CONSOLIDATED HALLMARK INSURANCE PLC
AND SUBSIDIARY COMPANIES

COMPANY RC:168762

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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Corporate Information

Directors	Mr. Obinna Ekezie	Chairman
	Mr. Eddie Efekoha	Managing Director/CEO
	Mr. Babatunde Daramola	Executive Director- Finance, Systems & Investment
	Mrs. Mary Adeyanju	Executive Director-Operations
	Prince Ben Onuora	Non-Executive Director
	Mrs. Adebola F. Odukale	Non-Executive Director
	Mr. Shuaibu Idris	Independent Non-Executive Director
	Dr. Layi Fatona	Non-Executive Director

Company Secretary	Mrs. Rukevwe Falana Consolidated Hallmark Insurance Plc 266, Ikorodu Road Obanikoro, Lagos
Registered Office	Consolidated Hallmark Insurance Plc 266, Ikorodu Road Obanikoro, Lagos
Registration Number	168762
Corporate Head Office	Consolidated Hallmark Insurance Plc 266, Ikorodu Road Obanikoro, Lagos Email: info@chiplc.com
Registrars	Meristem Registrars & Probate Services Ltd 213, Herbert Macaulay Road Adekunle, Yaba Lagos Tel: +234 (1) 8920491-2 Lagos
Bankers	Fidelity Bank Plc First Bank of Nigeria Limited GTBank Limited United Bank for Africa Plc Zenith Bank Plc FCMB
Auditors	SIAO (Chartered Accountants) 18b, Olu Holloway Road Off Alfred Rewane Road Falomo- Ikoyi P.O.Box 55461, Falomo Ikoyi, Lagos. Tel: +234 01 463 0871-2 website: www.siao-ng.com E-mail: enquiries@siao-ng.com

Corporate Information (Cont'd)

Actuary
Becoda Consulting
7 Ibiyinka Olorunbe Close
Victoria Island
Lagos

Reinsurers
African Reinsurers Corporation
Continental Reinsurance Plc
WAICA Reinsurance Corporation

Subsidiaries

CHI Capital Limited
33D Bishop Aboyade Cole Street
Victoria Island

CHI Microinsurance Limited
5A, Sawyer Close
Obanikoro, Lagos

Hallmark Health Services Limited
264, Ikorodu Road
Obanikoro, Lagos

Hallmark Finance Company Limited
Plot 33D Bishop Aboyade Cole Street
Victoria Island Lagos

Branch Networks
Corporate Head Office
266, Ikorodu Road
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Tel: +234-1-2912543
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070024467872
e-mail:info@chiplc.com
website: www.chiplc.com

Regional Offices

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porthacourt@chiplc.com

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abuja@chiplc.com

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website:www.chiplc.com

Branch Offices

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aba@chiplc.com

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owerri@chiplc.com

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Tel: 08180001154
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warri@chiplc.com

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Tel: 08180001139
onitsha@chiplc.com

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77, Ogui Road
Tel: 08180001142
enugu@chiplc.com

Ibadan Office
1st Floor, Navada Plaza
140/142 Liberty Stadium Road
Tel: 08180001152
ibadan@chiplc.com

