



**AXA MANSARD**

**AXA Mansard Insurance Plc and Subsidiary Companies**

**Unaudited Financial Statements**

**30 September 2023**

**CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES  
ACT NO.29 OF 2007**

We the undersigned hereby certify the following with regards to our financial statements for the year ended 30 September 2023 that:

- (a) We have reviewed the financial statement;
- (b) To the best of our knowledge, the financial statement does not contain:
  - (i) *Any untrue statement of a material fact, or*
  - (ii) *Omit to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;*
- (c) 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 Company and its consolidated subsidiaries as of, and for the period presented in the report.
- (d) We:
  - (i) *Are responsible for establishing and maintaining internal controls.*
  - (ii) *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 entries particularly during the year in which the periodic reports are being prepared;*
  - (iii) *Have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;*
  - (iv) *Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;*
- (e) We have disclosed to the auditors of the Company and Audit Committee:
  - (i) *All significant deficiencies in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls, and*
  - (ii) *Any fraud, whether or not material, that involves management or other employees who have significant roles in the Company's internal controls;*
- (f) 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.



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**Mrs. Ngozi Ola-Israel**  
FRC/2017/ANAN/00000017349  
Chief Financial Officer



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**Mr. Adekunle Ahmed**  
FRC/2017/CIIN/00000017019  
Chief Executive Officer

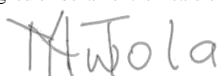
**Consolidated Statement of Financial Position**

as at 30 September 2023

(All amounts in thousands of Naira)

	Notes	Group 30-Sep-23	Group 31-Dec-22 <i>Restated*</i>	Group 1-Jan-22 <i>Restated*</i>	Parent 30-Sep-23	Parent 31-Dec-22 <i>Restated*</i>	Parent 1-Jan-22 <i>Restated*</i>
<b>ASSETS</b>							
Cash and cash equivalents	5	18,240,985	13,469,877	17,343,344	12,307,799	11,107,664	14,227,012
<b>Investment securities:</b>							
– Fair value through profit or loss	6.1	10,776,671	8,700,392	8,942,514	7,917,777	7,394,124	6,593,983
– Fair value through OCI	6.2	40,194,207	34,764,986	29,818,546	35,958,602	33,932,595	27,924,118
Financial assets designated at fair value	6.3	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
Insurance contract assets	7	9,423,913	7,791,782	7,013,359	1,722,904	454,081	1,196,454
Reinsurance contract assets	8	19,619,361	11,800,941	11,025,344	19,276,712	11,625,002	10,725,042
Other receivables	9	5,248,408	3,507,639	3,929,886	3,680,986	2,945,247	2,981,536
Loans and receivables	10	4,214,032	3,773,985	1,655,345	5,234,226	4,229,583	2,666,719
Investment properties	11	17,640,881	14,009,209	14,560,934	-	-	-
Investment in subsidiaries	12	-	-	-	1,652,000	1,652,000	1,652,000
Intangible assets	13	650,199	445,595	400,647	592,404	391,201	354,896
Property and equipment	18	3,412,371	3,099,565	2,802,458	2,988,415	2,717,465	2,404,365
Right of use	14	989,108	783,504	797,757	902,047	672,176	654,074
Statutory deposit	15	500,000	500,000	500,000	500,000	500,000	500,000
<b>TOTAL ASSETS</b>		<b>133,449,932</b>	<b>105,152,916</b>	<b>103,164,940</b>	<b>95,273,667</b>	<b>80,126,577</b>	<b>76,255,004</b>
<b>LIABILITIES</b>							
Insurance contract liabilities	16	70,820,087	55,170,079	46,718,805	50,795,951	41,436,385	35,126,944
Reinsurance contract liabilities	17	3,057,295	1,693,854	564,587	3,056,834	1,693,717	562,947
<b>Investment contract liabilities:</b>							
– At amortised cost	17.5	3,359,858	4,211,201	6,868,168	3,359,858	4,211,201	6,868,168
– Liabilities designated at fair value	17.7	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
Other liabilities	19	4,739,232	3,604,878	4,513,365	3,957,797	2,740,545	3,141,531
Current income tax liabilities	20	1,262,447	1,129,928	1,962,020	744,456	674,215	645,958
Borrowings	21	3,687,823	2,180,878	2,454,143	-	-	-
Deferred tax liability	22	2,135,513	855,631	932,573	-	-	-
<b>TOTAL LIABILITIES</b>		<b>91,602,051</b>	<b>71,351,890</b>	<b>68,388,466</b>	<b>64,454,693</b>	<b>53,261,504</b>	<b>50,720,353</b>
<b>EQUITY</b>							
Share capital	23	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
Share premium	24.1	78,255	78,255	78,255	78,255	78,255	78,255
Contingency reserve	24.2	5,261,397	5,118,869	4,816,716	5,261,397	5,118,869	4,816,716
Treasury shares	24.3	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)
Fair value reserves	24.4	(3,679,019)	(1,753,434)	(391,274)	(3,509,734)	(1,601,768)	(441,570)
Insurance finance reserve	24.6	239,495	112,982	57,180	236,380	110,340	45,745
Retained earnings	24.7	17,655,165	8,248,879	8,006,182	10,864,152	5,270,853	3,146,981
<b>SHAREHOLDERS' FUNDS</b>		<b>37,443,817</b>	<b>29,694,075</b>	<b>30,455,583</b>	<b>30,818,974</b>	<b>26,865,074</b>	<b>25,534,651</b>
Total equity attributable to the owners of the parent		37,443,817	29,694,075	30,455,583	30,818,974	26,865,074	25,534,651
Non-controlling interest in equity	25	4,404,066	4,106,949	4,320,891	-	-	-
<b>TOTAL EQUITY</b>		<b>41,847,883</b>	<b>33,801,024</b>	<b>34,776,474</b>	<b>30,818,974</b>	<b>26,865,074</b>	<b>25,534,651</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>133,449,932</b>	<b>105,152,916</b>	<b>103,164,940</b>	<b>95,273,667</b>	<b>80,126,577</b>	<b>76,255,004</b>

Signed on behalf of the Board of Directors on October 27, 2023



Mrs. Ngozi Ola-Israel  
FRC/2017/ANAN/00000017349  
Chief Financial Officer



Mr. Adekunle Ahmed  
FRC/2017/CIIN/00000017019  
Chief Executive Officer



Mrs. Rashidat Adebisi  
FRC/2012/ICAN/00000000497  
ED Technical & Client Services

## Consolidated Statement of Comprehensive Income

for the period ended 30 September, 2023

	<i>Notes</i>	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
		<b>30-Sep-23</b>	<b>30-Sep-22</b>	<b>30-Sep-23</b>	<b>30-Sep-22</b>
<b>Continuing operations</b>					
Insurance revenue	27	61,296,981	<i>Restated*</i> 52,474,294	37,246,627	<i>Restated*</i> 33,787,370
Insurance service Expenses	28	(38,723,121)	(31,015,735)	(17,134,755)	(13,440,336)
Net expenses from reinsurance contracts held	29	(13,498,071)	(15,140,333)	(13,593,978)	(14,836,666)
<b>Insurance service result</b>		<b>9,075,789</b>	<b>6,318,226</b>	<b>6,517,894</b>	<b>5,510,368</b>
Interest Income calculated using effective interest rate method	30	4,768,192	4,265,654	3,154,373	5,126,085
Net gain or loss on financial assets at fair value through profit or loss	31	10,589,929	(372,181)	6,820,951	(532,342)
Net credit impairment losses	9.1	(9,233)	(15,386)	(6,739)	(15,386)
Profit on investment contracts	32	632,355	226,441	632,354	226,441
<b>Net Investment income</b>		<b>15,981,243</b>	<b>4,104,528</b>	<b>10,600,939</b>	<b>4,804,798</b>
Other income	33	217,957	72,265	17,077	14,567
Finance income/(expense) from insurance contract issued	41	(438,598)	(78,869)	(387,362)	(229,328)
Finance income/(expense) from reinsurance contract held	42	252,050	(104,239)	253,048	(54,751)
Expenses for marketing and administration	34	(2,144,370)	(1,239,134)	(1,948,419)	(1,347,583)
Employee benefit expense	35	(3,677,120)	(3,195,260)	(2,316,889)	(1,775,311)
Other operating expenses	36	(3,781,094)	(3,053,477)	(3,395,351)	(2,815,412)
(Impairment)/writeback of premium receivables	7.1	(110,462)	-	-	-
Results of operating activities		15,375,395	2,824,040	9,340,937	4,107,348
Finance cost	37	(276,897)	(178,717)	(160,120)	(97,361)
<b>Profit before tax</b>		<b>15,098,497</b>	<b>2,645,323</b>	<b>9,180,816</b>	<b>4,009,987</b>
Income tax expense	38	(2,543,335)	(1,146,897)	(738,250)	(404,537)
Profit from discontinued operations (net of tax)		-	-	-	-
<b>Profit for the year</b>		<b>12,555,162</b>	<b>1,498,426</b>	<b>8,442,566</b>	<b>3,605,450</b>
Profit attributable to:					
Owners of the parent		12,258,046	1,465,680	8,442,566	3,605,450
Non-controlling interest	25	297,116	32,746	-	-
		12,555,162	1,498,426	8,442,566	3,605,450
<i>Other comprehensive income:</i>					
<i>Items that may be subsequently reclassified to the profit or loss account:</i>					
Changes in FVTOCI financial assets (net of taxes)	24.4	(1,925,585)	(2,079,964)	(1,907,966)	(1,979,223)
Impairment reversal/charges on FVTOCI	24.7	9,233	15,386	6,739	15,386
Net finance expense from insurance contracts issued (OCI)	39	133,572	270,313	132,372	297,493
Net finance expense from reinsurance contracts held (OCI)	40	(12,896)	(153,098)	(12,169)	(247,487)
<i>Items that will not be subsequently reclassified to profit or loss account</i>					
		-	-	-	-
<b>Other comprehensive income for the year</b>		<b>(1,795,676)</b>	<b>(1,947,363)</b>	<b>(1,781,025)</b>	<b>(1,913,831)</b>
<b>Total comprehensive income for the year</b>		<b>10,759,486</b>	<b>(448,937)</b>	<b>6,661,542</b>	<b>1,691,620</b>
Attributable to:					
Owners of the parent		10,462,370	(684,937)	6,661,542	1,691,620
Non-controlling interests	25	297,116	236,000	-	-
<b>Total comprehensive income for the year</b>		<b>10,759,486</b>	<b>(448,937)</b>	<b>6,661,542</b>	<b>1,691,620</b>
<b>Earnings per share:</b>					
Basic (kobo)	43	136	17	94	42
Diluted (kobo)	43	136	17	94	43

**Consolidated Statement of Comprehensive Income**  
for the period ended 30 September, 2023

	Group Q3 2023 only	Group Q3 2022 only	Parent Q3 2023 only	Parent Q3 2022 only
<b>Continuing operations</b>				
Insurance revenue	22,293,308	17,757,508	13,795,207	11,276,957
Insurance service Expenses	(15,349,713)	(9,323,967)	(7,701,705)	(3,371,984)
Net expenses from reinsurance contracts held	(4,108,801)	(6,610,846)	(4,176,998)	(5,986,060)
<b>Insurance service result</b>	<b>2,834,794</b>	<b>1,822,695</b>	<b>1,916,504</b>	<b>1,918,913</b>
Interest Income calculated using effective interest rate method	1,695,041	1,328,029	1,092,750	871,131
Net gain or loss on financial assets at fair value through profit or loss	(994,119)	(274,947)	(649,439)	(779,479)
Net credit impairment losses	(1,363)	2,463	(1,363)	(2,682)
Profit on investment contracts	214,470	79,545	214,470	79,545
<b>Net Investment income</b>	<b>914,029</b>	<b>1,135,090</b>	<b>656,418</b>	<b>168,515</b>
Other income	147,864	26,130	3,419	7,443
Finance income/(expense) from insurance contract issued	(95,077)	(122,131)	(93,146)	(295,413)
Finance income/(expense) from reinsurance contract held	55,337	92,468	57,177	117,992
Expenses for marketing and administration	(814,392)	(263,956)	(747,891)	(481,071)
Employee benefit expense	(1,158,260)	(1,243,302)	(804,496)	(683,644)
Other operating expenses	(1,347,438)	(1,106,471)	(1,223,848)	(1,022,890)
(Impairment)/writeback of other assets	-	-	-	-
Results of operating activities	436,857	340,523	(235,862)	(270,155)
Finance cost	(102,130)	(47,919)	(51,902)	(33,552)
<b>Profit before tax</b>	<b>334,727</b>	<b>292,604</b>	<b>(287,764)</b>	<b>(303,707)</b>
Income tax expense	(903,719)	(717,794)	(320,673)	(167,116)
Profit from discontinued operations (net of tax)	-	-	-	-
<b>Profit for the year</b>	<b>(568,992)</b>	<b>(425,190)</b>	<b>(608,437)</b>	<b>(470,823)</b>
Profit attributable to:				
Owners of the parent	(656,377)	(425,190)	(608,437)	(470,823)
Non-controlling interest	87,385	-	-	-
<i>Other comprehensive income:</i>				
<i>Items that may be subsequently reclassified to the profit or loss account:</i>				
Changes in FVTOCI financial assets (net of taxes)	(763,383)	(3,733,852)	(952,095)	(3,565,509)
Impairment reversal/charges on FVTOCI	1,363	(2,463)	1,363	2,682
Net finance expense from insurance contracts issued (OCI)	203,960	314,713	197,194	326,136
Net finance expense from reinsurance contracts held (OCI)	(70,691)	-	(69,759)	(203,111)
Other comprehensive income for the year	(628,750)	(3,421,602)	(823,298)	(3,439,802)
<b>Total comprehensive income for the year</b>	<b>(1,197,742)</b>	<b>(3,846,792)</b>	<b>(1,431,734)</b>	<b>(3,910,625)</b>
Attributable to:				
Owners of the parent	(1,285,127)	(4,050,046)	(1,431,734)	698,029
Non-controlling interests	87,385	203,254	-	-
<b>Total comprehensive income for the year</b>	<b>(1,197,742)</b>	<b>(3,846,792)</b>	<b>(1,431,734)</b>	<b>698,029</b>
Basic (kobo)	136	17	94	42
Diluted (kobo)	136	17	94	42

## Consolidated Statements of Changes in Equity

(All amounts in thousands of Naira unless otherwise stated)  
for the period ended 30 September, 2023

	Share Capital	Share premium	Contingency reserve	Capital and other statutory reserves	Share scheme reserves	Treasury shares	Fair value reserves	Retained earnings	Insurance finance reserve	Total	Non Controlling interest	Total equity
Balance at 1 January 2023	18,000,000	78,255	5,118,869	-	-	(111,476)	(998,976)	6,907,660	-	28,994,331	4,106,949	33,101,279
<b>IFRS 9 transition adjustments</b>	-	-	-	-	-	-	(754,458)	754,458	-	-	-	-
<b>IFRS 17 transition adjustments</b>	-	-	-	-	-	-	-	586,761	112,982	699,742	-	699,742
<b>Restated Balance as at 1 January 2023</b>	<b>18,000,000</b>	<b>78,255</b>	<b>5,118,869</b>	<b>-</b>	<b>-</b>	<b>(111,476)</b>	<b>(1,753,434)</b>	<b>8,248,879</b>	<b>112,982</b>	<b>29,694,073</b>	<b>4,106,949</b>	<b>33,801,023</b>
<i>Total comprehensive income for the year</i>												
Profit for the year	-	-	-	-	-	-	-	12,258,046	-	12,258,046	297,116	12,555,162
Transfer to contingency reserves	-	-	142,528	-	-	-	-	(142,528)	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	126,513	126,513	-	126,513
Impairment reversal/charges on FVTOCI	-	-	-	-	-	-	-	(9,233)	-	(9,233)	-	(9,233)
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	-	(1,925,585)	-	-	(1,925,585)	-	(1,925,585)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>142,528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,925,585)</b>	<b>12,106,285</b>	<b>126,513</b>	<b>10,449,741</b>	<b>297,116</b>	<b>10,746,857</b>
<b>Transactions with owners, recorded directly in equity</b>												
Dividends to equity holders	-	-	-	-	-	-	-	(2,700,000)	-	(2,700,000)	-	(2,700,000)
Impact of vesting of shares in the equity settled share based payment	-	-	-	-	-	-	-	-	-	-	-	-
Bonus issue expenses	-	-	-	-	-	-	-	-	-	-	-	-
Recapitalization	-	-	-	-	-	-	-	-	-	-	-	-
Additional subsidiary investment with NCI	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,700,000)</b>	<b>-</b>	<b>(2,700,000)</b>	<b>-</b>	<b>(2,700,000)</b>
<b>Balance at 30 September, 2023</b>	<b>18,000,000</b>	<b>78,255</b>	<b>5,261,397</b>	<b>-</b>	<b>-</b>	<b>(111,476)</b>	<b>(3,679,019)</b>	<b>17,655,164</b>	<b>239,495</b>	<b>37,443,814</b>	<b>4,404,066</b>	<b>41,847,883</b>

## Consolidated Statements of Changes in Equity

(All amounts in thousands of Naira unless otherwise stated)  
for the period ended 30 September, 2022

	Share Capital	Share premium	Contingency reserve	Capital and other statutory reserves	Share scheme reserves	Treasury shares	Fair value reserves	Retained earnings	Insurance finance reserve	Total	Non Controlling interest	Total equity
Balance at 1 January 2022	18,000,000	78,255	4,816,716	-	-	(111,476)	(62,329)	7,351,131	-	30,072,297	4,320,891	34,393,189
<i>Total comprehensive income for the year</i>												
Profit for the year	-	-	-	-	-	-	-	1,511,287	-	1,511,287	200,002	1,711,289
Transfer to contingency reserves	-	-	191,361	-	-	-	-	(191,361)	-	-	-	-
Transfer to statutory reserves	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	-	(1,116,104)	-	-	(1,116,104)	-	(1,116,104)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>191,361</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,116,104)</b>	<b>1,319,926</b>	<b>-</b>	<b>395,183</b>	<b>200,002</b>	<b>595,185</b>
<b>Transactions with owners, recorded directly in equity</b>												
2021 final dividend to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
2022 Interim dividends to equity holders	-	-	-	-	-	-	-	(2,250,000)	-	(2,250,000)	-	(2,250,000)
Recapitalization	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,250,000)</b>	<b>-</b>	<b>(2,250,000)</b>	<b>-</b>	<b>(2,250,000)</b>
<b>Changes in ownership interest</b>												
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total changes in ownership interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 30 September, 2022</b>	<b>18,000,000</b>	<b>78,255</b>	<b>5,008,077</b>	<b>-</b>	<b>-</b>	<b>(111,476)</b>	<b>(1,178,433)</b>	<b>6,421,057</b>	<b>-</b>	<b>28,217,480</b>	<b>4,520,893</b>	<b>32,738,374</b>

