		6,137,495	**(1,194,144)**	**4,943,351**	**5,521,835**	**(1,609,221)**	**3,912,615**
Other comprehensive income, net of tax							
Fair value loss on financial assets		(717,202)	-	(717,202)	(100,035)	-	(100,035)
Fair value loss on equity securities		10,304	-	10,304	-	-	-
Revaluation loss on property and equipment		-	-	-	-	-	-
Total other comprehensive (loss)/ income		**(706,897)**	**-**	**(706,897)**	**(100,035)**	**-**	**(100,035)**
						-	
Total comprehensive income for the period		**5,430,597**	**(1,194,144)**	**4,236,454**	**5,421,800**	**(1,609,221)**	**3,812,580**
			-			**-**	
Attributable to owners of the parent		5,353,499	(1,194,144)	4,159,355	5,421,800	(1,609,221)	3,812,580
Attributable to non-controlling interests		77,099	-	77,099	-	-	-
		5,430,597	**(1,194,144)**	**4,236,454**	**5,421,800**	**(1,609,221)**	**3,812,580**

(e) Current period (SOCI) - 30 September 2023

		CURRENT PERIOD					
		Group			Company		
In thousands of naira	**Notes**	**30-Sep-23 IFRS 4**	**Adj**	**30-Sep-23 IFRS 17**	**30-Sep-23 IFRS 4**	**Adj**	**30-Sep-23 IFRS 17**
Gross premium written		**85,137,765**	**(85,137,765)**	**-**	**84,510,111**	**(84,510,111)**	**-**
Gross premium income		77,468,086	(77,468,086)	-	76,924,755	(76,924,755)	-
Reinsurance expenses		(15,229,760)	15,229,760	-	(15,229,760)	15,229,760	-
Net premium income		**62,238,326**	**(62,238,326)**	**-**	**61,694,995**	**(61,694,995)**	**-**
Fee and commission income							
Insurance contracts		2,111,699	(2,111,699)	-	2,111,699	(2,111,699)	-
Pension and other contracts		419,635	(419,635)	-	-	-	-
Net underwriting income		**64,769,660**	**(64,769,660)**	**-**	**63,806,694**	**(63,806,694)**	**-**
Claims expenses:							
Claims expenses (Gross)		(42,958,005)	42,958,005	-	(42,542,506)	42,542,506	-
Claims expenses recovered from reinsurers		5,380,478	(5,380,478)	-	5,380,478	(5,380,478)	-
Claims expenses (Net)		**(37,577,527)**	**37,577,527**	**-**	**(37,162,028)**	**37,162,028**	**-**
Underwriting expenses		(10,606,046)	10,606,046	-	(10,507,619)	10,507,619	-
Change in life fund		(7,316,935)	7,316,935	-	(7,316,935)	7,316,935	-
Change in annuity fund		(4,010,221)	4,010,221	-	(4,010,221)	4,010,221	-
Change in other investment contracts		1,772,486	(1,772,486)	-	1,772,486	(1,772,486)	-
Total underwriting expenses		**(57,738,243)**	**57,738,243**	**-**	**(57,224,317)**	**57,224,317**	**-**
Insurance Service Result							
Insurance Revenue		-	51,308,924	51,308,924	-	50,343,914	50,343,914
Insurance Service Expense		-	(43,935,076)	(43,935,076)	-	(43,421,145)	(43,421,145)
Net Expenses from Reinsurance Contracts		-	(7,589,681)	(7,589,681)	-	(7,589,681)	(7,589,681)
Insurance service result		**-**	**(215,833)**	**(215,833)**	**-**	**(666,912)**	**(666,912)**
Investment income		19,176,206	(0)	19,176,206	18,680,592	-	18,680,592
Profit from deposit administration		59,551	(0)	59,551	59,551	(0)	59,551
Net realised (loss)/gain		593,909	1	593,910	593,909	1	593,910
Net fair value losses		(12,380,292)	-	(12,380,292)	(12,380,292)	0	(12,380,292)
Other operating income		3,802,573	(1,994)	3,800,579	3,515,132	(0)	3,515,132
Net investment income		**11,251,947**	**(1,993)**	**11,249,954**	**10,468,892**	**1**	**10,468,893**
Net Finance Expenses from Insurance Contracts		-	(2,674,054)	(2,674,054)	-	(2,674,054)	(2,674,054)
Net Finance Income from Reinsurance Contracts		-	383,897	383,897	-	383,897	383,897
Net insurance finance expenses		**-**	**(2,290,157)**	**(2,290,157)**	**-**	**(2,290,157)**	**(2,290,157)**
Net insurance and investment result		**18,283,365**	**(9,539,400)**	**8,743,964**	**17,051,269**	**(9,539,445)**	**7,511,825**
Personnel expenses		(4,425,142)	4,425,142	-	(3,910,435)	3,910,435	-
Other operating expenses		(6,724,383)	4,797,316	(1,927,067)	(6,758,846)	5,312,025	(1,446,821)
Impairment (charges)/reversal		(71,852)	-	(71,852)	-	-	-
Profit before income tax from continuing operations		**7,061,988**	**(316,943)**	**6,745,045**	**6,381,989**	**(316,985)**	**6,065,004**
Income tax expense		(21,161)	0	(21,161)	-	-	-
Minimum tax		(638,194)	-	(638,194)	(638,194)	-	(638,194)
Profit after tax from continuing operations		**6,402,632**	**(316,943)**	**6,085,689**	**5,743,794**	**(316,985)**	**5,426,809**
Discontinued operations							
Profit from discontinued operations (net of tax)		-	-	-	-	-	-
Profit for the period		**6,402,632**	**(316,943)**	**6,085,689**	**5,743,794**	**(316,985)**	**5,426,809**
Attributable to owners of the parent		6,336,547	(331,797)	6,004,750	5,743,794	(316,985)	5,426,809
Attributable to non-controlling interest holders		66,085	14,854	80,939	-	-	-
		6,402,632	**(316,943)**	**6,085,689**	**5,743,794**	**(316,985)**	**5,426,809**
Other comprehensive income, net of tax							
Items within OCI that may be reclassified to profit or loss in subsequent periods:							
Fair value loss on financial assets		(411,783)	-	(411,783)	(14,398)	-	(14,398)
Impairment reversal/(charge) on FVTOCI		-	-	-	-	-	-
Fair value loss on equity securities		24,681	-	24,681	-	-	-
Revaluation loss on property and equipment		-	-	-	-	-	-
Exchange (loss)/gains on financial assets		-	-	-	-	-	-
Total other comprehensive (loss)/ income		**(387,102)**	**-**	**(387,102)**	**(14,398)**	**-**	**(14,398)**
						-	
Total comprehensive income for the period		**6,015,530**	**(316,943)**	**5,698,588**	**5,729,396**	**(316,985)**	**5,412,411**
			-			**-**	
Attributable to owners of the parent		5,986,716	(316,943)	5,669,773	5,729,396	(316,985)	5,412,411
Attributable to non-controlling interests		28,815	-	28,815	-	-	-
		6,015,530	**(316,943)**	**5,698,588**	**5,729,396**	**(316,985)**	**5,412,411**