Results at a glance	Group			Company		
	31 December 2023	31 December 2022	%	31 December 2023	31 December 2022	%
	N'000	N'000		N'000	N'000	
Financial Position						
Cash and cash equivalents	**2,985,320**	1,666,364	79%	**1,933,951**	1,183,949	63%
Financial assets	**14,822,533**	8,644,183	71%	**12,432,077**	6,325,958	97%
Trade receivables	**1,182,794**	831,494	42%	**1,150,281**	773,061	49%
Investments	**6,659,506**	6,740,290	-1%	**7,811,823**	7,800,077	0%
Other receivables & prepayments	**478,478**	295,685	62%	**644,341**	652,618	-1%
Intangible Assets	**49,681**	64,110	-23%	**14,767**	22,104	-33%
Total assets	**26,178,313**	18,242,125	44%	**23,987,241**	16,757,767	43%
Insurance contract liabilities	**9,979,029**	6,927,749	44%	**9,701,038**	6,706,663	45%
Total liabilities	**13,282,809**	8,887,273	49%	**11,849,607**	7,745,457	53%
Issued and paid up share capital	**5,420,000**	5,420,000	0%	**5,420,000**	5,420,000	0%
Share premium	**168,934**	168,934	0%	**168,934**	168,934	0%
Contingency reserve	**3,473,338**	2,800,340	24%	**3,469,814**	2,799,201	24%
Statutory reserve	**133,137**	91,263	46%	**-**	-	
Requlatory risk reserve	**17,294**	1,828		**-**	-	
Revaluation reserve	**138,166**	128,677		**138,166**	128,677	
Fair Value Through OCI Reserve	**126,394**	39,180	223%	**127,131**	39,163	
Retained earnings	**3,418,242**	704,631	385%	**2,813,588**	456,335	517%
Shareholders fund	**12,895,504**	9,354,852	38%	**12,137,633**	9,012,310	35%
Comprehensive Income	**31 December 2023**	31 December 2022		**31 December 2023**	31 December 2022	
	N'000	N'000		**N'000**	N'000	
Insurance revenue	**15,710,849**	11,880,011	32%	**14,815,866**	11,142,728	33%
Insurance service expenses	**(12,099,491)**	(8,963,515)	35%	**(11,518,480)**	(8,300,194)	39%
Net expenses from reinsurance contracts held	**(3,727,210)**	(2,745,106)	36%	**(3,710,381)**	(2,741,455)	35%
Insurance service result	**(115,852)**	171,389	-168%	**(412,996)**	101,079	-509%
Net investment income	**6,373,965**	1,904,870		**5,487,985**	1,333,161	
Net insurance and investment result	**6,258,114**	2,076,259	201%	**5,074,990**	1,434,240	254%
Other expenses	**(1,692,470)**	(1,159,454)	46%	**(967,087)**	(500,372)	93%
Other Income	**86,211**	66,439		**5,117**	4,677	
Profit before tax	**4,651,855**	983,244	373%	**4,113,020**	938,545	338%
Income tax expense	**(882,705)**	(436,230)	102%	**(759,953)**	(410,768)	85%
Profit for the year	**3,769,150**	547,015	589%	**3,353,066**	527,777	535%
Basic and diluted earnings per share (Kobo)	**34.77**	5.05		**31.83**	4.87	

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

The Directors have the pleasure in submitting their report on the affairs of Consolidated Hallmark Insurance Plc together with the Group Audited Financial Statements for the year ended 31st December 2023

LEGAL FORM

The Company was incorporated on 2nd August 1991 as a private limited liability Company and commenced operations in 1992. The Company converted to a public limited Company in July 2005 and in 2007 changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc. The Company shares were listed on the floor of The Nigerian Exchange Ltd on 22nd February 2008.

PRINCIPAL ACTIVITIES AND CORPORATE DEVELOPMENT

During the year under review, the Company engaged in general insurance business and maintained 13 corporate offices.

OPERATING RESULTS

Comprehensive Income	31 December 2023	31 December 2022		31 December 2023	31 December 2022	
	N'000	N'000		**N'000**	N'000	
Insurance revenue	**15,710,849**	11,880,011	32%	**14,815,866**	11,142,728	33%
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Directors as at the date of this report

The names of the Directors at the date of this report and of those who held office during the year are as follows:

1. Mr. Obinna Ekezie — Non-Executive Director — Appointed 1st April 2016
2. Mr. Eddie Efekoha — Managing Director — Resigned 31st Dec 2023
3. Mr. Babatunde Daramola — Executive Director — Resigned 31st Dec 2023
4. Mrs. Mary Adeyanju — Managing Director — Appointed 1st Jan 2024
5. Mrs. Katherine Itua — Executive Director — Appointed 1st Jan 2024
6. Mr. Jimalex Orjiako — Executive Director — Appointed 1st Jan 2024
7. Mrs. Adebola Odukale — Non-Executive Director — Appointed 1st April 2016
8. Prince Ben C. Onuora — Non-Executive Director — Appointed 1st April 2016
9. Mr. Shuaibu Abubakar Idris — Independent Non-Executive Director — Appointed 26th Oct 2016
10. Dr. Layi Fatona — Non-Executive Director — Appointed 25th April 2019

DIRECTORS AND THEIR INTERESTS

The Directors of the Company who held office during the year together with their direct and indirect interest in the share capital of the Company were as follows:

Directors	Direct As at December 2022	Indirect As at December 2022	Total As at December 2022	December 31, 2022 % of Holding	Direct As at December 2023	Indirect As at December 2023	Total As at December 2023	December 31, 2023 % of Holding
Mr. Obinna Ekezie	-	526,537,893	526,537,893	4.86%	-	526,537,893	526,537,893	4.86%
Mrs. Adebola Odukale		1,151,979,358	1,151,979,358	10.63%		1,151,979,358	1,151,979,358	10.63%
Mr. Eddie Efekoha	1,040,000,000	586,798,809	1,626,798,809	15.01%	1,040,000,000	586,798,809	1,626,798,809	15.01%
Dr. Layi Fatona		2,818,442,750	2,818,442,750	26.00%		2,818,442,750	2,818,442,750	26.00%
Mr. Babatunde Daramola	26,834,481		26,834,481	0.25%	26,834,481		26,834,481	0.25%
Mrs. Mary Adeyanju	33,953,777		33,953,777	0.31%	33,953,777		33,953,777	0.31%
Prince Ben Onuora	43,655,598		43,655,598	0.40%	43,655,598		43,655,598	0.40%
Mr. Shuabu Idries	-	-	-		-	-	-	

Director	Indirect Interest Represented
Mr. Obinna Ekezie	Ugo (Dr.) Obi Ralph Ekezie
Mrs. Adebola Odukale	Capital Express Assurance Company Limited
	Capital Express Securities Limited
	Capital Express Managed Fund
	Capital Express Assets & Trust Ltd
Mr. Eddie Efekoha	Sephine Edefe Nigeria Limited
Dr. Layi Fatona	Aradel Plc (Formerly Niger Delta Exploration & Production Plc)
	Nouveau Technologies &Ass Ltd

SUBSTANTIAL INTEREST IN SHARES

Shareholders who held more than 5% of the issued share capital of the Company as at 31st December 2023 were as follows:

Shareholder	Units Held	%
Niger Delta Exploration & Production Plc	2,754,442,750	25.41
Capital Express Assurance Co. Ltd	1,066,666,666	9.84
Mr. Eddie Efekoha	1,040,000,000	9.59
Sephine Edefe Nig Ltd	586,798,809	5.41

SHAREHOLDING ANALYSIS

The range of shareholding as at 31st December 2023 is as follows:

Range of Holding		No of Shareholders	Share Holdings	%
1	10,000	4,257	13,122,648	0.13%
10,001	100,000	4,146	135,676,703	1.26%
100,001	1,000,000	1,523	410,549,676	3.80%
1,000,001	10,000,000	298	748,967,922	6.10%
10,000,001	100,000,000	44	1,202,806,310	11.10%
100,000,001	ABOVE	15	8,328,876,741	76.84%
		10,283	10,840,000,000	100%

DIRECTORS RESPONSIBILITIES

The Company's Directors are responsible, in accordance with the provisions of Section 377 of the Companies and Allied Matters Act 2020, for the preparation of Financial Statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit and loss and cash flows for the year and that the statements comply with the International Financial Reporting Standard, Insurance Act 2003 and Companies and Allied Matters Act 2020. In doing so they ensure that:

a. Proper accounting records are maintained.

b. Adequate internal control procedures are established which as far as is reasonably possible, safeguards the assets, prevents and detects fraud and other irregularity.

c. Applicable accounting standards are followed.

d. Suitable accounting policies are consistently applied.

e. Judgments and estimates made are reasonable and prudent and consistently applied.

f. The going concern basis is used unless it is inappropriate to presume that the Company shall continue in Business.