Statement of Changes in Equity  
(All amounts in thousands of Naira unless otherwise stated)  
for the period ended 30 September, 2023

Parent

	Share Capital	Share premium	Contingency reserve	Capital and other statutory reserves	Share scheme reserves	Treasury shares	Fair value reserves	Insurance finance reserve	Retained earnings	Total equity
Balance at 1 January 2023	18,000,000	78,255	5,118,869	-	-	(111,476)	(745,315)	-	3,827,637	26,167,970
<b>IFRS 9 transition adjustments</b>	-	-	-	-	-	-	(856,453)	-	856,453	-
<i>IFRS 17 transition adjustments</i>	-	-	-	-	-	-	-	110,340	586,762	697,102
<b>Restated Balance as at 1 January 2023</b>	18,000,000	78,255	5,118,869	-	-	(111,476)	(1,601,768)	110,340	5,270,852	26,865,074
Total comprehensive income for the year	-	-	-	-	-	-	-	-	8,442,566	8,442,566
Profit for the year	-	-	-	-	-	-	-	-	(142,528)	-
Transfer to contingency reserves	-	-	142,528	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	126,040	-	126,040
Impairment reversal/charges on FVTOCI	-	-	-	-	-	-	-	-	(6,739)	(6,739)
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	-	(1,907,966)	-	-	(1,907,966)
<b>Total comprehensive income for the year</b>	-	-	142,528	-	-	-	(1,907,966)	126,040	8,293,300	6,653,901
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	(2,700,000)	(2,700,000)
equity settled share based payment	-	-	-	-	-	-	-	-	-	-
Impact of vesting of shares in the equity settled share based payment	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-	(2,700,000)	(2,700,000)
<b>Balance at 30 September, 2023</b>	<b>18,000,000</b>	<b>78,255</b>	<b>5,261,397</b>	<b>-</b>	<b>-</b>	<b>(111,476)</b>	<b>(3,509,734)</b>	<b>236,380</b>	<b>10,864,152</b>	<b>30,818,974</b>

(All amounts in thousands of Naira unless otherwise stated)  
for the period ended 30 September, 2022

Parent

	Share Capital	Share premium	Contingency reserve	Capital and other statutory reserves	Share scheme reserves	Treasury shares	Fair value reserves	Insurance finance reserve	Retained earnings	Total equity
<b>Balance at 1 January 2022</b>	18,000,000	78,255	4,816,716	-	-	(111,476)	(8,764)	-	2,335,683	25,110,414
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	3,802,700	3,802,700
Transfer to contingency reserves	-	-	191,361	-	-	-	-	-	(191,361)	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	-	(927,581)	-	-	(927,581)
<b>Total comprehensive income for the year</b>	-	-	191,361	-	-	-	(927,581)	-	3,611,339	2,875,119
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-
<b>Contributions by and distributions to owners</b>	-	-	-	-	-	-	-	-	-	-
2021 Final dividend to equity holders	-	-	-	-	-	-	-	-	(2,250,000)	(2,250,000)
2022 Interim dividends to equity holder	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-
Equity- settled share-based expense for the year	-	-	-	-	-	-	-	-	-	-
equity settled share based payment	-	-	-	-	-	-	-	-	-	-
Impact of vesting of shares in the equity settled share based payment	-	-	-	-	-	-	-	-	(2,250,000)	(2,250,000)
<b>Balance at 30 September, 2022</b>	<b>18,000,000</b>	<b>78,255</b>	<b>5,008,077</b>	<b>-</b>	<b>-</b>	<b>(111,476)</b>	<b>(936,345)</b>	<b>-</b>	<b>3,697,022</b>	<b>25,735,533</b>

## Statement of Cashflows

for the period ended 30 September 2023

(All amounts in thousands of Naira unless otherwise stated)

	Notes	Group 30-Sep-2023	Group 30-Sep-2022	Parent 30-Sep-2023	Parent 30-Sep-2022
<b>Cash flows from operating activities</b>					
Cash premium received		66,949,486	51,497,117	39,355,657	31,825,967
Cash paid as reinsurance premium		(16,269,058)	(15,893,852)	(16,109,187)	(15,688,588)
Fee income received		2,099,210	1,664,031	2,298,268	1,997,434
Cash received on investment contract liabilities	17.6	497,277	324,706	497,277	324,706
Cash paid to investment contract holders	17.6	(2,080,849)	(4,303,494)	(2,080,849)	(4,303,494)
Claims paid	b	(29,477,110)	(22,369,718)	(11,665,846)	(6,152,242)
Cash received from reinsurers on recoveries for claims paid	8	2,789,215	1,167,569	2,483,406	1,065,409
Cash received from coinsurers on recoveries and claims paid	7.2a	536,880	184,233	536,880	184,233
Underwriting expenses paid	28	(5,352,920)	(4,188,917)	(4,041,591)	(3,443,312)
Employee benefits paid		(3,527,505)	(3,289,190)	(2,098,376)	(2,543,513)
Rent received		417,343	695,163	-	-
Other operating expenses paid		(4,854,047)	(3,555,095)	(4,650,441)	(3,569,119)
Lease payment	11	-	(295,147)	-	(295,147)
Premium received in advance		618,110	631,809	618,110	631,809
Changes in working capital		12,346,032	2,269,215	5,143,307	34,144
Income tax paid		-	(1,773,750)	-	(458,966)
<b>Net cash from operating activities</b>		<b>11,475,265</b>	<b>495,465</b>	<b>4,475,299</b>	<b>(424,822)</b>
<b>Cash flows from investing activities</b>					
Purchases of property, plant and equipment	18	(1,276,987)	(922,425)	(781,296)	(787,654)
Dividend received		1,875,861	2,891,512	398,505	770,011
Investment income received		2,501,446	2,785,406	2,020,129	2,433,941
Purchase of intangible assets	13	(298,141)	(314,639)	(285,152)	(105,344)
Proceeds from the disposal of property and equipment		33,478	83,284	5,000	83,119
Purchase of fair value through profit or loss financial assets		(865,000)	(7,595,392)	(865,000)	(7,595,392)
Sale of fair value through profit or loss financial assets		-	4,005,813	-	4,005,813
Sale of available-for-sale financial assets		3,511,302	6,099,407	3,708,323	5,697,441
Purchase of available-for-sale financial assets		(10,986,257)	(5,495,364)	(5,670,053)	(2,727,048)
Increase in loans and receivables		(590,637)	(11,605)	(1,121,813)	(11,605)
Repayment of loans and receivables		155,858	71,775	123,539	1,114,238
<b>Net cash used in investing activities</b>		<b>(5,939,076)</b>	<b>1,597,771</b>	<b>(2,467,818)</b>	<b>2,877,520</b>
<b>Cash flows from financing activities</b>					
Expenses on Bonus issue		-	-	-	-
Dividend paid		(2,700,000)	(2,250,000)	(2,700,000)	(2,250,000)
Interest & principal repayment on borrowings		(147,000)	(165,000)	-	-
<b>Net cash used in financing activities</b>		<b>(2,847,000)</b>	<b>(2,415,000)</b>	<b>(2,700,000)</b>	<b>(2,250,000)</b>
Net increase/decrease in cash and cash equivalents		2,689,189	(321,764)	(692,519)	202,698
Cash and cash equivalent at beginning of year		13,469,877	17,343,344	11,107,664	14,227,012
Effect of exchange rate changes on cash and cash equivalent		2,081,919	265,300	1,892,654	127,560
<b>Cash and cash equivalent at end of year</b>	5	<b>18,240,985</b>	<b>17,286,880</b>	<b>12,307,799</b>	<b>14,557,270</b>



## 1 General information

### Reporting entity

AXA Mansard Insurance Plc ('the Company' or 'the parent') and its subsidiaries (together 'the Group') underwrite life and non-life insurance contracts. The Group also issues a diversified portfolio of investment contracts to provide its customers with asset management solutions for their savings and retirement needs as well as provide pension administration and management services to its customers. All these products are offered to both domestic and foreign markets. The Group does business in Nigeria and employs about 294 people.

The Company is a public limited company incorporated and domiciled in Nigeria. The address of its registered office is at Santa Clara Court, Plot 1412, Ahmadu Bello Way Victoria Island, Lagos, Nigeria. The Company is listed on the Nigerian Stock Exchange.

## 2 Summary of significant accounting policies

### 2.1 Basis of presentation and compliance with IFRS

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRIC) Interpretations applicable to companies reporting under IFRS. These financial statements are also in compliance with Financial Reporting Council of Nigeria Act, Companies and Allied Matters Act of Nigeria, the Insurance Act of Nigeria and relevant National Insurance Commission (NAICOM) guidelines and circulars.

The consolidated financial statements comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statements of changes in equity, the consolidated statement of cash flows and the notes.

#### (a) Basis of measurement

These consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- non-derivative financial instruments designated at fair value through profit or loss.
- available-for-sale financial assets are measured at fair value.
- investment property is measured at fair value.
- insurance liabilities measured at present value of future cashflows.
- share based payment at fair value or an approximation of fair value allowed by the relevant standards
- investment contract liabilities at fair value.

#### (b) Use of estimates and judgements

The preparation of the consolidated and separate financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 2.3.

### 2.1.1 Changes in accounting policy and disclosures

#### (a) New and amended standards and interpretations not yet adopted by the Group

A number of standards, interpretations and amendments are effective for annual period beginning on or after 1 January 2020 and earlier application is permitted; however, the group has not early adopted the following new or amended standards in preparing these consolidated and separate financial statements as it plans to adopt these standards at their respective effective dates:

New or amended standards	Summary of the requirements	Possible impact on Consolidated financial statements
IFRS 9: Financial instruments	IFRS 9, released in July 2014, replaces the existing guidance in IAS 39 Financial instruments: Recognition and measurement. IFRS 9 includes revised guidance on the reclassification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018 with early adoption permitted.	The Group will adopt IFRS 9 - Financial Instruments from 1 January 2023. The estimated impact of the adoption of the standard on the Group's equity as at 1 January 2023 is based on the assessments summarised below. The actual impact of adopting the standard at 1 January 2023 are subject to change until the Group presents its first financial statement that includes the date of initial application. <i>Classification and measurement</i> The Group currently categorizes the majority of its financial assets as available for sale with the fair value changes recognised in other comprehensive income. Under IFRS 9, the Group has designated these investments as measured at fair value through OCI. Consequently, all fair value gains and losses will be reported in OCI, no impairment losses will be recognised in profit or loss and no gains or losses will be reclassified to profit or loss on disposal. Based on its assessment, the Group does not believe that the new classification requirements will have a material impact on its accounting for Trade receivables, loans, investment in debt securities and investments in equity securities that are managed on a fair value basis. The above intended classification may change due to the continuous assessment of the requirement of the standard and review of business practices until the first set of financial statement under IFRS 9 is issued. <i>Impairment:</i> The Group believes that impairment losses are likely to increase for assets in the scope of IFRS 9 impairment model, although they are not expected to be highly volatile. The approach to impairment assessment under IFRS 9 will be determined by the final classification adopted in 2023.
Prepayment Features with Negative Compensation (Amendments to IFRS 9)	This amendment was published to address the concerns about how IFRS 9 'Financial Instruments' classifies particular prepayable financial assets. In addition, the IASB clarifies an aspect of the accounting for financial liabilities following a modification. The amendments are to be applied retrospectively for fiscal years beginning on or after 1 January 2019, i. e. one year after the first application of IFRS 9 in its current version. Early application is permitted so entities can apply the amendments together with IFRS 9 if they wish so.	The Group has implemented IFRS 9 with effect from January 1, 2023.

IFRS 17: Insurance Contracts	<p>IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period.</p> <p>The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.</p> <p>An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.</p> <p>There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. The results of insurers using this model are therefore likely to be less volatile than under the general model.</p>	<p>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.</p> <p>Currently, the Group's products do not include distinct components that require separation.</p> <p>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.</p>
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## 2.1.2 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 and 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 deferral 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.

#### 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.

### 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.

### 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 AXA Mansard 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 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

### I Discount rates

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.

### Fair value disclosures

a) Financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest (SPPI)

The Group financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are as follows:

Group	Loan and receivables	Other financial instruments at amortised cost	Carrying amount	Fair value
<b>30 September 2023</b>				
Cash and cash equivalent	18,240,985	-	18,240,985	18,240,985
Loans and receivables	4,214,032	-	4,214,032	4,214,032
Trade receivables	9,423,913	-	9,423,913	9,423,913
Reinsurance assets (less prepaid reinsurance, IBNR & Reserves)	10,300,457	-	10,300,457	10,300,457
Other receivables (less prepayment)	3,352,683	-	3,352,683	3,352,683
Statutory deposit	-	500,000	500,000	500,000
	45,532,070	500,000	46,032,070	46,032,070
<b>Parent</b>				
Parent	Loan and receivables	Other financial instruments at amortised cost	Carrying amount	Fair value
<b>30 September 2023</b>				
Cash and cash equivalent	17,343,344	-	17,343,344	17,343,344
Loans and receivables	6,868,168	-	6,868,168	6,868,168
Trade receivables	7,013,359	-	7,013,359	7,013,359
Reinsurance assets (less prepaid reinsurance, IBNR & Reserves)	10,577,677	-	10,577,677	10,577,677
Other receivables (less prepayment)	2,660,565	-	2,660,565	2,660,565
Statutory deposit	-	500,000	500,000	500,000
	44,463,113	500,000	44,963,113	44,963,113

The financial assets listed above are short term in nature and are receivable within 12 months from the end of the reporting period and as such the carrying amount of these financial assets are deemed to be a reasonable approximation of its fair value.

The credit risk rating grades of these financial assets have been disclosed in note 4.3.1 of this financial statements.

## 2.2 Significant accounting policies

The group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

### (a) Consolidation

IFRS 10 defines the principle of control and establishes control as the basis for determining which entities are consolidated in the group financial statements.

The Group controls an investee entity when it is exposed, or has rights, to variable returns from its involvement with the investee entity and has the ability to affect those returns through its power over the investee entity. The Group applies the following three elements of control as set out by the principle of control in IFRS 10 when assessing control of an investee:

- (a) power over the investee entity;
- (b) exposure, or rights, to variable returns from involvement with the investee entity; and
- (c) the ability to use power over the investee to affect the amount of the investor's returns.

### (b) Consolidated entities

#### (i) Subsidiaries

Subsidiaries are all entities over which the group exercises control.

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases.

In the separate financial statements, investments in subsidiaries are measured at cost.

#### (ii) Transactions eliminated on consolidation

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.

Investment in subsidiaries in the separate financial statement of the parent entity is measured at cost less impairment.

#### (iii) Business combinations

The Group applies the acquisition method to account for Business Combinations and acquisition-related costs are expensed as incurred.

The consideration transferred in the acquisition is generally measured at fair value as are the identifiable net assets acquired.

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.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in compliance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

#### Business combination under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party of parties before and after the combination, and control is not transitory.

In the separate financial statements of the acquirer and the transferring entity, a business combination under control is accounted for using the exchange amount. In the consolidated financial statements of the acquirer, a business combination under common control is accounted for using book value accounting on the basis that the investment acquired has simply been moved from one part of the Group to another. The book value of the entity transferred is used. Any difference between the consideration paid and the capital of the acquiree is recognised in equity in the consolidated financial statements of the acquirer.

#### (iv) Non-controlling interests

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

#### (v) Changes in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity between retained earnings and Non-controlling interests. Gains or losses on disposals to non-controlling interests are also recorded in equity.

#### (vi) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. The Group derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity.

#### Business combination under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party of parties before and after the combination, and control is not transitory.

In the separate financial statements of the acquirer and the transferring entity, a business combination under control is accounted for using the exchange amount. In the consolidated financial statements of the acquirer, a business combination under common control is accounted for using book value accounting on the basis that the investment acquired has simply been moved from one part of the Group to another. The book value of the entity transferred is used. Any difference between the consideration paid and the capital of the acquiree is recognized in equity in the consolidated financial statements of the acquirer.

### (c) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Executive Management Committee to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Underwriting and Investment Committee (MUIC) that makes strategic decisions.

(d) **Foreign currency translation**

*(i) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in thousands of Naira (NGN) which is the Group's presentation currency.

*(ii) Transactions and balances*

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

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items (e.g. investment property) in a foreign currency that are measured at fair value are translated using the closing rate as at the date when the fair value was determined.

Foreign exchange gains and losses are presented in profit or loss within 'Net losses/gains on financial instruments'.

In the case of changes in the fair value of monetary assets denominated in foreign currency and classified as available-for-sale, a distinction is made between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. Translation differences on non-monetary financial assets and liabilities such as equities measured at fair value through profit and loss are recognised in profit or loss as part of net gain/loss on financial assets. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in other comprehensive income.

*(iii) Group companies*

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate on the reporting date;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

(e) **Financial assets**

**Recognition and measurement of financial assets**

The Group initially recognises loans and receivables on the date on which they are originated. Regular-way purchases and sales of financial assets are recognised on trade-date which is the date on which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value, plus transaction costs that are directly attributable to its acquisition or issue (for all financial assets not initially recognised at fair value through profit or loss). Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Loans and receivables and held-to-maturity financial assets are carried at amortised cost using the effective interest method.

Initial recognition of pledged assets is at fair value, whilst subsequent measurement is based on the classification and measurement of the financial asset in accordance with IAS 39.

Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in profit or loss in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss as net realised gains on financial assets.

Interest on available-for-sale securities calculated using the effective interest method is recognised in profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established. Both are included in the investment income line.

**Classification of financial assets**

Financial assets are classified into the following categories: held for trading, loans and receivables, held-to-maturity and available-for-sale. The classification by the Group is determined by management at initial recognition and depends on the intention for which the investments were acquired.

*(i) Financial assets at fair value through profit or loss*

**Held for trading**

A financial asset is classified into the held for trading category if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking.

**Financial assets designated at fair value through profit or loss upon initial recognition**

Other financial assets designated as at fair value through profit or loss at initial recognition are those that are:

- Separate assets held to match insurance and investment contracts liabilities that are linked to the changes in fair value of these assets. The designation of these assets to be at fair value through profit or loss eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; and
- Managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the Group's key management personnel. The Group's investment strategy is to invest in equity and debt securities and to evaluate them with reference to their fair values. Assets that are part of these portfolios are designated upon initial recognition at fair value through profit or loss.