Dividend: The Board has recommended N1,080,501,500 as dividend subject to regulatory approval.

PROPERTY AND EQUIPMENT

Movements in Property and Equipment during the year are shown in note eleven on pages 69 to 73 In the opinion of the Directors the market value of the Company's fixed assets is not lower than the value shown in the Financial Statement.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Consolidated Hallmark Insurance Plc ('CHI') is unswerving in its adherence to the principles of corporate governance as enshrined in the regulators' codes. CHI recognizes the benefits that strict adherence to these codes afford its investors, the Company, the insurance industry and the financial market in Nigeria and beyond. The Company has thus, not reneged in its commitment and efforts toward ensuring full compliance with the various and similar standards required of it by its regulators.

THE BOARD

The Company's Board of Directors is made of seasoned and accomplished professionals in the petroleum, insurance, accounting and banking industry. This assemblage of well-bred and accomplished professionals with vast experience who are very conscious of their various professional ethics and the regulated nature of the insurance business have over the years brought these experiences to bear by their robust, dispassionate and consistent review of the Company's policies.

COMPOSITION OF THE BOARD

The Board of CHI is made up of Ten Directors. The Board is composed majorly of Non-Executive Directors which makes it independent of Management and has thus, enabled the Board to carry out its oversight function in an objective and effective manner.

In tandem with the Nigerian Code of Corporate Governance 2018 and international best practice, the positions of the Chairman and the Chief Executive Officer/Managing Director are occupied by two separate persons.

The details of the composition of the Board are stated below:

Mr. Obinna Ekezie	Non-Executive Director (Appointed 1st April 2016)
Mr. Eddie Efekoha	Managing Director/Chief Executive Officer (Resigned 31st Dec 2023)
Mrs. Mary Adeyanju	Managing Director (Appointed 1st Jan 2024)
Mrs. Adebola Odukale	Non-Executive Director (Appointed 1st April 2016)
Prince Ben C. Onuora	Non-Executive Director (Appointed 1st April 2016)
Mr. Shuaibu Abubakar Idris	Independent Non-Executive Director (Appointed 26th Oct 2016)
Dr. Layi Fatona	Non-Executive Director (Appointed 25th April 2019)
Mr. Babatunde Daramola	Executive Director (Resigned 31st Dec 2023)
Mr. Jimalex Orjiako	Executive Director (Appointed 1st Jan 2024)
Mrs. Katherine Itua	Executive Director (Appointed 1st Jan 2024)

DUTIES OF THE BOARD

1. Provides strategic direction for the Company.
2. Approves budget of the Company.
3. Oversees the effective performance of Management in running the affairs of the Company.
4. Ensures human and financial resources are effectively deployed.
5. Establishes adequate system of internal control procedures that ensure the safeguard of assets and assist in the prevention and detection of fraud and other irregularities
6. Following applicable accounting standards.
7. Consistently applying suitable accounting policies.
8. Ensures compliance with the code of corporate governance and with other regulatory laws and guidelines.
9. Performance appraisal of Board Members and senior executives.
10. Approves the policies surrounding the Company's communication and information dissemination system.

MEETINGS OF THE BOARD

The Board meets regularly and ensures that the minimum standards in terms of attendance and frequency of meetings are complied with. The Board met eight times in 2023 thus it ensured that the requirement of meeting at least once in every quarter was surpassed. Required notices and meeting papers were sent in advance before the meeting to all the

Directors while the Nigerian Stock Exchange was equally given prior notice before every meeting of the Board.