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than:

- those that the Group intends to sell in the short term which are declassified as fair value through profit or loss and those that the group upon initial recognition designates as fair value through profit or loss.
- those that the Group upon initial recognition designates as Available for Sale
- those for which the holder may not recover substantially all of its initial loans and receivables other than because of credit risk. Loans and receivables include trade receivables, reinsurance assets and other receivables (financial assets).

**Trade receivables**

These are non-derivative financial assets with fixed determinable payments that are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method less impairment. Discounting is omitted where the effect of discounting is immaterial. Trade receivables are made up of premium receivables and coinsurance receivables.

- Premium receivables relate to receivables from agents, brokers and insurance companies in respect of premium income.

- Coinsurance recoverables relate to only claims recoverables from reinsurers for claims settled to policy holders on behalf of reinsurers based on agreed terms.

**Reinsurance assets**

The Company cedes businesses to reinsurers in the normal course of business for the purpose of limiting its net loss potential through the transfer of risks. Reinsurance arrangements do not relieve the Company from its direct obligations to its policyholders. Reinsurance assets are measured at amortised costs. Reinsurance assets relate to prepaid reinsurance, reinsurers' share of IBNR claims and claims recoverables.

**Other receivables**

Other receivables are made up of other amounts due from parties which are not directly linked to insurance or investment contracts. These are measured at amortised costs. Discounting is omitted where the effect of discounting is immaterial.

### **(iii) Held-to-maturity financial assets**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity, other than:

- those that the Group upon initial recognition designates as at fair value through profit or loss;
- those that the Group designates as available-for-sale; and
- those that meet the definition of loans and receivables.

Interest income on held-to-maturity investments are included in the consolidated profit or loss and are reported as interest income. In the case of an impairment, it is reported as a deduction from the carrying value of the investment and recognised in the consolidated profit or loss as 'Net gains/(losses) on financial assets'. Held-to-maturity investments are largely bonds.

### **(iv) Available-for-sale financial assets**

Available-for-sale investments are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices or that are not classified as loans and receivables, held-to-maturity investments or fair value through profit or loss.

#### **Determination of fair value of financial assets**

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on the market approach (transaction price paid for an identical or a similar instrument). This includes listed equity securities and quoted debt instruments on major exchanges.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. For example, a market is inactive when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, NIBOR yield curve, foreign exchange rates, volatilities and counterparty spreads) existing at the reporting date.

For more complex instruments the Group uses internally developed models which are usually based on valuation models and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted debt securities for which markets were or have become illiquid. Some of the inputs to these models may not be market observable and therefore estimated based on assumptions. The impact of financial instruments valuation reflecting non-market observable inputs (Level 3 valuations) is disclosed in the note to the financial statements.

#### **Reclassification of financial assets**

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Financial assets classified as held to maturity can be reclassified as available for sale assets. In making this reclassification, the entire portfolio becomes tainted and the group cannot designate any instrument as held to maturity for the next two years after a sale or reclassification. Fair values changes upon tainting of the HTM portfolio are recognised in Other Comprehensive income prospectively.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

#### **Impairment of financial assets**

##### **(a) Financial assets carried at amortised cost**

The Group assesses at each end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about the following events:

- Trade receivables are outstanding for more than 30 days
- Reinsurance recoverable outstanding more than 90 days
- Significant financial difficulty of the issuer or debtor;
- A breach of contract, such as a default or delinquency in payments;
- It becoming probable that the issuer or debtor will enter bankruptcy or other financial re-organisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the Group.

The Group first assesses whether objective evidence of impairment exists for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivables or held-to-maturity investments carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. If a held-to-maturity investment or a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under contract. The Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

When the financial asset at amortised cost is uncollectible, it is written off against the related allowance for impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to Investment securities are classified as net gains/loss of financial assets while those on receivables are classified as operating expenses.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

**(b) Assets classified as available for sale**

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. In this respect, a period of 12 months or longer is considered to be prolonged. If any such quantitative evidence exists for available-for-sale financial assets, the asset is considered for impairment, taking qualitative evidence into account. The cumulative loss measured as: the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the consolidated profit or loss. Impairment losses recognised in the consolidated profit or loss on equity instruments are not reversed through the consolidated profit or loss.

If in a subsequent period the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated profit or loss.

**6 Pledged assets**

Financial assets transferred to external parties that do not qualify for de-recognition are reclassified in the statement of financial position from financial assets (held-for-trading, held to maturity or available for sale) to pledged assets, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms. There were no pledged assets for the period under review.

**Derecognition of financial assets**

A financial asset is derecognised if either the entity has transferred contractual rights to receive cash flows from the asset or if the entity has retained the contractual rights to receive the cash flows from the asset but has assumed a contractual obligation to pass on the cash flows under an arrangement that meets the conditions stated below:

- the entity has no obligation to pay amounts to the eventual recipient unless it collects equivalent amounts on the original asset
- the entity is prohibited from selling or pledging the original asset other than as security to the eventual recipient
- the entity has an obligation to remit those cash flows without material delay

A financial liability shall be derecognised when the obligation specified in the contract is either discharged, cancelled or expired.

**Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(f) Investment property**

Property held for rental yields and capital appreciation that is not occupied by the companies in the Group is classified as investment property. Investment property comprises freehold land and building.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

Subsequently, it is carried at fair value, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets. These valuations are reviewed annually by an independent valuation expert.

Changes in fair values are recorded in profit or loss. Property located on land that is held under a lease is classified as investment property as long as it is held for long-term rental yields and is not occupied by the companies in the consolidated Group. The initial cost of the property shall be the fair value (where available). When not available the initial cost shall be used. The property is carried at fair value after initial recognition.

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.

Properties could have dual purposes whereby part of the property is used for own activities. The portion of a dual use property is classified as an investment property only if it could be sold or leased out separately under a finance lease or if the portion occupied by the owner is immaterial to the total lettable space. Currently, the group occupies less than 10% of the lettable space (264sqm out of 6,902sqm). The portion of the investment property occupied by the owner is considered immaterial to the total lettable space and to the value of the investment property.

**(g) Intangible assets**

Intangible assets represents cost associated with the acquisition of software and inherent goodwill on business combination.

**(i) Computer software**

Software acquired by the Group is measured at cost less accumulated amortization and any accumulated impairment losses.

Costs associated with maintaining computer software programmes are recognised as an expense when incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs, capitalised borrowing costs and an appropriate portion of directly attributable overheads. Internally developed software is stated at capitalized cost less accumulated amortization and any accumulated impairment losses.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates.

Computer software development costs recognised as assets are amortised over their useful lives, which does not exceed five years. The residual values and useful lives are reviewed at the end of each reporting period and are adjusted as appropriate.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their useful lives, and is generally recognised in profit or loss. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**(ii) Goodwill**

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash Generating Units (CGU)'s or groups of CGUs, that is expected to benefit from the synergies of the combination. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

**(iii) License fee**

The Group applies the cost model in recognising intangible assets acquired in a business combination. Licenses acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, they are carried at cost less accumulated amortisation and impairment losses. Licenses acquired in a business combination are amortised on a straight line basis over a period of 25 years.

**(h) Property and equipment**

Land and buildings comprise mainly outlets and offices occupied by the Group.

Land is carried at cost. All other property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment charges. Historical cost includes borrowing cost and all other expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on property and equipment is calculated using the straight-line method to allocate the cost less the residual values over the estimated useful lives as follows.

-Building	50 years
-Vehicles	5 years
-Branding, furniture and fittings and equipment	2-5 years
-Computer equipment	3 years

Leasehold improvements are depreciated over the lower of the useful life of the asset and the lease term.

The assets residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate.

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.

Property and equipment are derecognised at the disposal date or at the date when it is permanently withdrawn from use without the ability to be disposed of. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included within other income in the Statement of Comprehensive Income.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value of this item at the date of transfer is recognised in other comprehensive income as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon the disposal of such investment property any surplus previously recorded in equity is transferred to retained earnings net of associated tax; the transfer is not made through profit or loss.

**(i) Statutory deposit**

Statutory deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) in pursuant to Section 10(3) of the Insurance Act, 2003. Statutory deposit is measured at cost.

**(j) Insurance contracts**

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts where a party (the policy holder) transfers significant insurance risk to another party (insurer) and the latter agrees to compensate the policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder, or other beneficiary. Such contracts may also transfer financial risk when the insurer issues financial instruments with a discretionary participation feature.

**(1) Types of Insurance Contracts**

The group classifies insurance contract into life and non-life insurance contracts.

*(i) Non-life insurance contracts*

These contracts are accident and casualty and property insurance contracts.

Accident and casualty insurance contracts protect the Group's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the Group's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

Non-life insurance contracts protect the Group's customers from the consequences of events (such as death or disability) that would affect the ability of the customer or his/her dependents to maintain their current level of income. Guaranteed benefits paid on occurrence of the specified insurance event are either fixed or linked to the extent of the economic loss suffered by the policyholder. There are no maturity or surrender benefits.

*(ii) Life insurance contracts*

These contracts insure events associated with human life (for example, death). These are divided into the individual life, group life and Annuity contracts.

-Individual life contracts are usually long term insurance contracts and span over one year while the group life insurance contracts usually cover a period of 12 months. A liability for contractual benefits that are expected to be incurred in the future when the premiums are recognised. The liability is determined as the sum of the expected discounted value of the benefit payments and the future administration expenses that are directly related to the contract, less the expected discounted value of the theoretical premiums that would be required to meet the benefits and administration expenses based on the valuation assumptions used. The liability is based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued.

*-Annuity contracts*

These contracts insure customers from consequences of events that would affect the ability of the customers to maintain their current level of income. There are no maturity or surrender benefits. The annuity contracts are fixed annuity plans. Policy holders make a lump sum payment recognised as part of premium in the period when the payment was made. Constant and regular payments are made to annuitants based on terms and conditions agreed at the inception of the contract and throughout the life of the annuitants. The annuity funds are invested in long tailed government bonds and reasonable money markets instruments to meet up with the payment of monthly/quarterly annuity payments. The annuity funds liability is actuarially determined based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued.

**(2) Recognition and measurement**

*(i) Non-life insurance contracts premium and claims*

These contracts are accident, casualty and property insurance contracts. Accident and casualty insurance contracts protect the Group's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability). Property insurance contracts mainly compensate the Group's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities. Life insurance contracts protect the Group's customers from the consequences of events (such as death or disability) that would affect the ability of the customer or his/her dependents to maintain their current level of income. Guaranteed benefits paid on occurrence of the specified insurance event are either fixed or linked to the extent of the economic loss suffered by the insured. There are no maturity or surrender benefits.

For all these contracts, premiums are recognised as revenue (earned premiums) proportionally over the period of coverage.

The portion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as the unearned premium liability. Premiums are shown before deduction of commission.



Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claims settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. The Group does not discount its liabilities for unpaid claims. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

*(ii) Life insurance contracts premium and claims*

Premiums are recognised as revenue when they become payable by the contract holders. Premium are shown before deduction of commission. Life insurance premium are recognised as premium in the statement of comprehensive income.

Claims and other benefits are recorded as an expense when they are incurred.

*(iii) Annuity premium and claims*

Annuity premiums relate to single premium payments and recognised as earned premium income in the period in which payments are received. Claims are made to annuitants in the form of monthly/quarterly payments based on the terms of the annuity contract and charged to profit or loss as incurred. Premiums are recognised as revenue when they become payable by the contract holders. Premium are shown before deduction of commission.

*(iv) Salvages*

Some non-life insurance contracts permit the Group to sell (usually damaged) property acquired in the process of settling a claim. The Group may also have the right to pursue third parties for payment of some or all costs of damages to its clients property (i.e. subrogation right).

Salvage recoveries are used to reduce the claim expense when the claim is settled.

*(v) Subrogation*

Subrogation is the right for an insurer to pursue a third party that caused an insurance loss to the insured. This is done as a means of recovering the amount of the claim paid to the insured for the loss. A receivable for subrogation is recognised in other assets when the liability is settled and the Company has the right to receive future cash flow from the third party.

*(vi) Deferred policy acquisition costs (DAC)*

Acquisition costs comprise all direct and indirect costs arising from the writing of both life and non-life insurance contracts. Deferred acquisition costs represent a proportion of commission which are incurred during a financial period and are deferred to the extent that they are recoverable out of future revenue margins. For the non life business, it is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium; while no assets are established in respect of deferred acquisition cost for the life business.

*(vii) Deferred income*

Deferred income represent a proportion of commission received on reinsurance contracts which are booked during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the reinsurance commission income the ratio of prepaid reinsurance to reinsurance cost.

*(viii) Receivables and payables related to insurance contracts*

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance companies (as coinsurers) and reinsurance companies.

*-Receivables and payables to agents, brokers and insurance companies (as coinsurers)*

The company's receivables and payables to agents, brokers and insurance companies (as coinsurers) relate to premium and commission.

If there is objective evidence that the insurance receivable is impaired, the Group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the income statement. The Group gathers the objective evidence that an insurance receivable is impaired using the same methodology adopted for financial assets held at amortised cost. The impairment loss is calculated under the same method used for these financial assets.

*- Reinsurance and coinsurance contracts held*

Contracts entered into by the Group with reinsurers and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets.

Reinsurance assets consist of short-term balances due from reinsurers, as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The Group has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agreed arrangement between both parties.

The Group assesses its reinsurance assets for impairment on a quarterly basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the income statement. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated using the number of days that the receivable has been outstanding.

**(k) Investment contracts**

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Investment contracts can be classified into interest linked and unitised fund. Interest linked investment contracts are measured at amortised cost while unitised funds are measured at fair value.

Investment contracts with guaranteed returns (interest linked) and other business of a savings nature are recognised as liabilities. Interest accruing to the life assured from investment of the savings is recognised in profit and loss account in the year it is earned while interest paid and due to depositors is recognised as an expense. The net result of the deposit administration revenue account is transferred to the profit or loss of the group. Unitised funds contracts sell units under seven portfolios with the value of each unit determined by the value of the underlying assets for each portfolio.

**(l) Technical reserves**

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

**(i) 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.

*Reserves for outstanding claims*

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

*Reserves for unexpired risk*

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

**(ii) Life business**

*Life fund*

This is made up of net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation or as at reporting period end.

**Liability adequacy test**

At each end of the reporting period, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related 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 charged to 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".

**(m) Financial liabilities**

**(i) Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. The fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liabilities for at least 12 months after the date of the statement of financial position.

Borrowing costs are interest and other costs incurred by the Group directly attributable to the acquisition and construction of qualifying assets which are assets that necessarily take a substantial period of time to get ready for its intended use or sale.

Borrowing costs are capitalized as part of the cost of a qualifying asset only when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or net realizable value, the carrying amount is written down or written off. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

**(ii) Trade and other payables**

Trade and other payables 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. If the due date of the liability is less than one year discounting is omitted.

**(iii) Financial guarantee contracts**

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in compliance with the original or modified terms of a debt instrument.

Financial guarantee liabilities are initially recognised at their fair value, which is the premium received, and then amortised over the life of the financial guarantee. Subsequent to initial recognition, the financial guarantee liability is measured at the higher of the present value of any expected payment and the unamortised premium when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities in line with the requirements of IAS 39.

**(n) Provisions**

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**(o) Current and deferred income tax**

The tax expense for the period comprises current tax (company income tax, tertiary education tax, police trust fund) and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realisable or the deferred income tax liability is payable.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value remeasurement of available-for-sale investments, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the consolidated income statement together with the deferred gain or loss.

**(p) Equity and Reserves**

**(i) Share capital**

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any member of the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is reported as a separate component of equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

**(ii) Share premium**

Share premium represents surplus on the par value price of shares issued. The share premium is classified as an equity instrument in the statement of financial position.

**(iii) Fair value reserves**

Fair value reserves represents the fair value gains or losses on valuation of financial assets measured at fair value through equity.

**(iv) Treasury shares**

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury shares reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

(v) **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% 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.

(vi) **Statutory reserves**

In accordance with the provisions of Section 69 of the Pension Reform Act 2004, the statutory reserve is credited with an amount equivalent to 12.5% of net profit after tax or such other percentage of the net profit as the National Pension Commission may from time to time stipulate.

(vii) **Capital reserves**

This refers to reserves arising from business restructuring.

(viii) **Retained earnings**

Retained earnings comprise the undistributed profits from previous years, which have not been reclassified to the other reserves.

(ix) **Dividends**

Dividend on the Company's ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividend distribution to the Company's shareholders is recognised as equity in the financial statements in the period in which the dividend is paid to the Company's shareholders.

(q) **Earnings per share**

The Group presents basic and diluted 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 Company by the weighted average number of ordinary shares outstanding during the year excluding treasury shares held by the Company.

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 which comprise share options granted to staff.

(r) **Revenue recognition**

Revenue comprises premium, value for services rendered, net of value-added tax, after eliminating revenue within the Group. Revenue classes are recognised as follows:

(a) Premium income: for short duration life insurance contracts, premiums are recognised as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as the unearned premium liability. Premiums are shown before deduction of commission and are gross of any taxes or duties levied on premiums. Where insurance contracts have a single premium or a limited number of premium payments due over a significantly shorter period than the period during which benefits are provided, the excess of the premiums payable over the valuation premiums is deferred and recognised as income in line with the decrease of unexpired insurance risk of the contracts in force or, for annuities in force, in line with the decrease of the amount of future benefits expected to be paid.

(b) Rendering of services: Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered. Fees consist primarily of investment management fees arising from services rendered in conjunction with the issue and management of investment contracts where the Group actively manages the consideration received from its customers to fund a return that is based on the investment profile that the customer selected on origination of the instrument.

These services comprise the activity of trading financial assets and derivatives in order to reproduce the contractual returns that the Group's customers expect to receive from their investments. Such activities generate revenue that is recognised by reference to the stage of completion of the contractual services.

In all cases, these services comprise an indeterminate number of acts over the life of the individual contracts. For practical purposes, the Group recognises these fees on a straight-line basis over the estimated life of the contract. Certain upfront payments received for asset management services ('front-end fees') are deferred and amortised in proportion to the stage of completion of the service for which they were paid.

The Group charges its customers for asset management and other related services using the following different approaches:- Front-end fees are charged to the client on inception. This approach is used particularly for single premium contracts. The consideration received is deferred as a liability and recognised over the life of the contract on a straight-line basis; and Regular fees are charged to the customer periodically (monthly, quarterly or annually) either directly or by making a deduction from invested funds. Regular charges billed in advance are recognised on a straight-line basis over the billing period; fees charged at the end of the period are accrued as a receivable that is offset against the financial liability when charged to the customer.

(c) Dividend income: dividend income for available-for-sale equities is recognised when the right to receive payment is established, this is the ex-dividend date for equity securities. They are reported within other income.

(d) Net gains/(losses) on financial assets

Net realised gains/(losses) on financial assets comprises gains less losses related to trading and available-for-sale investment, and includes all realised and unrealised fair value changes and foreign exchange differences and realised gain or loss on available-for-sale investment.

(e) Net fair value gain on non financial assets

Net fair value gain on non financial assets at fair value represents fair value gains on the Group's non financial instruments such as investment property.

(s) **Changes in life fund estimates**

Actuarial valuation of the life fund is conducted annually to determine the net liabilities on the existing policies and the adequacy of the assets representing the insurance fund as at the date of valuation. All deficits arising therefrom are charged to profit or loss.

(t) **Investment income**

Interest income and expenses for all interest-bearing financial instruments including financial instruments measured at fair value through profit or loss, are recognised within investment income and finance cost respectively in the income statement using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

(u) **Operating expenditure**

(i) **Reinsurance expenses**

Reinsurance cost represents outward premium paid to reinsurance companies less the unexpired portion as at the end of the accounting year.

(ii) **Underwriting expenses**

Underwriting expenses comprise acquisition costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from the writing of insurance contracts. Examples of these costs include, but are not limited to, commission expense, supervisory levy, superintending fees and other technical expenses. Other underwriting expenses are those incurred in servicing existing policies/contract. These expenses are charged in the accounting year in which they are incurred.

**(iii) Other operating expenses**

Other expenses are expenses other than claims expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include wages for contract staff,

**(iv) Employee benefits**

*(a) Defined contribution plans*

The Group operates a defined contributory pension scheme for eligible employees. Employees and the Group contribute 7.5% and 10.5% respectively of each qualifying staff's salary in line with the provisions of the Pension Reform Act 2014. The Group pays contributions to pension fund administrators on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

*(b) Short-term benefits*

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are recognised as employee benefit expense and accrued when the associated services are rendered by the employees of the Group.

*(c) Share based payment*

*(i) Equity-settled share based payment*

The group operates an equity share-based compensation plans. The fair value of equity-settled share options is determined on the grant date and accounted for as staff costs over the vesting period of the share options, with a corresponding increase in equity. At the end of each reporting period, the group revisits its estimates of the number of options that are expected to vest based on the non market and service conditions. It recognises the impact of the revision to initial estimates, if any, in profit or loss with a corresponding adjustment to equity. On vesting of share options, amounts previously credited to the share-based payment reserve are transferred to retained earnings through an equity transfer. On exercise of equity-settled share options, proceeds received are credited to share capital and premium.

The grant date fair value of equity-settled share-based payments awarded to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related services and unobservable performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and unobservable performance conditions at the vesting date. For share-based payment awards with non vesting conditions, the grant date fair value of the share based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

*(ii) Cash-settled share based payment*

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognised in profit or loss.

*(d) Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring if benefits are not expected to be settled wholly within the 12 months of the reporting date, then they are discounted.

**(v) IFRIC 23: Uncertainty over income tax treatment**

The amendment clarifies how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires an entity to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
- If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings
- If no, the entity should reflect the effect of uncertainty in determining its accounting tax position.

The Group has adopted IFRIC 23 effective 1 January 2019.

**(vi) IFRS 15: Revenue from contracts with customers**

The standard contains a single model that applies to contracts with counter parties and two approaches to recognising revenue:

at a point in time or over time. The model features a contract based five-step analysis of transactions to determine whether how much and when revenue is recognised. The Group has adopted the following new standards and amendments including any consequential amendments to other standards with initial date of application of January 1, 2018. The adoption of IFRS 15 did not impact the timing or amount of fee and commission income from contracts with counter parties and the related assets and liabilities recognised by the Group.

**(vii) Leases**

*(a) Determining whether an arrangement contains a lease*

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

*(b) Leased assets*

Leases of property, plant and equipment that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset. Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

*(c) Lease payments*

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The Group leases some welcome centers and branches under the operating lease arrangement. The lease payments are recognised as an expense in profit or loss over the lease term. The Group has adopted IFRS 16 Leases from 1 January 2019. IFRS 16 introduced a single, on-balance sheet accounting model for leases. As a result, the Group, as a lessee has recognized the right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessors accounting remains similar to previous accounting policies. The major lease transaction wherein the Group is a lessee relates to the lease of branches. As permitted by the standard, the Group has applied IFRS 16 using the modified retrospective approach.

The Group has elected to apply the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to apply to those leases entered or modified before 1 January 2019. Under IFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The change in definition of a lease mainly relates to the concept of control. IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has the right to obtain substantially all of the economic benefits from

the use of an identified asset; and the right to direct the use of that asset. The Group has applied the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract). At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease component as a single component. Leases, under which the Group possess a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration is disclosed in the statement of financial position and recognized as a leased asset. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, it has both of the following: (a) the right to obtain substantially all of the economic benefits from use of the identified asset, and (b) the right to direct the use of the identified asset. The Group has elected not to recognize right-of-use assets and lease liabilities for some leases of low value assets. The Group recognizes expenses associated with these leases as an expense on straight line basis over the lease term. The Group presents right-of-use assets as a separate class under 'property and equipment'. The Group presents lease liability in other liabilities in the statement of financial position.

Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2020. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments - the Group applied this approach to all other leases.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. 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 subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized. The accounting policies applicable to the Group as a lessor are not different from those under IAS 17. The Group is not required to make any adjustments on transition to IFRS 16 for lease in which it acts as a lessor. The Group recognizes assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease. Initially, the Group will recognize a finance lease receivable at the amount equal to the net investment in the lease. Subsequently, finance income will be recognized at a constant rate on the net investment. During any 'payment free' period, this will result in the accrued finance income increasing the finance lease receivable. For finance leases, the lease payments included in the measurement of the net investment in a lease at commencement date includes variable lease payments that depend on an index or a rate; other variable payments (e.g. those linked to future performance or use of an underlying asset) are excluded from the measurement of the net investment and are instead recognized as income when they arise. The treatment adopted for variable lease payments under operating leases should be consistent with these requirements.

The consolidated financial data for the reporting segments for the period ended 30 September 2023 is as follows:

30 September 2023	Non life Business	Life business	Insurance	Investment management	Property development	Health Maintenance	Elimination Adjustments	Total
<b>ASSETS</b>								
Cash and cash equivalents	8,442,296	3,865,503	12,307,799	327,889	233,621	5,371,676	-	18,240,985
- Fair value through profit or loss	5,902,908	2,014,869	7,917,777	931,528	264,060	1,663,306	-	10,776,671
- Fair value through OCI	16,074,242	19,884,360	35,958,602	196,770	-	4,038,835	-	40,194,206
Financial assets designated at fair value	-	2,539,796	2,539,796	-	-	-	-	2,539,796
Insurance contract assets	1,258,345	464,559	1,722,904	-	-	7,701,008	-	9,423,914
Reinsurance contract assets	17,411,573	1,865,138	19,276,712	-	-	342,649	-	19,619,360
Other receivables	1,880,643	1,800,346	3,680,985	1,318,124	212,558	1,447,784	(1,411,043)	5,248,409
Loans and receivables	7,474,070	4,236,008	5,234,226	376,480	-	3,297,221	(4,693,893)	4,214,032
Investment properties	-	-	-	-	17,640,880	-	-	17,640,881
Investment in subsidiaries	1,252,000	400,000	1,652,000	-	-	4,400,000	(6,052,000)	(0)
Intangible assets	592,404	0.47	592,404	21,326	61	24,407	12,000	650,199
Property and equipment	2,988,012	403	2,988,415	44,652	94,732	284,572	-	3,412,370
Right of use	842,026	60,021	902,047	-	-	87,061	-	989,108
Statutory deposit	300,000	200,000	500,000	-	-	-	-	500,000
<b>TOTAL ASSETS</b>	<b>64,418,518</b>	<b>37,331,004</b>	<b>95,273,667</b>	<b>3,216,768</b>	<b>18,445,912</b>	<b>28,658,520</b>	<b>(12,144,936)</b>	<b>133,449,932</b>
<b>LIABILITIES</b>								
Insurance contract liabilities	35,161,572	15,634,381	50,795,952	-	-	20,024,132	-	70,820,084
Reinsurance contract liabilities	1,952,016	1,104,818	3,056,834	-	-	461	-	3,057,295
<i>Investment contract liabilities:</i>	-	-	-	-	-	-	-	-
- At amortised cost	-	3,359,858	3,359,858	-	-	-	-	3,359,858
- Liabilities designated at fair value	-	2,539,796	2,539,796	-	-	-	-	2,539,796
Other liabilities	3,919,875	6,513,773	3,957,796	1,226,504	211,120	2,159,951	(2,816,140)	4,739,234
Current income tax liabilities	378,707	365,749	744,456	120,334	126,034	271,624	-	1,262,448
Borrowings	-	-	-	-	6,972,635	-	(3,284,813)	3,687,823
Deferred tax liability	-	-	-	56,653	1,195,403	883,456	-	2,135,513
<b>TOTAL LIABILITIES</b>	<b>41,412,170</b>	<b>29,518,375</b>	<b>64,454,693</b>	<b>1,403,490</b>	<b>8,505,192</b>	<b>23,339,624</b>	<b>(6,100,953)</b>	<b>91,602,051</b>
<b>EQUITY</b>								
Share capital	10,000,000	8,000,000	18,000,000	150,000	5,152	700,000	(855,152)	18,000,000
Share premium	78,255	-	78,255	790,000	1,454,974	-	(2,244,974)	78,255
Contingency reserve	4,116,614	1,144,884	5,261,498	-	-	-	-	5,261,498
Treasury shares	(111,476)	-	(111,476)	-	-	-	-	(111,476)
Fair value reserves	(1,674,440)	(1,835,294)	(3,509,734)	10,779	-	(180,065)	-	(3,679,019)
Insurance finance reserve	131,877	104,503	236,380	-	-	3,115	-	239,496
Retained earnings	10,465,518	398,535	10,864,053	862,499	7,319,307	4,795,846	(6,186,642)	17,655,063
<b>SHAREHOLDERS' FUNDS</b>	<b>23,006,348</b>	<b>7,812,629</b>	<b>30,818,976</b>	<b>1,813,278</b>	<b>8,779,434</b>	<b>5,318,897</b>	<b>(9,286,768)</b>	<b>37,443,817</b>
Non-controlling interests in equity	-	-	-	-	1,161,286	-	3,242,780	4,404,064
<b>TOTAL EQUITY</b>	<b>23,006,348</b>	<b>7,812,629</b>	<b>30,818,976</b>	<b>1,813,278</b>	<b>9,940,719</b>	<b>5,318,897</b>	<b>-</b>	<b>41,847,881</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>64,418,518</b>	<b>37,331,004</b>	<b>95,273,667</b>	<b>3,216,768</b>	<b>18,445,912</b>	<b>28,658,520</b>	<b>-</b>	<b>133,449,932</b>

4 The consolidated financial data for the reporting segments for the period ended 30 September 2023 is as follows:

30 September 2023	Non life Business	Life business	Insurance	Investment management	Property development	Health Maintenance	Elimination Adjustments	Total
Insurance revenue	24,072,216	13,174,410	37,246,628	-	-	24,320,781	(270,425)	61,296,982
Insurance service Expenses	(7,420,880)	(9,713,876)	(17,134,756)	-	-	(21,588,366)	-	(38,723,120)
Net expenses from reinsurance contracts held	(13,315,391)	(278,587)	(13,593,980)	-	-	95,907	-	(13,498,070)
<b>Insurance service result</b>	<b>3,335,945</b>	<b>3,181,947</b>	<b>6,517,892</b>	<b>-</b>	<b>-</b>	<b>2,828,323</b>	<b>(270,425)</b>	<b>9,075,792</b>
Interest Income calculated using effective interest rate method	1,648,056	1,506,317	3,154,373	1,013,919	630,448	554,348	(584,901)	4,768,187
Net gain or loss on financial assets at fair value through profit or loss	6,704,427	116,524	6,820,952	187,164	761,529	2,820,285	-	10,589,929
Net credit impairment losses	(6,739)	-	(6,739)	(2,495)	-	-	-	(9,233)
Profit on investment contracts	-	632,354	632,354	-	-	-	-	632,355
<b>Net Investment income</b>	<b>8,345,744</b>	<b>2,255,195</b>	<b>10,600,940</b>	<b>1,198,588</b>	<b>1,391,977</b>	<b>3,374,633</b>	<b>(584,901)</b>	<b>15,981,238</b>
Other income	14,739	2,338	17,077	1,505	11,463	187,911	-	217,957
Finance income/(expense) from insurance contract issued	(387,362)	-	(387,362)	-	-	(51,236)	-	(438,598)
Finance income/(expense) from reinsurance contract held	253,048	-	253,048	-	-	(997)	-	252,050
Expenses for marketing and administration	(1,008,501)	(939,918)	(1,948,419)	(15,464)	-	(180,487)	-	(2,144,371)
Employee benefit expense	(737,906)	(1,578,983)	(2,316,890)	(341,621)	-	(1,289,034)	270,425	(3,677,120)
Other operating expenses	(2,064,501)	(1,330,852)	(3,395,353)	(334,404)	(59,014)	(598,292)	495,509	(3,891,557)
Results of operating activities	7,751,206	1,589,727	9,340,934	508,604	1,344,426	4,270,820	(89,392)	15,375,393
Finance cost	(160,120)	-	(160,120)	-	(188,750)	(17,418)	89,391	(276,897)
<b>Profit before tax</b>	<b>7,591,085</b>	<b>1,589,727</b>	<b>9,180,814</b>	<b>508,604</b>	<b>1,155,676</b>	<b>4,253,402</b>	<b>(1)</b>	<b>15,098,495</b>
Income tax expenses	(373,385)	(364,864)	(738,250)	(145,131)	(484,985)	(1,174,987)	-	(2,543,333)
<b>Profit for the year</b>	<b>7,217,700</b>	<b>1,224,863</b>	<b>8,442,564</b>	<b>363,473</b>	<b>670,691</b>	<b>3,078,415</b>	<b>(1)</b>	<b>12,555,162</b>
<b>Assets and liabilities</b>								<b>0</b>
Total assets	64,418,518	37,331,001	100,592,485	3,216,769	18,445,912	28,658,520	(18,620,793)	133,449,928
Total liabilities	(758,971,457)	27,750,313	(731,269,620)	1,403,491	8,505,190	23,382,063	(12,770,615)	(710,701,016)
<b>Net assets/(liabilities)</b>	<b>823,389,975</b>	<b>9,580,688</b>	<b>831,862,105</b>	<b>1,813,278</b>	<b>9,940,722</b>	<b>5,276,457</b>	<b>(5,850,178)</b>	<b>844,150,944</b>

(All amounts in thousands of Naira unless otherwise stated)

## 5 Cash and cash equivalents

	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
Cash at bank and in hand	15,317,710	9,446,508	9,088,688	11,662,018	7,713,896	6,612,288
Tenored deposits	2,923,275	4,023,369	8,254,656	645,781	3,393,768	7,614,724
	18,240,985	13,469,877	17,343,344	12,307,799	11,107,664	14,227,012

## 6 Investment securities

The Group's investment securities are summarized below by measurement category:

	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
Fair value through profit or loss (see note 6.1)	10,776,671	8,700,392	8,942,514	7,917,777	7,394,124	6,593,983
Fair value through other comprehensive income (see note 6.2)	40,194,208	34,764,986	29,818,546	35,958,602	33,932,595	27,924,118
Financial assets designated at fair value (see note 6.3)	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
	53,510,675	45,970,819	43,135,865	46,416,175	43,832,160	38,892,906

### 6.1 Fair value through profit or loss

Fair value through profit or loss instruments represent

	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
Equity securities (see table (a) below)	575,524	392,177	330,038	431,846	275,239	192,952
Investment funds	10,201,147	8,308,215	8,612,476	7,485,931	7,118,885	6,401,031
	10,776,671	8,700,392	8,942,514	7,917,777	7,394,124	6,593,983

#### (a) Movement in fair value through profit or loss assets

Group	at 1 January 2023	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 30 Sept, 2023
Equity securities (see table (a) below)	392,177	-	-	(7,487)	185,486	5,348	575,524
Investment funds	8,308,215	1,760,000	-	(746,971)	241,984	637,920	10,201,147
	<b>8,700,392</b>	<b>1,760,000</b>	-	<b>(754,458)</b>	<b>427,470</b>	<b>643,267</b>	<b>10,776,670</b>

Parent	at 1 January 2023	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 30 Sept, 2023
Equity securities (see table (a) below)	275,239	-	-	4,175	130,248	22,184	431,846
Investment funds	7,118,885	865,000	-	(860,628)	264,103	98,571	7,485,931
	<b>7,394,124</b>	<b>865,000</b>	-	<b>(856,453)</b>	<b>394,351</b>	<b>120,755</b>	<b>7,917,777</b>

#### 2022

Group	at 1 January 2022	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 31 Dec, 2022
Equity securities (see table (a) below)	330,191	135,157	(112,840)	21,966	17,703	-	392,177
Investment funds	8,612,476	5,925,631	(7,224,863)	859,247	(74,376)	210,100	8,308,215
	<b>8,942,667</b>	<b>6,060,788</b>	<b>(7,337,703)</b>	<b>881,213</b>	<b>(56,673)</b>	<b>210,100</b>	<b>8,700,392</b>

Parent	at 1 January 2022	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 31 Dec, 2022
Equity securities (see table (a) below)	192,953	149,773	(94,767)	17,963	9,319	-	275,240
Investment funds	6,401,030	2,630,343	(3,402,649)	717,279	32,542	740,339	7,118,884
	<b>6,593,983</b>	<b>2,780,116</b>	<b>(3,497,416)</b>	<b>735,242</b>	<b>41,860</b>	<b>740,339</b>	<b>7,394,124</b>

### 6.2 Fair Value through OCI

Fair Value Through OCI instruments represent

	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
Government & corporate bonds	33,262,572	28,651,121	27,410,265	29,227,000	27,818,730	25,665,283
Tenored deposits with maturity above 90 days	5,987,206	4,431,890	-	5,987,206	4,431,890	-
Treasury bills	944,429	1,681,975	2,408,281	744,396	1,681,975	2,258,835
	40,194,207	34,764,986	29,818,546	35,958,602	33,932,595	27,924,118

#### (a) Analysis of equity securities is shown below:

	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
Quoted securities	519,508	336,161	274,022	375,830	219,223	136,936
Unquoted securities						
Insurance Energy pool	36,466	36,466	36,466	36,466	36,466	36,466
Imperial Homes Limited	19,500	19,500	19,500	19,500	19,500	19,500
DML Nominees limited	50	50	50	50	50	50
	575,524	392,177	330,038	431,846	275,239	192,952

#### (c) Movement in FVTOCI

2023	at 1 January 2023	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 30 Sept, 2023
Group							
Government & corporate bonds	28,651,121	5,226,409	(1,752,485)	4,444,830	(3,670,305)	363,002	33,262,572
Tenored deposits with maturity above 90 days	4,431,890	4,773,310	-	(3,434,632)	-	216,638	5,987,206
Treasury bills	1,681,975	986,538	(1,758,817)	(1,764,656)	1,744,720	54,669	944,429



(All amounts in thousands of Naira unless otherwise stated)

	34,764,986	10,986,257	(3,511,302)	(754,458)	(1,925,585)	634,309	40,194,207
<b>Parent</b>	at 1 January 2023	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 30 Sept, 2023
Government & corporate bonds	27,818,730	1,318,866	(3,708,323)	4,342,836	(3,495,637)	2,950,529	29,227,000
Tenored deposits with maturity above 90 days	4,431,890	3,563,187	-	(3,434,632)	-	1,426,762	5,987,206
Treasury bills	1,681,975	788,001	-	(1,764,656)	(14,097)	53,174	744,396
	<b>33,932,595</b>	<b>5,670,053</b>	<b>(3,708,323)</b>	<b>(856,453)</b>	<b>(3,509,734)</b>	<b>4,430,464</b>	<b>35,958,602</b>

<b>2022</b>	at 1 January 2022	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 31 December, 2022
<b>Group</b>							
Government & corporate bonds	27,410,265	4,378,689	(2,575,435)	48,608	(2,385,084)	1,774,079	28,651,121
Tenored deposits with maturity above 90 days	-	4,404,914	-	-	-	26,977	4,431,891
Treasury bills	2,408,281	2,859,971	(1,964,524)	(28,497)	459,499	99,633	3,834,363
	<b>29,818,546</b>	<b>11,643,574</b>	<b>(4,539,959)</b>	<b>20,110</b>	<b>(1,925,585)</b>	<b>1,900,689</b>	<b>36,917,375</b>

<b>Parent</b>	at 1 January 2022	Additions	Disposal	IFRS 9 Restatement	Fair Value	Interest receivable	as at 31 December, 2022
Government & corporate bonds	25,665,282	4,092,750	(982,416)	48,608	(1,229,766)	1,104,997	28,699,455
Tenored deposits with maturity above 90 days	-	4,404,914	-	-	-	26,976	4,431,890
Treasury bills	2,258,835	792,484	(1,226,889.65)	(429,610)	187,521	99,635	1,681,975
	<b>27,924,117</b>	<b>9,290,148</b>	<b>(2,209,305)</b>	<b>(381,003)</b>	<b>(1,042,245)</b>	<b>1,231,608</b>	<b>34,813,320</b>

### 6.3 Financial assets designated at fair value

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
Investment contracts designated at fair value	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805

### 7 Insurance contract assets

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
Premium receivable (see 7.1 below)	9,111,729	7,473,044	5,955,650	1,410,721	135,344	138,745
Coinsurance receivable (see 7.2 below)	312,184	318,738	1,057,709	312,183	318,737	1,057,709
	9,423,913	7,791,782	7,013,359	1,722,904	454,081	1,196,454

All trade receivables fall due within one year.

#### 7.1 Premium receivables

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
7.1a Premium receivables	9,649,794	7,900,648	6,127,503	1,595,587	320,210	167,862
Less specific provision for impairment	(538,065)	(427,603)	(171,853)	(184,866)	(184,866)	(29,116)
	9,111,729	7,473,045	5,955,650	1,410,721	135,344	138,747

Analysis of premium receivables:

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
Life contracts insurance receivable	165,014	299	25,328	165,014	299	25,328
Non-life contracts insurance receivable	1,245,709	135,047	113,419	1,245,709	135,045	113,419
AXA Mansard Health (HMO) receivable	7,701,008	7,337,702	5,816,905	-	-	-
	9,111,729	7,473,045	5,955,650	1,410,721	135,344	138,747

Counter party categorization of insurance receivable:

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
Brokers and agents	1,595,587	320,210	167,862	1,595,587	320,210	167,862
Contract holders	8,054,207	7,580,438	5,959,641	-	-	-
Total insurance receivables	9,649,794	7,900,648	6,127,503	1,595,587	320,210	167,862
Less impairment of receivables:						
- Brokers and agents	(184,866)	(184,866)	(29,116)	(184,866)	(184,866)	(29,116)
- Contract holders	(353,199)	(242,737)	(142,737)	-	-	-
Total impairment	(538,065)	(427,603)	(171,853)	(184,866)	(184,866)	(29,116)
	9,111,729	7,473,045	5,955,650	1,410,721	135,344	138,747

The movement in impairment of insurance receivable is as follows:

#### 7.1b Impairment of premium receivable

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
Balance, beginning of the year	427,603	171,853	154,977	184,866	29,116	41,067
Additional impairment/(write back) during the year	110,462	255,750	16,876	-	155,750	(11,951)
Write off of premium receivables	-	-	-	-	-	-
Balance, end of year	538,065	427,603	171,853	184,866	184,866	29,116

#### 7.2 Co-insurance receivable

	Group Sept-2023	Group Dec 2022 Restated*	Group 1-Jan-2022 Restated*	Parent Sept-2023	Parent Dec 2022 Restated*	Parent 1-Jan-2022 Restated*
Co-insurers' share of outstanding claims	312,184	318,738	154,977	312,183	318,737	1,057,709
	312,184	318,738	1,057,709	312,183	318,737	1,057,709

(All amounts in thousands of Naira unless otherwise stated)

(a) The movement in co-insurance recoverable on claims paid	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan-2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan-2022 <i>Restated*</i>
Balance, beginning of the year	318,738	1,057,709	923,761	318,738	1,057,709	923,761
Additions in the year	530,326	55,340	418,346	530,326	55,340	418,346
Receipts during the year	(536,880)	(794,311)	(284,398)	(536,880)	(794,311)	(284,398)
	312,184	318,738	1,057,709	312,183	318,738	1,057,709
<b>8 Reinsurance contract assets</b>						
	Group Sept-2023	Group Dec 2022 <i>Restated*</i>	Group 1-Jan-2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec 2022 <i>Restated*</i>	Parent 1-Jan-2022 <i>Restated*</i>
<i>Ri share of liability on incurred claims</i>						
Total undiscounted reinsurers' share of outstanding claims (see note (a) below)	6,485,833	5,871,833	2,119,313	6,485,833	5,871,833	2,119,313
Undiscounted reinsurance share of Incurred But Not Reported (IBNR) claim	4,165,465	2,062,814	2,269,928	4,100,274	2,052,505	2,160,874
Undiscounted Ri share of LIC	10,651,298	7,934,647	4,389,241	10,586,107	7,924,338	4,280,187
Discount on Ri share of LIC	(303,346)	(468,422)	(276,691)	(301,416)	(467,432)	(272,331)
	10,347,952	7,466,225	4,112,550	10,284,691	7,456,906	4,007,855
Ri share of Risk adjustment on LIC	295,154	259,223	129,686	292,986	258,704	126,402
Prepaid re-insurance- Non life & health (see note (b) below)	6,701,139	2,648,782	5,103,009	6,552,412	2,560,292	5,038,597
Prepaid re-insurance- group life reserves (see note (c) below)	411,409	145,378	127,154	411,409	145,378	127,154
Reinsurance share of individual life reserves (see note (d) below)	33,923	33,923	43,155	33,923	33,923	43,155
Recoverables from reinsurers on claims paid (see note (f) below)	1,829,784	1,247,410	1,509,789	1,701,291	1,169,799	1,381,879
	19,619,361	11,800,941	11,025,344	19,276,712	11,625,002	10,725,042
(a) The movement in reinsurers' share of outstanding claims is as follows:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	5,871,833	1,502,091	5,871,833	5,871,833	1,502,091	5,871,833
Additions during the year	(1,510,977)	4,780,111	(1,519,688)	(1,519,688)	4,773,431	(1,519,688)
Foreign exchange impact	220,502	220,502	220,502	220,502	220,502	220,502
Receipts	1,904,474	(630,871)	1,913,185	1,913,185	(624,191)	1,692,683
	6,485,833	5,871,833	6,485,833	6,485,833	5,871,833	(1,006,354)
(a) The movement in reinsurers' share of outstanding claims is as follows:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	5,871,833	2,119,313	3,418,524	5,871,833	2,119,313	1,502,091
Movement during the year	613,999	3,752,520	(1,299,211)	613,999	3,752,520	617,222
	6,485,833	5,871,833	2,119,313	6,485,833	5,871,833	2,119,313
Reinsurance share of outstanding claims can be analysed as follows:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Non-life	6,329,253	5,666,684	2,033,096	6,329,253	5,666,684	2,033,096
Life	156,580	205,149	86,217	156,580	205,149	86,217
AXA Mansard Health (HMO)	-	-	-	-	-	-
Balance, end of year	6,485,833	5,871,833	2,119,313	6,485,833	5,871,833	2,119,313
(b) The movement in prepaid reinsurance - Non life & health is as follows:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	2,648,782	5,103,009	2,289,064	2,560,292	5,038,597	2,222,808
Movement during the year (see note 29)	4,052,357	(2,454,227)	2,813,945	3,992,120	(2,478,305)	2,815,789
	6,701,139	2,648,782	5,103,009	6,552,412	2,560,292	5,038,597
(c) The movement in prepaid re-insurance- group life reserves:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	145,378	127,154	127,480	145,378	127,154	127,481
Movement during the year (see note 29)	266,031	18,224	(326)	266,031	18,224	(327)
	411,409	145,378	127,154	411,409	145,378	127,154
(d) The movement in reinsurance share of individual life reserves:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	33,923	43,155	50,908	33,923	43,155	50,908
Movement during the year (see note 27)	-	(9,232)	(7,753)	-	(9,232)	(7,753)
	33,923	33,923	43,155	33,923	33,923	43,155
<i>Reinsurance Expense for the year:</i>	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Prepaid re-insurance at the beginning of the year (see note 8(a), (b) & (c) above)	2,828,084	5,273,319	2,467,453	2,739,593	5,208,906	2,401,197
Reinsurance cost (see note 29)	21,986,027	20,865,115	21,386,576	21,765,919	20,571,812	21,125,909
Total	24,814,111	26,138,434	23,854,029	24,505,512	25,780,718	23,527,106
Prepaid re-insurance at the end of the year (see note 8(a), (b) & (c) above)	(7,146,471)	(2,828,083)	(5,273,318)	(6,997,744)	(2,739,593)	(5,208,906)
Reinsurance expense for the year (see note 29)	17,667,640	23,310,351	18,580,711	17,507,768	23,041,125	18,318,200
(e) Reinsurance share of IBNR can be analysed as follows:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Non-life	3,700,243	1,727,087	1,957,428	3,700,243	1,727,087	1,957,428
Life	400,031	325,418	203,446	400,031	325,418	203,446
Health	65,191	10,309	109,054	-	-	-
Balance, end of year	4,165,465	2,062,814	2,269,928	4,100,274	2,052,505	2,160,874
The movement in reinsurance IBNR:	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	2,062,814	2,269,928	1,627,382	2,052,505	2,160,874	1,541,778
Movement during the year	2,102,651	(207,114)	642,546	2,047,769	(108,369)	619,096
	4,165,465	2,062,814	2,269,928	4,100,274	2,052,505	2,160,874
(f) The movement in recoverables from reinsurers on claims paid	Group Sept-2023	Group Dec 2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec 2022	Parent 1-Jan-2022
Balance, beginning of the year	1,247,410	1,509,789	902,728	1,169,799	1,381,879	882,203
Additions in the year	1,155,517	1,342,613	3,243,847	612,969	729,616	2,782,146
Receipts during the year	(573,143)	(1,604,992)	(2,636,786)	(81,477)	(941,696)	(2,282,470)
	1,829,784	1,247,410	1,509,789	1,701,291	1,169,799	1,381,879

(All amounts in thousands of Naira unless otherwise stated)

9 Other receivables	Group	Group	Group	Parent	Parent	Parent
	Sept-2023	Dec-2022 <i>Restated*</i>	1-Jan-2022 <i>Restated*</i>	Sept-2023	Dec-2022 <i>Restated*</i>	01-Jan-22 <i>Restated*</i>
Prepayment (see note (i) below)	1,895,725	1,451,167	988,150	1,020,421	746,791	522,838
Accrued income (see note (ii) below)	630,905	429,834	420,374	1,414,353	1,399,775	227,428
Lease receivables (see note (iv) below)	-	-	-	-	-	-
Other account receivables (see note (iii) below)	2,856,933	1,761,793	2,656,517	1,381,367	933,836	2,366,425
Gross	5,383,563	3,642,794	4,065,041	3,816,141	3,080,402	3,116,691
Less: Specific impairment of other receivables (see (a) below)	(135,155)	(135,155)	(135,155)	(135,155)	(135,155)	(135,155)
Net receivables	5,248,408	3,507,639	3,929,886	3,680,986	2,945,247	2,981,536

(i) Prepayment includes prepaid rents and prepaid expenses such as maintenance agreements. The average amortization period for these expenses is 24 months.

(ii) Accrued income relates to dividend income earned but not yet received as at year end.

(iii) Other account receivables relate to amounts due from various third parties and also includes cash advanced to staff in respect of various operating expenses.

(iv) Lease receivables represents receivables for the sublease of a building.

(a) The movement in provision for impairment of other receivables:

	Group	Group	Group	Parent	Parent	Parent
	Sept-2023	Dec-2022 <i>Restated*</i>	1-Jan-2022 <i>Restated*</i>	Sept-2023	Dec-2022 <i>Restated*</i>	01-Jan-22 <i>Restated*</i>
Balance, beginning of the year	135,155	137,525	137,525	135,155	135,155	137,525
Charge for the year	-	(2,370)	(2,370)	-	-	(2,370)
Balance end of year	135,155	135,155	135,155	135,155	135,155	135,155
Current	4,119,746	2,675,349	3,406,274	3,135,860	2,582,541	2,768,132
Non-current	1,263,817	967,445	658,767	680,281	497,861	348,559
	5,383,563	3,642,794	4,065,041	3,816,141	3,080,402	3,116,691

#### 9.1 Net credit impairment losses

	Group	Group	Parent	Parent
	Sept-2023	Sept-2022 <i>Restated*</i>	Sept-2023	Sept-2022 <i>Restated*</i>
Impairment loss on financial assets	(9,233)	(15,386)	(6,739)	(15,386)

#### 10 Loans and receivables

	Group	Group	Group	Parent	Parent	Parent
	Sept-2023	Dec-2022 <i>Restated*</i>	1-Jan-2022 <i>Restated*</i>	Sept-2023	Dec-2022 <i>Restated*</i>	1-Jan-2022 <i>Restated*</i>
Loans and advances to related party	4,117,259	3,254,656	1,388,631	5,148,705	4,036,258	2,425,274
Other loans (see (b) below)	-	-	-	-	-	-
Staff loans and advances	96,773	519,329	266,454	85,521	193,325	241,445
Gross	4,214,032	3,773,985	1,655,085	5,234,226	4,229,583	2,666,719
Less:						
Specific impairment of Other loans (see note (c) below)	-	-	-	-	-	-
Specific impairment of staff loans and advances (see note (e) below)	-	-	-	-	-	-
Gross	-	-	-	-	-	-
Net loans and receivables	4,214,032	3,773,985	1,655,345	5,234,226	4,229,583	2,666,719

(All amounts in thousands of Naira unless otherwise stated)

### 11 Investment properties

	Group Sept-2023	Group Dec-2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Landed property	-	-	-	-	-	-
Office property (Office building located at Bishop Aboyade Cole Street, VI - Lago	17,640,881	14,009,209	14,560,934	-	-	-
Cost incurred on purchase of APD by health	-	-	-	-	-	-
<b>Balance, end of year</b>	<b>17,640,881</b>	<b>14,009,209</b>	<b>14,560,934</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current</b>	<b>17,640,881</b>	<b>14,009,209</b>	<b>14,560,934</b>	<b>-</b>	<b>-</b>	<b>-</b>
	17,640,881	14,009,209	14,560,934	-	-	-

The movement in investment property is analysed as follows:

	Group Sept-2023	Group Dec-2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	14,009,208	14,560,934	13,694,760	-	-	-
Investment property disposed during the year	-	-	-	-	-	-
Foreign exchange gain/(loss)	3,631,672	(430,305)	826,193	-	-	-
Change in fair value	-	-	39,981	-	-	-
<b>Investment property at fair value</b>	<b>17,640,880</b>	<b>14,009,208</b>	<b>14,560,934</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 12 Investment in subsidiaries

(a) The Company's investment in subsidiaries is as stated below:

	Parent Sept-2023	Parent Dec-2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
AXA Mansard Investments Limited	940,000	940,000	940,000
APD Limited	-	-	-
AXA Mansard Health Limited	712,000	712,000	712,000
	1,652,000	1,652,000	1,652,000

The interest in APD Limited is currently held indirectly through AXA Mansard Health Limited

(b) *Principal subsidiary undertakings:*

The Group is controlled by AXA Mansard

<i>Company name</i>	<i>Nature of business</i>	<i>Nature of business</i>	<i>Country of origin</i>	<i>Country of origin</i>
AXA Mansard Investments Limited	Asset management services	Asset management services	Nigeria	Nigeria
APD Limited	Property development	Property development	Nigeria	Nigeria
AXA Mansard Health Limited	Health Maintenance Organisation	Health Maintenance Organisation	Nigeria	Nigeria

1 AXA Mansard Investments Limited was incorporated in January 2008 and its principal activity involves provision of portfolio management services to both individual and corporate clients.

2 AXA Mansard Health Limited was incorporated as a private limited liability company on the 7th of August 2003 and its principal activity is to manage the provision of health care services through health care providers and for that purpose was accredited with the National Health Insurance Scheme.

APD Limited was incorporated on 2 September 2010 for the purpose of holding and developing a commercial office property located at Plot 928A/B, Bishop Aboyade Cole Street, Victoria Island, Lagos to an ultra modern office structure. It is held indirectly through AXA Mansard Health Ltd

The movement in investment in subsidiaries during the year as follows:

	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	1,652,000	1,652,000	1,652,000
Additions, during the year	-	-	-
Disposal, during the year	-	-	-
<b>Balance, end of year</b>	<b>1,652,000</b>	<b>1,652,000</b>	<b>1,652,000</b>

(c) The table below summarises the information relating to the Group's subsidiaries that have material Non-Controlling Interest (NCI) before any intra-group eliminations.

(i) *APD Limited*

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022
NCI percentage	44.3%	44.3%	44.3%
Cash and cash equivalents	233,621	276,965	844,532
Other receivables	212,558	27,815	82,346
Available-for-sale assets	264,060	471,858	78,784
Investment properties	17,640,880	14,009,208	14,560,934
Property and equipment	94,732	69,084	55,009
Intangible assets	61	140	245
Borrowings	(6,972,635)	(4,131,074)	(4,193,835)
Other liabilities	(1,532,555)	(1,453,965)	(1,674,309)
<b>Net assets</b>	<b>9,940,722</b>	<b>9,270,031</b>	<b>9,753,706</b>
<b>Carrying amount of NCI</b>	<b>1,161,285</b>	<b>4,106,623</b>	<b>4,320,891</b>
	Sept-2023	Dec-2022 <i>Restated*</i>	1-Jan- 2022 <i>Restated*</i>
Income	1,403,440	(47,753)	1,933,016
Expenses	(247,764)	137,923	2,081,234
Profit before tax	1,155,676	(185,676)	(148,218)
<b>Profit after tax</b>	<b>670,691</b>	<b>(483,674)</b>	<b>1,287,373</b>
<b>Profit allocated to NCI (44.3%)</b>	<b>297,116</b>	<b>(213,942)</b>	<b>570,306</b>

(All amounts in thousands of Naira unless otherwise stated)

**Significant restrictions and impairment**

Other than the equitable mortgage on the Company's investment property (office building) which was used to secure the borrowing from RMB, the Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities besides those resulting from the regulatory frameworks within which the insurance business operates.

The regulatory frameworks require all insurance companies to maintain certain levels of regulatory capital and liquid assets and comply with other ratios such as the solvency margin.

**13 Intangible assets**

Analysis of intangible assets:

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Computer software acquired (see note (a) below)	638,199	433,595	388,647	592,404	391,201	354,896
License fee (see note (b) below)	-	-	-	-	-	-
Goodwill	12,000	12,000	12,000	-	-	-
<b>Total</b>	<b>650,199</b>	<b>445,595</b>	<b>400,647</b>	<b>592,404</b>	<b>391,201</b>	<b>354,896</b>

(a) **Group**

<b>2023</b>	<b>Computer software</b>	<b>Licenses</b>	<b>Goodwill</b>	<b>Total</b>
<b>Cost:</b>				
Balance, beginning of year	1,137,742	-	12,000	1,149,742
Additions	298,141	-	-	298,141
Disposal (AMPL)	-	-	-	-
<b>Balance, end of year</b>	<b>1,435,883</b>	<b>-</b>	<b>12,000</b>	<b>1,447,883</b>
<b>Amortization:</b>				
Balance, beginning of year	704,148	-	-	704,148
Amortisation charge	93,536	-	-	93,536
Disposal (AMPL)	-	-	-	-
<b>Balance, end of year</b>	<b>797,684</b>	<b>-</b>	<b>-</b>	<b>797,684</b>
<b>Closing net book value</b>	<b>638,199</b>	<b>-</b>	<b>12,000</b>	<b>650,199</b>

<b>2022</b>	<b>Computer software</b>	<b>Licenses</b>	<b>Goodwill</b>	<b>Total</b>
<b>Cost:</b>				
Balance, beginning of year	988,605	-	12,000	1,000,605
Additions	149,137	-	-	149,137
Disposal	-	-	-	-
<b>Balance, end of year</b>	<b>1,137,742</b>	<b>-</b>	<b>12,000</b>	<b>1,149,742</b>
<b>Amortization:</b>				
Balance, beginning of year	599,958	-	-	599,958
Amortisation charge	104,190	-	-	104,190
<b>Accumulated amortization on disposed assets</b>				
Balance, end of year	704,148	-	-	704,148
<b>Closing net book value</b>	<b>433,594</b>	<b>-</b>	<b>12,000</b>	<b>445,595</b>

<b>Parent</b>	<b>Parent Sept-2023</b>	<b>Parent Dec-2022</b>	<b>Parent 1-Jan-2022</b>
<b>Cost:</b>			
<b>Balance, beginning of year</b>	1,002,581	876,123	716,988
Additions	285,152	126,458	159,134
Intangible assets written off	-	-	-
<b>Balance, end of year</b>	<b>1,287,733</b>	<b>1,002,581</b>	<b>876,122</b>
<b>Amortization:</b>			
<b>Balance, beginning of year</b>	611,380	521,227	411,545
Amortisation charge	83,949	90,153	109,681
Accumulated amortization on intangible asset written off	-	-	-
<b>Balance, end of year</b>	<b>695,329</b>	<b>611,380</b>	<b>521,226</b>
<b>Closing net book value</b>	<b>592,404</b>	<b>391,201</b>	<b>354,896</b>

(All amounts in thousands of Naira unless otherwise stated)

#### 14 Right of Use

	Group Sep-23	Group Dec-2022	Group 1-Jan- 2022	Parent Sep-23	Parent Dec-2022	Parent 1-Jan- 2022
As at January	783,504	797,757	898,841	672,176	654,074	722,803
Additions	427,373	165,871	143,463	427,373	165,871	143,463
Depreciation	(221,769)	(180,124)	(244,547)	(197,503)	(147,768)	(212,192)
Balance	989,108	783,504	797,757	902,047	672,176	654,074

#### 15 Statutory deposit

This represents amounts deposited with the Central Bank of Nigeria (CBN) pursuant to Section 10(3) of the Insurance Act, 2003. This amount is not available for the day-to-day use in the working capital of the Company and so it is excluded from cash and cash equivalents. Interest earned on statutory deposits are included in interest income.

#### 16 Insurance contract liabilities

	Group Sep-23	Group Dec-2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sep-23	Parent Dec-2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
<i>Liability on incurred claims</i>						
- Undiscounted Outstanding claims (see note 17.1a)	11,859,430	12,114,633	7,237,054	10,779,932	10,938,500	5,431,070
- Undiscounted Claims incurred but not reported (see note 17.1b)	14,239,253	8,370,213	6,547,943	8,879,728	5,724,919	5,350,846
- Discount on LIC	(1,671,120)	(1,448,308)	(902,553)	(1,459,692)	(1,393,597)	(866,489)
	<b>24,427,563</b>	<b>19,036,538</b>	<b>12,882,444</b>	<b>18,199,968</b>	<b>15,269,822</b>	<b>9,915,427</b>
<i>Liability for remaining coverage</i>						
- Unearned premium (see note 17.2)	26,431,739	16,432,838	16,898,268	12,441,112	6,244,298	8,567,621
- Deferred acquisition cost	(1,334,595)	(862,218)	(752,954)	(948,159)	(514,011)	(620,749)
	<b>25,097,144</b>	<b>15,570,620</b>	<b>16,145,314</b>	<b>11,492,953</b>	<b>5,730,287</b>	<b>7,946,872</b>
Risk adjustment on LIC	746,742	646,693	393,246	548,823	522,664	305,958
OCI Stock - Insurance	(213,696)	(149,001)	(107,250)	(193,777)	(146,258)	(94,265)
Trade payables (insurance contracts)	11,655,779	12,166,304	11,159,876	11,641,430	12,160,945	10,807,777
- Individual life reserve (see note 17.3)	7,268,655	5,913,993	4,090,082	7,268,655	5,913,993	4,090,082
- Annuity reserves (see note 17.4)	1,837,899	1,984,932	2,155,094	1,837,899	1,984,932	2,155,094
<b>Total insurance contract liabilities, gross</b>	<b>70,820,087</b>	<b>55,170,079</b>	<b>46,718,805</b>	<b>50,795,951</b>	<b>41,436,385</b>	<b>35,126,945</b>
Reinsurance receivables:						
Reinsurers' share of outstanding claims	6,477,641	5,662,634	1,972,308	6,477,403	5,663,105	1,973,384
Prepaid re-insurance- Non life & health	6,701,139	2,648,782	5,103,009	6,552,412	2,560,292	5,038,597
Reinsurance share of group life reserves	411,409	145,378	127,154	411,409	145,378	127,154
Reinsurance share of individual life reserves	33,923	33,923	43,155	33,923	33,923	43,155
Reinsurance share of Incurred But Not Reported (IBNR) claims	4,165,465	2,062,814	2,269,928	4,100,274	2,052,505	2,160,874
Recoverables from reinsurers on claims paid	1,829,784	1,247,410	1,509,789	1,701,291	1,169,799	1,381,879
Total reinsurers' share of insurance liabilities	19,619,361	11,800,941	11,025,344	19,276,712	11,625,002	10,725,042
Net insurance liability	51,200,726	43,378,767	35,653,707	31,519,239	29,748,913	24,350,238
Current	50,125,870	34,294,304	28,171,463	29,696,220	20,356,908	16,850,719
Non-current	20,694,217	20,875,775	18,547,342	21,099,730	21,079,477	18,276,226

#### 17 Reinsurance contract liabilities

	Group Sep-23	Group Dec-2022 <i>Restated*</i>	Group 1-Jan- 2022 <i>Restated*</i>	Parent Sep-23	Parent Dec-2022 <i>Restated*</i>	Parent 1-Jan- 2022 <i>Restated*</i>
Default risk	45,462	75,479	36,202	45,427	75,444	36,110
OCI Stock - Reinsurance	30,896	36,020	50,070	30,470	35,917	48,522
Payables to reinsurers	2,980,937	1,582,356	478,315	2,980,937	1,582,356	478,315
	<b>3,057,295</b>	<b>1,693,854</b>	<b>564,587</b>	<b>3,056,834</b>	<b>1,693,717</b>	<b>562,947</b>

(All amounts in thousands of Naira unless otherwise stated)

**17.1a – Outstanding claims**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Non-Life	7,064,574	8,216,284	4,501,433	7,064,574	8,216,284	4,501,433
Group life	578,788	2,019,752	466,620	578,788	2,019,752	466,620
Health	1,079,498	1,176,133	1,805,983	-	-	-
	8,722,860	11,412,169	6,774,036	7,643,362	10,236,036	4,968,053
	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	11,412,169	6,774,036	5,188,167	10,236,036	4,968,053	5,127,268
Additional claims expense during the year	8,992,682	25,382,039	21,788,126	(8,721,947)	3,340,126	3,342,414
Claims paid during year	(11,384,209)	(20,446,124)	(19,904,475)	6,427,055	2,225,639	(3,203,847)
Foreign exchange impact of dollar denominated claims	(297,782)	(297,782)	(297,782)	(297,782)	(297,782)	463,017
Balance, end of year	8,722,860	11,412,169	6,774,036	7,643,362	10,236,036	4,968,053

**17.1b – Claims incurred but not reported**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Non life business	7,094,427	3,769,580	3,843,842	7,094,427	3,769,580	3,843,842
Group life	1,785,301	1,955,339	1,507,004	1,785,301	1,955,339	1,507,004
Health	5,359,525	2,645,294	1,197,097	-	-	-
	14,239,253	8,370,213	6,547,943	8,879,728	5,724,919	5,350,846

**17.2 Unearned premium**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Non life business	10,489,232	5,370,766	7,603,459	10,489,232	5,370,766	7,603,459
Group life	1,951,880	873,532	964,162	1,951,880	873,532	964,162
Health	13,990,627	10,188,539	8,330,648	-	-	-
	26,431,739	16,432,837	16,898,269	12,441,112	6,244,298	8,567,621
Current	24,027,187	14,028,286	14,493,716	10,036,560	3,839,747	6,163,068
Non-current	2,404,552	2,404,552	2,404,552	2,404,552	2,404,552	2,404,552

The movement in unearned premium during the year is as follows:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	16,432,837	16,898,269	12,423,308	6,244,298	5,567,621	5,076,216
Movement during the year	9,998,902	(465,432)	4,474,961	6,196,814	(2,323,323)	3,491,405
Balance, end of year	26,431,739	16,432,837	16,898,269	12,441,112	6,244,298	8,567,621

**17.3 Individual life reserves can be analysed as follows:**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Individual life	7,268,655	5,913,993	4,090,082	7,268,655	5,913,993	4,090,082
	7,268,655	5,913,993	4,090,082	7,268,655	5,913,993	4,090,082

Movement in individual life reserves:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	5,913,993	4,090,082	2,509,447	5,913,993	4,090,082	2,509,447
Changes in individual life reserves	1,354,662	1,823,911	1,580,635	1,354,662	1,823,911	1,580,635
Balance, end of year	7,268,655	5,913,993	4,090,082	7,268,655	5,913,993	4,090,082

**17.4 Annuity reserves can be analysed as follows:**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Annuity	1,837,899	1,984,932	2,155,094	1,837,899	1,984,932	2,155,094
	1,837,899	1,984,932	2,155,094	1,837,899	1,984,932	2,155,094

Movement in Annuity reserves:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	1,984,932	2,155,094	3,054,196	1,984,932	2,155,094	3,054,196
Annuity premium written during the year	-	-	-	-	-	-
Annuity payout during the year	(210,972)	(288,393)	(293,383)	(210,972)	(288,393)	(293,383)
Accretion to/(release from) annuity fund	63,939	118,231	(605,719)	63,939	118,231	(605,719)
Balance, end of year	1,837,899	1,984,932	2,155,094	1,837,899	1,984,932	2,155,094

The accretion to/ (release from) annuity fund resulted from the changes in interest rates and reserves for new businesses.

(All amounts in thousands of Naira unless otherwise stated)

### 17.5 Investment contract liabilities

The movement in deposit administration during the year can be divided into interest-linked and unitized fund. The analysis of investment contract liabilities during the year are as follows:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
<i>Investment Contract Liabilities - At amortised cost:</i>						
- Guaranteed investment (interest-linked)	2,896,936	3,512,487	5,646,114	2,896,936	3,512,487	5,646,114
- Bonus Life investible (interest-linked)	462,922	698,714	1,222,054	462,922	698,714	1,222,054
	3,359,858	4,211,201	6,868,168	3,359,858	4,211,201	6,868,168
<i>Investment Contract Liabilities - Liabilities designated at fair value:</i>						
- Unitized funds	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
	5,899,654	6,716,642	11,242,973	5,899,654	6,716,642	11,242,973

(All amounts in thousands of Naira unless otherwise stated)

Movements in amounts payable under investment contracts liabilities during the year are as shown below. The liabilities are shown inclusive of interest accumulated to 30 September 2023. The movement in interest-linked funds during the year was as follows:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	4,211,201	6,868,167	5,153,518	4,211,159	6,868,168	5,153,518
Contributions	462,922	410,886	1,222,054	462,922	410,886	1,222,054
Withdrawal	(2,080,807)	(3,211,476)	(450,986)	(2,080,807)	(3,211,476)	(450,986)
Interest accrued during the year	766,584	143,581	943,581	766,584	143,581	943,581
Balance, end of year	3,359,858	4,211,201	6,868,167	3,359,858	4,211,159	6,868,167
Current	766,584	1,758,893	1,901,726	766,584	1,758,893	1,901,726
Non-current	2,593,274	2,452,308	4,966,441	2,593,274	2,452,308	4,966,441
	3,359,858	4,211,201	6,868,167	3,359,858	4,211,159	6,868,167

The N3.36 billion (2022: N4.21 billion) for Parent and Group refer to the Guaranteed investment (interest-linked) and Bonus life investible (interest linked) contracts shown in note 18. These are the financial liabilities presented at amortised cost in the Group financial statements (the fair value of the financial liabilities being equal to the amortised cost at the reporting date).

### 17.7 The movement in unitised funds during the year was as follows:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	2,505,441	4,374,805	4,485,249	2,505,441	4,374,805	4,485,249
Contributions	34,355	-	-	34,355	-	-
Reclassification to registered funds (see note (a) below)	-	-	-	-	-	-
Withdrawals	-	(1,869,364)	(110,444)	-	(1,869,364)	(110,444)
Balance, end of year	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
Current	2,539,796	2,505,441	4,374,805	2,539,796	2,505,441	4,374,805
Total Investment Contract Liabilities	5,899,654	6,716,642	11,242,973	5,899,654	6,716,642	11,242,973



## Notes to the financial statements

(All amounts in thousands of Naira unless otherwise stated)

Balance, 30 September 2023

### 18 Property and equipment

(a)

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
<b>Cost</b>								
Balance, 1 January 2023	389,664	657,165	1,522,278	1,896,201	821,859	1,587,204	167,153	7,041,524
Additions	-	-	378,015	355,333	155,406	163,551	224,681	1,276,987
Disposals	-	-	(5,000)	-	(15,590)	(12,888)	-	(33,478)
Balance, 30 September 2023	389,664	657,165	1,895,293	2,251,534	961,676	1,737,867	391,834	8,285,033

### Accumulated depreciation

Balance, 1 January 2023	-	125,188	878,216	1,360,336	534,779	1,144,000	-	4,042,519
Charge for the period	-	10,953	264,348	327,985	104,145	176,401	-	883,833
Disposals	-	-	(34,648)	(1,270)	(6,640)	(11,130)	-	(53,689)
Balance, 30 September 2023	-	136,141	1,107,916	1,687,050	632,285	1,309,270	-	4,872,663

### Net book value

Balance, 1 January 2023	389,664	531,977	644,062	535,865	287,080	443,204	167,153	2,999,005
Balance, 30 September 2023	389,664	521,023	787,377	564,484	329,391	428,596	391,834	3,412,371

### Parent

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
<b>Cost</b>								
Balance, 1 January 2023	389,664	657,165	1,333,177	1,813,013	562,983	1,456,274	167,153	6,379,429
Additions	-	-	196,551	223,010	78,273	58,781	224,681	781,296
Disposals	-	-	(5,000)	-	-	-	-	(5,000)
Balance, 30 September 2023	389,664	657,165	1,524,728	2,036,023	641,256	1,515,055	391,834	7,155,725

### Accumulated depreciation

Balance, 1 January 2023	-	125,188	798,421	1,306,072	390,889	1,041,399	-	3,661,969
Charge for the period	-	10,953	119,925	233,348	39,899	106,226	-	510,351
Disposals	-	-	(5,000)	-	-	-	-	(5,000)
Balance, 30 September 2023	-	136,141	913,346	1,539,420	430,788	1,147,625	-	4,167,320

### Net book value

Balance, 1 January 2023	389,664	531,977	534,756	506,941	172,094	414,875	167,153	2,717,460
Balance, 30 September 2023	389,664	521,024	611,382	496,603	210,468	367,430	391,834	2,988,415

## Notes to the financial statements

(All amounts in thousands of Naira unless otherwise stated)

Balance, 31st December 2022

### 18 Property and equipment

#### (b) Group

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
<b>Cost</b>								
Balance, 1 January 2022	389,664	657,165	1,462,305	1,535,783	635,789	1,574,592	100,686	6,355,984
Additions	-	-	287,732	465,027	166,412	208,496	66,467	1,194,134
Disposals	-	-	(160,340)	(3,608)	(4,067)	(16,095)	-	(184,110)
Balance, 31 December 2022	389,664	657,165	1,589,697	1,997,202	798,134	1,766,993	167,153	7,366,008
<b>Accumulated depreciation</b>								
Balance, 1 January 2022	-	109,852	771,078	1,116,872	461,307	1,094,416	-	3,553,525
Charge for the period	-	14,240	271,845	315,467	85,549	159,277	-	846,378
Disposals	-	-	(86,483)	(3,608)	(4,067)	(39,301)	-	(133,459)
Balance, 31 December 2022	-	124,092	956,440	1,428,731	542,789	1,214,392	-	4,266,444
<b>Net book value</b>								
Balance, 1 January 2022	389,664	547,313	691,227	418,911	174,482	480,176	100,686	2,802,459
Balance, 31 December 2022	389,664	533,073	633,257	568,471	255,345	552,601	167,153	3,099,565
<b>Parent</b>								
	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
<b>Cost</b>								
Balance, 1 January 2022	389,664	657,165	1,179,516	1,394,453	454,312	1,303,907	100,686	5,479,703
Additions	-	-	264,907	422,168	112,738	168,462	66,467	1,034,742
Disposals	-	-	(111,246)	(3,608)	(4,067)	(16,095)	-	(135,016)
Balance, 31 December 2022	389,664	657,165	1,333,177	1,813,013	562,983	1,456,274	167,153	6,379,429
<b>Accumulated depreciation</b>								
Balance, 1 January 2022	-	110,949	659,349	1,037,989	345,015	922,036	-	3,075,338
Charge for the period	-	14,239	210,555	271,691	49,941	135,458	-	681,885
Disposals	-	-	(71,483)	(3,608)	(4,067)	(16,095)	-	(95,254)
Balance, 31 December 2022	-	125,188	798,421	1,306,072	390,889	1,041,399	-	3,661,969
<b>Net book value</b>								
Balance, 1 January 2022	389,664	546,216	520,167	356,464	109,297	381,871	100,686	2,404,365
Balance, 31 December 2022	389,664	531,977	534,756	506,941	172,094	414,875	167,153	2,717,465

(All amounts in thousands of Naira unless otherwise stated)

#### 19 Other liabilities

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Deferred income	933,485	801,267	931,062	603,964	272,689	295,895
Due to investment brokers	-	-	-	-	-	-
Creditors and accruals	2,285,515	1,659,041	2,504,646	1,909,361	1,421,149	1,905,456
Unclaimed dividend	98,263	98,011	74,551	98,263	98,011	74,551
Cash settled share based payment liability	266,571	194,773	114,248	266,571	194,773	114,248
Lease Liability	1,155,398	851,786	888,858	1,079,638	753,924	751,381
	4,739,232	3,604,878	4,513,365	3,957,797	2,740,545	3,141,531
Current	2,596,677	1,926,130	2,815,000	2,110,682	90,896	2,004,088
Non-current	2,142,556	1,678,748	1,698,072	1,847,115	2,649,649	1,137,443

(i) Amounts classified as Creditors includes intercompany payables, transaction taxes and stale cheques while accruals represent provisions made for expenses incurred but yet to be paid for.

#### 20 Current income tax liabilities

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Balance, beginning of year	1,129,928	1,962,020	1,648,795	674,215	645,958	125,911
Current year charge						
- Property & Casualty	373,385	327,859	329,339	373,385	327,859	329,339
- Life & Savings	364,864	229,171	294,517	364,864	229,171	294,517
- AXA Mansard Investments Limited	102,378	112,235	49,573	-	-	-
- AXA Mansard Health Limited	289,606	134,994	941,074	-	-	-
- APD Limited	129,009	214,805	315,089	-	-	-
Payments during the year	(870,767)	(1,644,122)	(1,438,807)	(552,386)	(484,942)	(49,426)
WHT credit notes utilised during the year	(246,273)	(207,034)	(177,560)	(115,623)	(43,831)	(54,383)
Balance, end of year	1,262,447	1,129,928	1,962,020	744,456	674,215	645,958

#### 21 Borrowings

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Bank borrowings	3,665,187	2,161,791	2,435,870	-	-	-
Loan note	22,636	19,087	18,273	-	-	-
<b>Total borrowings</b>	<b>3,687,823</b>	<b>2,180,878</b>	<b>2,454,143</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 22 Deferred income tax

##### (a) Liabilities

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Balance, beginning of year	855,631	932,573	818,666	-	-	-
Charge in income statement for the year	1,279,882	(76,942)	113,907	-	-	-
Tax charge/(reversals) relating to components of other comprehensive income	-	-	-	-	-	-
Balance, end of year	2,135,513	855,631	932,573	-	-	-

#### 23 Share capital:

Share capital comprises:

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
(a) <b>Authorized:</b>						
9,000,000,000 Ordinary shares of N2 each	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000

##### (b) Issued and fully paid

9,000,000,000 Ordinary shares of N2 each	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
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Movement in issued and fully paid shares

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Balance, beginning of year	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
Additional shares during the year	-	-	-	-	-	-
Balance, end of year	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000

##### (i) Non-Life Business

Share capital comprises:

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
5,000,000,000 Ordinary shares of N2 each	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000

##### (ii) Life Business

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
4,000,000,000 Ordinary shares of N2 each	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

#### 24.1 Share premium

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Share Premium	78,255	78,255	78,255	78,255	78,255	78,255

#### 24.2 Contingency reserves

In compliance with Section 21 (1) of Insurance Act 2003, the contingency reserve for non-life insurance business is credited with the greater of 3% of total premiums, or 20% of the profits. This shall accumulate until it reaches an amount equal to the greater of minimum paid-up capital or 50 percent of net premium. While for life business, the contingency reserves is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reaches the amount of minimum paid up capital.

In 2020, the contingency reserve for non-life business reached 50% of net premiums of 2020.

The movement in this account during the year is as follows:

	Group Sept-2023	Group Dec-2022	Group 1-Jan-2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan-2022
Balance, beginning of year	5,118,869	4,816,716	4,345,125	5,118,869	4,816,716	4,345,125
Transfer from retained earnings	142,528	302,153	471,591	142,528	302,153	471,591
Balance, end of year	5,261,397	5,118,869	4,816,716	5,261,397	5,118,869	4,816,716

(All amounts in thousands of Naira unless otherwise stated)

**Analysis per business segment**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Non-life business	4,116,614	4,116,614	3,970,257	4,116,614	4,116,614	3,970,257
Life business	1,144,783	1,002,255	846,459	1,144,783	1,002,255	846,459
Balance, end of year	5,261,397	5,118,869	4,816,716	5,261,397	5,118,869	4,816,716
(i) <b>Non-Life Business</b>	(0)	(0)	-	(0)	(0)	-

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	4,116,614	3,970,257	3,591,032	4,116,614	3,970,257	3,591,032
Transfer from retained earnings	-	146,357	379,225	-	146,357	379,225
Balance, end of year	4,116,614	4,116,614	3,970,257	4,116,614	4,116,614	3,970,257

(ii) **Life Business**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	1,002,357	846,459	754,093	1,002,357	846,459	754,093
Transfer from retained earnings	142,528	155,898	117,567	142,528	155,898	117,567
Balance, end of year	1,144,885	1,002,357	871,660	1,144,885	1,002,357	871,660

**24.3 Treasury shares**

Treasury shares represent the 111,476,000 (2022: 111,476,000 at 50k per share) N2 ordinary shares held by the Company under the AXA Mansard Share Option Plan (MSOP).

Treasury shares' balances as at September 2023 are as analysed below:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Balance, beginning of year	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)
Value of vested portion of treasury shares	-	-	-	-	-	-
Balance, end of year	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)

**24.4 Fair value reserves**

Fair value reserves includes the net accumulated change in the fair value of available for sale asset until the investment is derecognized or impaired.

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
At beginning of year	(1,753,434)	Restated* (391,274)	Restated* 5,264,806	(1,601,768)	Restated* (441,570)	Restated* 5,032,542
IFRS 9 transition adjustment	-	(754,458)	1,325,498	-	(856,453)	1,373,237
Changes in available-for-sale financial assets (net of taxes)	(1,925,585)	(607,703)	(6,981,578)	(1,907,966)	(303,746)	(6,847,350)
Balance, end of year	(3,679,019)	(1,753,435)	(391,274)	(3,509,734)	(1,601,769)	(441,571)

Changes in the valuation of AFS financial assets during the year are as analysed below:

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
At beginning of year	(1,753,434)	Restated* (391,274)	Restated* 5,264,806	(1,601,768)	Restated* (441,570)	Restated* 5,032,542
IFRS 9 transition adjustment	-	(754,458)	1,325,498	-	(856,453)	1,373,237
Net unrealised changes in fair value of AFS assets	(1,925,585)	(607,703)	(6,123,192)	(1,934,542)	(252,341)	(5,869,660)
Realised (losses)/gains transferred to income statement	-	-	-	26,576	(51,405)	(70,286)
Disposal (AMPL)	-	-	(858,386)	-	-	(907,404)
Balance, end of year	(3,679,019)	(1,753,434)	(391,274)	(3,509,734)	(1,601,768)	(441,570)

**24.5 Impairment reversal/charges on FVTOCI**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Impairment reversal/charges on FVTOCI	9,233	Restated* 15,386	6,739	Restated* 15,386
Balance as at September 30, 2023	9,233	15,386	6,739	15,386

**24.6 Insurance finance reserve**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022	Parent Sept-2023	Parent Dec-2022	Parent 1-Jan- 2022
Movements in insurance finance reserve:		Restated*	Restated*		Restated*	Restated*
At the beginning of the year	112,982	57,180	-	110,340	45,743	-
Net change in OCI stock	75,655	55,802	57,180	58,804	64,597	45,743
Insurance finance reserve	188,637	112,982	57,180	169,145	110,340	45,743
Discount effect on LIC - PY	68,878	-	-	84,852	-	-
Discount effect on Ri share of LIC - PY	(18,019)	-	-	(17,616)	-	-
	239,495	112,982	57,180	236,380	110,340	-

**24.7 Retained earnings**

The retained earnings represent distributable earnings of the Company. See statement of changes in equity for movement in retained earnings.

**25 Non-controlling interests in equity**

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022
Opening balance	4,106,949	4,320,891	3,750,585
Business combination (NCI interest at acquisition date)	-	-	-
Transfer from the profit or loss account	297,116	(213,942)	570,306
Disposal of subsidiary with NCI	-	-	-
Balance as at year end	4,404,066	4,106,949	4,320,891

Non controlling interest represents 44.3% of the equity holding of the

**APD Limited**

Non controlling interest (44.3%)

	Group Sept-2023	Group Dec-2022	Group 1-Jan- 2022
Opening balance	2,008,389	2,222,331	1,631,551
Transfer from the profit or loss account	297,116	(213,942)	570,306
Balance as at year end	2,305,505	2,008,389	2,201,857

(All amounts in thousands of Naira unless otherwise stated)

## 26 Contingencies and commitments

### (a) Litigations and claims

The Group is presently involved in twelve (11) legal proceedings (2022: eleven (11)). These court cases arose in the normal course of business. In the directors' opinion, after taking appropriate legal advice from our in-house legal counsel (Mrs. Omowunmi Mabel Adewusi - FRC/2013/NBA/00000000967), the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided for in the outstanding claims balance at 30 September 2023.

## 27 Insurance revenue

<i>Contracts measured using the premium allocation approach (PAA)</i>	Group	Group	Parent	Parent
	Sept-2023	Sept-2022	Sept-2023	Sept-2022
Gross written premium	71,290,117	57,892,596	43,443,442	35,446,826
<b>Revenue earned during the period</b>				
Non-life	29,190,681	23,563,582	29,190,681	23,563,582
Life (Group life and individual life)	14,252,760	11,883,245	14,252,760	11,883,245
Annuity	-	-	-	-
AXA Mansard Health (HMO)	27,846,675	22,445,770	-	-
<b>Provision for unearned premium</b>				
Non life	(5,118,465)	(732,308)	(5,118,465)	(732,308)
Group life	(1,078,348)	(927,150)	(1,078,347)	(927,149)
AXA Mansard Health (HMO)	(3,796,320)	(3,758,845)	-	-
<b>Revenue earned during the period</b>	<b>61,296,981</b>	<b>52,474,294</b>	<b>37,246,627</b>	<b>33,787,370</b>

## 28 Insurance Service Expenses

<i>Contracts measured using the premium allocation approach (PAA)</i>	Group	Group	Parent	Parent
	Sept-2023	Sept-2022	Sept-2023	Sept-2022
Claims paid during the year (see note (a) below)	29,477,110	Restated* 22,369,718	11,665,846	Restated* 6,152,242
<i>Changes in Liability on incurred claims</i>				
Movement in undiscounted LIC	3,177,945	2,861,707	562,135	2,232,372
Discount effect on LIC - CY	(592,533)	(261,264)	(368,606)	(230,663)
	2,585,412	2,600,443	193,529	2,001,709
<b>Total discounted gross claims expense</b>	<b>32,062,522</b>	<b>24,970,161</b>	<b>11,859,375</b>	<b>8,153,951</b>
Changes in risk adjustments	100,049	21,071	26,159	7,487
<b>Underwriting expenses</b>				
Acquisition cost	4,612,608	3,580,779	3,301,279	2,835,174
Maintenance cost	740,312	608,138	740,312	608,138
	5,352,920	4,188,917	4,041,591	3,443,312
Changes in individual life reserves	1,354,662	1,985,185	1,354,662	1,985,185
Changes in annuity reserves	(147,032)	(149,599)	(147,032)	(149,599)
<b>Insurance Service Expenses</b>	<b>38,723,121</b>	<b>31,015,735</b>	<b>17,134,755</b>	<b>13,440,336</b>

## 29 Net expenses from reinsurance contracts held

<i>Contracts measured using the premium allocation approach (PAA)</i>	Group	Group	Parent	Parent
	Sept-2023	Sept-2022	Sept-2023	Sept-2022
<i>Re-insurance cost</i>				
-Non life	20,375,525	16,701,377	20,375,525	16,701,377
-Life	1,390,394	1,567,495	1,390,394	1,567,495
-AXA Mansard Health (HMO)	220,108	220,761	-	-
<i>Changes in prepaid re-insurance</i>				
-Non life	(3,992,120)	(280,078)	(3,992,120)	(280,078)
-Group life	(266,031)	(393,688)	(266,031)	(384,456)
-Individual life	-	-	-	(9,232)
-AXA Mansard Health (HMO)	(60,237)	(15,497)	-	-
Re-insurance expenses	17,667,639	17,800,370	17,507,768	17,595,106
<i>Changes in Ri share of Liability on incurred claims</i>				
Movement in Ri share of undiscounted LIC	(1,051,324)	(279,226)	(945,560)	(328,235)
Discount effect on Ri share of LIC - CY	40,715	243,693	39,398	114,178
	(1,010,609)	(35,533)	(906,162)	(214,057)
Recovered from re-insurers	(1,155,517)	(712,560)	(1,006,354)	(628,354)
Fees and commission income	(1,966,992)	(1,922,812)	(1,966,992)	(1,922,812)
Changes in Ri share of risk adjustment	(36,450)	10,868	(34,281)	6,782
<b>Net expenses from reinsurance contracts held</b>	<b>13,498,071</b>	<b>15,140,333</b>	<b>13,593,978</b>	<b>14,836,666</b>

(All amounts in thousands of Naira unless otherwise stated)

**a Fee and commission income on insurance contracts**

Fee income represents commission received on direct business and

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Fees and commission income	1,966,992	1,922,812	1,966,992	1,922,812

**b Claims:**

<i>Claims expenses</i>	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Claims paid during the year (see note (a) below)	29,477,110	22,369,718	11,665,846	6,152,242
Movement in outstanding claims	(2,691,095)	(668,450)	(2,592,674)	(358,890)
Claims incurred	26,786,015	21,701,268	9,073,172	5,793,352
Outstanding claims- IBNR	5,869,040	3,530,157	3,154,809	2,591,262
Total claims and loss adjustment expense	32,655,055	25,231,425	12,227,981	8,384,614
Recoverable on IBNR	(2,102,651)	(936,606)	(2,047,769)	(1,023,991)
Reinsurance share of outstanding claims	1,051,327	657,380	1,102,209	695,756
Recovered from re-insurers	(1,155,517)	(712,560)	(1,006,354)	(628,354)
Total claims expenses recovered from reinsurers	(2,206,841)	(991,786)	(1,951,914)	(956,589)
Net claims and loss adjustment expense	30,448,214	24,239,639	10,276,067	7,428,025

**(i) Claims paid during the year can be analysed as follows:**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Non life	2,616,895	2,450,028	2,616,895	2,450,028
Group life	3,069,909	1,405,476	3,069,909	1,405,476
Individual life	5,765,069	2,084,476	5,765,069	2,084,476
Annuity	213,973	212,262	213,973	212,262
HMO	17,811,264	16,217,476	-	-
	29,477,110	22,369,718	11,665,846	6,152,242

**(ii) Movement in outstanding claims during the year are as follows:**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Non life	(1,151,709)	(450,022)	(1,151,709)	(450,022)
Group life	(1,440,964)	91,132	(1,440,964)	91,132
HMO	(98,422)	(309,560)	-	-
	(2,691,095)	(668,450)	(2,592,673)	(358,890)

**Underwriting expenses:**

Underwriting expenses can be sub-divided into commission expenses and

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Acquisition cost	4,612,608	3,580,779	3,301,279	2,835,174
Maintenance cost	740,312	608,138	740,312	608,138
	5,352,920	4,188,917	4,041,591	3,443,312

Analysis of acquisition cost is as shown below:

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Acquisition cost paid during the year	4,140,231	3,263,680	2,867,131	2,816,087
Movement in deferred acquisition cost	472,377	317,099	434,148	19,087
Increase and decrease in life fund	-	-	-	-
	4,612,608	3,580,779	3,301,279	2,835,174

Acquisition cost is further analysed into the life and non life business as stated below

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Non life	2,361,151	1,812,581	2,361,151	1,812,581
Life	940,128	1,022,593	940,128	1,022,593
Health	1,311,329	745,605	-	-
	4,612,608	3,580,779	3,301,279	2,835,174

**Impairment charge/(writeback) on premium receivables**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Write back on premium receivables (see note 7.1b)	-	-	-	-
Impairment charge of premium receivables	110,462	-	-	-
	110,462	-	-	-

**30 Interest Income calculated using effective interest rate method**

Investment income comprises the following:

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Dividend income	658,230	834,431	413,083	2,863,856
Interest income on investment securities	2,345,514	2,063,371	2,054,198	1,888,780
Interest income on cash and cash equivalents	702,044	375,273	687,092	373,449
Rental income	595,797	693,273	-	-
Asset management fees (see note (a) below)	466,607	299,306	-	-
Interest income from related parties	-	-	-	-
	4,768,192	4,265,654	3,154,373	5,126,085

(a) The asset management fees represent the net of gross management fees earned by the Group after eliminating the asset management fees expenses charged by AXA Mansard Investments Limited on other members of the AXA Mansard Group.

**31 Net gain or loss on financial assets at fair value through profit or loss**

a)

	Group Sept-2023	Group Sept-2022 <i>Restated*</i>	Parent Sept-2023	Parent Sept-2022 <i>Restated*</i>
Gains on financial assets	75,688	43,823	28,238	(54,216)
Gain on Investment Property	-	-	-	-
Foreign exchange gain	10,119,890	28,942	6,398,362	(11,997)
Fair value through Profit or Loss (FVTPL)	394,351	(444,946)	394,351	(466,129)
	10,589,929	(372,181)	6,820,951	(532,342)
Fair value gain on investment property	-	-	-	-
	10,589,929	(372,181)	6,820,951	(532,342)

**32 Profit on investment contracts**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Interest income	865,529	433,681	865,529	433,681
Gains/(losses) from sale of investments	2,086	(2,232)	2,086	(2,232)
<b>Total interest income</b>	867,615	431,449	867,615	431,449
<b>Expenses</b>				
Guaranteed interest	(198,061)	(177,803)	(198,061)	(177,803)
Other expenses	(37,199)	(27,205)	(37,200)	(27,205)
<b>Net profit</b>	632,355	226,441	632,354	226,441

**33 Other income**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Profit/loss from sale of property and equipment	9,191	5,236	9,179	5,071
Sundry income	208,766	67,029	7,898	9,496
<b>Total</b>	217,957	72,265	17,077	14,567

**34 Expenses for marketing and administration**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Marketing and administrative expenses	1,598,156	884,762	1,402,205	993,211
Direct selling cost	546,214	354,372	546,214	354,372
	2,144,370	1,239,134	1,948,419	1,347,583

**35 Employee benefit expense**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Wages and salaries	2,724,724	2,633,049	1,326,438	1,323,485
Other employee costs	249,868	128,821	380,705	75,025
Pension costs – defined contribution plans	79,117	77,558	59,746	58,026
Performance-based expenses	473,411	355,832	400,000	318,775
Equity and Cash settled share-based payments	150,000	-	150,000	-
	3,677,120	3,195,260	2,316,889	1,775,311

**36 Other operating expenses**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Depreciation and amortisation charges	706,805	643,134	589,294	533,384
Depreciation on right of use	221,768	157,277	197,503	133,310
Professional fees	217,407	154,216	139,234	90,182
Directors' emolument and expenses	52,972	55,610	31,340	34,418
Contract services cost	1,326,877	1,028,190	1,103,708	859,632
Auditor's remuneration	39,459	29,261	32,041	23,929
Bank charges	89,028	60,209	65,075	44,055
Stamp duty charge on bank transactions	602	1,419	602	1,417
Insurance related expenses	257,165	280,483	245,433	267,949
Training expenses	147,125	124,582	115,205	98,793
Asset management fees expense	-	-	230,429	208,118
Information technology expenses	681,481	355,437	597,918	302,912
Other expenses	40,405	163,659	47,569	217,313
	3,781,094	3,053,477	3,395,351	2,815,412

**37 Finance cost**

Interest expense represents finance cost recognized on APD Limited's loans and interest on lease liability during the year under review.

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Interest expense	276,897	178,717	160,120	97,361
	276,897	178,717	160,120	97,361

**38 Income tax expense**

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
<i>Company income tax</i>				
- Non life	373,386	202,045	373,386	202,045
- Life	364,864	202,492	364,864	202,492
- AXA Mansard Investments Limited	102,379	76,773	-	-
- APD Limited	129,009	182,610	-	-
- AXA Mansard Health Limited	289,606	443,969	-	-
- AXA Mansard Pensions Limited	-	-	-	-
<i>Education tax</i>				
- General	-	-	-	-
- AXA Mansard Health Limited	-	12,781	-	-
- AXA Mansard Investments limited	-	2,688	-	-
<i>Capital gains tax</i>				
- General	-	-	-	-
- Life	-	-	-	-
<i>Additional prior period tax</i>				
-General	-	-	-	-
- Life	-	-	-	-
- AXA Mansard Pensions Limited	-	-	-	-
WHT credit utilised during the year	-	-	-	-
	1,259,244	1,123,358	738,250	404,537
<i>Deferred tax</i>				
- Non life	-	-	-	-
- Life	-	-	-	-
- AXA Mansard Investments limited	42,752	(2,386)	-	-
- APD Limited	355,976	10,011	-	-
- AXA Mansard Health Limited	885,363	15,914	-	-
- AXA Mansard Pensions Limited	-	-	-	-
	1,284,091	23,539	-	-
Total tax charge for the year	2,543,335	1,146,897	738,250	404,537



39 Insurance finance expenses from insurance contracts issued (OCI)	Group	Group	Parent	Parent
	Sept-2023	Sept-2022 <i>Restated*</i>	Sept-2023	Sept-2022 <i>Restated*</i>
Net finance expense from insurance contracts issued (OCI)	133,572	270,313	132,372	297,493
	<u>133,572</u>	<u>270,313</u>	<u>132,372</u>	<u>297,493</u>

40 Insurance finance income from reinsurance contracts held (OCI)	Group	Group	Parent	Parent
	Sept-2023	Sept-2022 <i>Restated*</i>	Sept-2023	Sept-2022 <i>Restated*</i>
Net finance expense from reinsurance contracts held (OCI)	(12,896)	(125,384)	(12,169)	(124,578)
	<u>(12,896)</u>	<u>(153,098)</u>	<u>(12,169)</u>	<u>(247,487)</u>

41 Finance income/(expense) from insurance contract issued	Group	Group	Parent	Parent
	Sept-2023	Sept-2022 <i>Restated*</i>	Sept-2023	Sept-2022 <i>Restated*</i>
Unwinding discount effect on LIC - PY	(438,598)	(78,869)	(387,362)	(229,328)
	<u>(438,598)</u>	<u>(78,869)</u>	<u>(387,362)</u>	<u>(229,328)</u>

42 Finance income/(expense) from reinsurance contract held	Group	Group	Parent	Parent
	Sept-2023	Sept-2022 <i>Restated*</i>	Sept-2023	Sept-2022 <i>Restated*</i>
<i>30 September 2023</i>				
Change in Default risk	30,017	1,295	30,017	1,295
Unwinding discount effect on Ri share of LIC - PY	222,034	(105,534)	223,031	(56,046)
	<u>252,050</u>	<u>(104,239)</u>	<u>253,048</u>	<u>(54,751)</u>

#### 43 Earnings per share

##### (a) Earnings per share - Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

	Group Sept-2023	Group Sept-2022 <i>Restated*</i>	Parent Sept-2023	Parent Sept-2022 <i>Restated*</i>
Profit attributable to equity holders	12,258,046	1,511,287	8,442,566	3,802,700
Weighted average number of ordinary shares in issue (thousands) (see note (a) (i) below)	9,000,000	9,000,000	9,000,000	9,000,000
Basic earnings per share (kobo per share)	136	17	94	42
(i) <b>Weighted average number of ordinary shares (basic)</b>				
			Parent Sept-2023	Parent Sept-2022
Issued ordinary shares at 1 January			35,392,179	35,392,179
Effect of ordinary shares issued during the year			-	-
Effect of treasury shares held			(111,476)	(111,476)
Weighted effect of increase in nominal value of shares during the year			(26,280,703)	(26,280,703)
Weighted-average number of ordinary shares at 30 September			9,000,000	9,000,000

##### (b) Earnings per share- Diluted

The calculation of diluted earnings per share has been based on the profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

	Group Sept-2023	Group Sept-2022	Parent Sept-2023	Parent Sept-2022
Profit attributable to equity holders	12,258,046	1,511,287	8,442,566	3,802,700
Weighted average number of ordinary shares in issue (thousands) (see note (b) (i) below)	9,000,000	8,888,524	9,000,000	8,888,524
Diluted earnings per share (kobo per share)	136	17	94	43
(i) <b>Average number of ordinary shares (diluted)</b>				
			Group Sept-2023	Group Sept-2022
Issued ordinary shares at 1 January			35,392,179	35,392,179
Effect of treasury shares held			(607,821)	(111,476)
Weighted effect of bonus issue on shares in issue			(25,784,359)	(26,280,703)
Weighted-average number of ordinary shares at 30 September			9,000,000	9,000,000

#### 44 Disclosure: Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) AXA Mansard Insurance Plc maintains effective 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 is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement.

AXA MANSARD INSURANCE PLC  
APPENDIX 1 (SUMMARISED REVENUE ACCOUNTS (NON LIFE BUSINESS))

for the period ended 30 September, 2023

	FIRE =N=000	GENERAL ACCIDENT =N=000	MOTOR =N=000	MARINE =N=000	ENGINEERING =N=000	OIL & ENERGY =N=000	AVIATION =N=000	September 2023 =N=000	September 2022 =N=000
<b>REVENUE</b>									
Gross written premium	5,758,893	2,400,671	3,047,566	657,185	697,519	15,889,139	595,525	29,046,513	23,540,007
Add Reinsurance Inward Premium	41,296	4,303	7,452	17,316	3,960	69,511	330	144,168	23,575
	5,800,189	2,404,974	3,055,018	674,501	701,479	15,958,650	595,855	29,190,681	23,563,582
Less Unexpired Risks Provision	(993,692)	(367,094)	(541,480)	(151,973)	(5,895)	(2,995,690)	(62,642)	(5,118,466)	(732,308)
<b>Gross Premium Earned</b>	<b>4,806,497</b>	<b>2,037,880</b>	<b>2,513,538</b>	<b>522,528</b>	<b>695,584</b>	<b>12,962,960</b>	<b>533,213</b>	<b>24,072,216</b>	<b>22,831,274</b>
<b>Less Reinsurance Cost</b>									
Local Facultative Premium	(2,847,508)	(275,676)	(41,674)	(70,238)	(69,511)	(13,710,675)	(170,915)	(17,186,197)	(14,347,388)
Prepaid Reinsurance	931,530	64,047	25,910	(8,106)	(61,730)	3,023,809	16,661	3,992,121	280,078
Reinsurance Treaty Premium	(1,193,495)	(30,185)	(29,048)	(259,615)	(346,837)	(1,222,848)	(107,299)	(3,189,327)	(2,353,989)
<b>Net Premium</b>	<b>(3,109,473)</b>	<b>(241,814)</b>	<b>(44,812)</b>	<b>(337,959)</b>	<b>(478,078)</b>	<b>(11,909,714)</b>	<b>(261,553)</b>	<b>(16,383,403)</b>	<b>(16,421,299)</b>
<b>Net Earned Premium</b>	<b>1,697,024</b>	<b>1,796,066</b>	<b>2,468,726</b>	<b>184,569</b>	<b>217,506</b>	<b>1,053,246</b>	<b>271,660</b>	<b>7,688,813</b>	<b>6,409,975</b>
<b>Add Commission Received</b>									
Direct Business Commission	24,941	-	-	2,989	-	323,883	4,197	356,010	548,556
Local Facultative Comm	455,794	21,814	(6,834)	18,222	3,156	399,674	25,868	917,694	580,776
Reinsurance Treaty Comm	344,360	-	-	77,777	105,757	207,580	(156)	735,318	507,961
Deferred Comm. Income	(169,665)	(8,128)	(4,534)	(3,481)	(21,693)	(122,251)	(1,685)	(331,437)	(74,623)
Investment income	148,358	157,017	215,823	16,136	19,015	92,078	23,749	672,176	512,184
	803,788	170,703	204,455	111,643	106,235	900,963	51,973	2,349,762	2,074,854
<b>Total Income</b>	<b>2,500,812</b>	<b>1,966,769</b>	<b>2,673,181</b>	<b>296,212</b>	<b>323,741</b>	<b>1,954,209</b>	<b>323,633</b>	<b>10,038,575</b>	<b>8,484,828</b>
<b>Expenses</b>									
Claims Paid	373,276	216,783	567,375	68,679	206,983	961,403	222,397	2,616,895	2,450,028
Outstanding Claims	702,478	48,031	5,104	(41,406)	731,049	(2,654,641)	57,677	(1,151,709)	(450,022)
IBNR OS	807,400	100,547	328,717	(51,653)	(143,734)	2,362,434	(78,862)	3,324,847	1,496,514
<b>Gross Claims</b>	<b>1,883,153</b>	<b>365,360</b>	<b>901,195</b>	<b>(24,379)</b>	<b>794,298</b>	<b>669,195</b>	<b>201,211</b>	<b>4,790,033</b>	<b>3,496,520</b>
Treaty Claims Recovered	18,924	-	8,737	17,850	99,895	114,117	-	259,523	192,452
Facultative Claims Recovered	44,791	4,114	-	-	21,031	146,569	-	216,505	159,534
Co-insurers Claims Recovered	-	-	-	-	-	-	-	-	55,340
Ri Claim Recoverable	641,856	1,686	8,004	15,822	571,911	(2,291,672)	(1,247)	(1,053,640)	(640,093)
IBNR Recoverable	224,376	13,947	29,700	(25,284)	(77,371)	1,812,199	(4,411)	1,973,156	654,246
<b>Total Claims Recovered/Recoverable</b>	<b>929,947</b>	<b>19,747</b>	<b>46,441</b>	<b>8,388</b>	<b>615,466</b>	<b>(218,787)</b>	<b>(5,658)</b>	<b>1,395,544</b>	<b>421,479</b>
<b>Net claims Incurred</b>	<b>953,206</b>	<b>345,614</b>	<b>854,754</b>	<b>(32,767)</b>	<b>178,832</b>	<b>887,982</b>	<b>206,869</b>	<b>3,394,489</b>	<b>3,075,041</b>
Underwriting Expenses (commission expenses)	1,059,995	346,620	238,712	116,334	135,251	670,037	81,397	2,648,346	1,665,145
Deferred Acquisition Cost (Comm)	(178,799)	(53,427)	(40,653)	(19,581)	(1,531)	(131,570)	(8,585)	(434,146)	(19,087)
Other acquisition Cost	66,891	4,936	64,224	10,074	741	59	-	146,924	166,523
Maintenance Costs	173,891	112,646	72,694	32,654	25,898	153,773	40,586	612,142	414,081
<b>Total underwriting expenses</b>	<b>1,121,978</b>	<b>410,775</b>	<b>334,977</b>	<b>139,481</b>	<b>160,359</b>	<b>692,299</b>	<b>113,398</b>	<b>2,973,267</b>	<b>2,226,663</b>
<b>Underwriting Profit</b>	<b>425,628</b>	<b>1,210,380</b>	<b>1,483,449</b>	<b>189,498</b>	<b>(15,449)</b>	<b>373,928</b>	<b>3,367</b>	<b>3,670,819</b>	<b>3,183,125</b>

AXA MANSARD INSURANCE PLC

APPENDIX 2 (SUMMARISED REVENUE ACCOUNTS (LIFE BUSINESS))

for the period ended 30 September, 2023

	GROUP LIFE	INDIVIDUAL LIFE	ANNUITY	September 2023 TOTAL	September 2022 TOTAL
	=N=000	=N=000	=N=000	=N=000	=N=000
<b>REVENUE</b>					
Gross written premium	6,516,330	7,736,430	-	14,252,760	11,883,245
Less Unexpired Risks Provision	(1,078,348)	-	-	(1,078,348)	(927,150)
	5,437,982	7,736,430	-	13,174,412	10,956,095
<b>Less Reinsurance Premium</b>					
Local Facultative Premium	(1,066,654)	(25,225)	-	(1,091,880)	(1,014,848)
Ri share of Insurance Liabilities	266,031	-	-	266,031	393,688
Reinsurance Treaty Premium	(251,067)	(47,448)	-	(298,515)	(552,647)
<b>Net Premium</b>	<b>4,386,293</b>	<b>7,663,757</b>	<b>-</b>	<b>12,050,049</b>	<b>9,782,288</b>
<b>Add commission received</b>					
Direct business commission	-	3	-	3	14
Local Facultative	191,009	3,725	-	194,734	181,623
Reinsurance treaty	89,249	5,421	-	94,670	178,503
Investment Income	309,136	540,124	379,865	1,229,124	732,377
	589,393	549,273	379,865	1,518,531	1,092,517
<b>Total income</b>	<b>4,975,686</b>	<b>8,213,030</b>	<b>379,865</b>	<b>13,568,580</b>	<b>10,874,805</b>
<b>Expenses</b>					
Claims paid	3,069,909	5,186,258	210,972	8,467,140	3,668,175
Surrenders	-	578,811	-	578,811	34,039
Outstanding Claims	(1,440,964)	-	-	(1,440,964)	91,132
IBNR OS	(170,038)	-	-	(170,038)	1,094,748
<b>Gross claims incurred</b>	<b>1,458,906</b>	<b>5,765,069</b>	<b>210,972</b>	<b>7,434,948</b>	<b>4,888,094</b>
Reinsurance claims recovered	-	-	-	-	-
Co insurance claims recovered	(393,385)	(136,941)	-	(530,326)	(221,027)
RI Claims Recoverable	48,569	-	-	48,569	55,664
RI Share of IBNR	(74,613)	-	-	(74,613)	(369,745)
<b>Net claims incurred</b>	<b>1,039,478</b>	<b>5,628,129</b>	<b>210,972</b>	<b>6,878,579</b>	<b>4,352,987</b>
Acquisition expenses (commission expenses)	541,139	149,831	-	690,970	737,191
Other acquisition costs	119,975	128,703	-	248,678	285,403
Maintenance cost	73,131	55,039	-	128,170	194,057
Transfer to life fund	-	1,354,662	(147,032)	1,207,630	1,835,586
<b>Total expenses</b>	<b>1,773,723</b>	<b>7,316,364</b>	<b>63,940</b>	<b>9,154,027</b>	<b>7,405,224</b>
<b>Underwriting profit</b>	<b>3,201,963</b>	<b>896,665</b>	<b>315,925</b>	<b>4,414,553</b>	<b>3,469,581</b>