BOARD COMMITTEES

To assist in the execution of its responsibilities, the Board discharges its oversight functions through various Committees put in place. The Committees are set up in line with statutory and regulatory requirements and are consistent with global best practices. Membership of the Committees of the Board is intended to make the best use of the skills and experience of non-Executive Directors in particular.

The Committees have well defined terms of reference which set out their roles, responsibilities, functions, scope of authority and procedure for reporting to the Board. The Committees consider matters that fall within their purview to ensure that decisions reached are as objective as possible.

1. Set out below are the various Committees and the terms of reference of each Board Committee:

    1. Board Finance, Investment & General Purpose Committee (FIGPC)
    2. Board Audit, Risk Management & Compliance Committee (ARMCC)
    3. Board Establishment, Governance & Remuneration Committee (EGRC)

1. BOARD FINANCE, INVESTMENT & GENERAL PURPOSE COMMITTEE (FGPC)

PURPOSE

The Board Finance, Investment & General-Purpose Committee is responsible to the Board of Directors and it is mandated to oversee the Company's financial affairs on behalf of the Board and to give initial consideration to and advice on any other Board business of particular importance or complexity.

RESPONSIBILITIES

- To review and make a recommendation to the Board on the annual budget and audited accounts of the Company. To recommend strategic initiatives to the Board.
- To review quarterly and annual performance against budget
- To consider and approve extra budgetary expenditure.
- To give anticipatory approvals on behalf of the Board and ensure that such approvals are ratified by the Board at the next sitting.
- To present the investment policies and investment plans to the Board annually for approval and ensure that investments are made in accordance with the policies.
- To consider and advise the Board on strategic policies for the Company's investment programmes.
- To decide on the appropriateness of all investments within the Company that affects the Company's clients, lines of business, management and staff and also IT systems.
- To ensure that guidelines for investment comply with legal and regulatory requirements and that investment activities reflect the goals and strategy of the Company.
- To ensure that the assets of the Company are protected and effective control measures are put in place for sufficient internal checks and balances.
- To present the investment policies and investment plans to the Board annually for approval and ensure that investments are made in accordance with the policies.

- To consider and advise the Board on strategic policies for the Company's investment programmes.
- To approve all investment in excess of the limits delegated to Management Investment Committee.
- To approve provisions for non-performing investments based on presentation by the CEO and in line with existing regulations.
- To review Management Investment Committee's authority level as and when deemed necessary and recommend new levels to the Board for consideration.
- To conduct quarterly review of investments granted by the Company to ensure compliance with the Company's internal control systems and investment approval procedures.
- To notify all Directors related investment to the Board.
- To ensure that the investment assets of the company are protected and effective control measures are put in place for sufficient internal checks and balances.
- To monitor and notify the top debtors to the attention of the Board
- Any other matter that is not specifically covered by any other Committee.
- Any other matter as may be delegated to the Committee by the Board from time to time.

MEETINGS OF THE COMMITTEE

The Committee meets as often as it considers necessary, but not less than once per quarter. The Committee met five times during the period under review.

MEMBERSHIP/COMPOSITION

Mrs. Bola Odukale	Non-Executive Director	Chairman
Prince Ben Onuora	Non-Executive Director	Member
Dr. Layi Fatona	Non-Executive Director	Member
Mr. Eddie Efekoha	Managing Director	Member (Resigned 31st Dec 2023)
Babatunde Daramola	Executive Director	Member (Resigned 31st Dec 2023)
Mrs. Mary Adeyanju	Managing Director	Member (Appointed 1st Jan 2024)

2. BOARD AUDIT, RISK MANAGEMENT & COMPLIANCE COMMITTEE (ARMCC)

PURPOSE

The primary objective of the Audit, Risk Management & Compliance Committee of the Board is to monitor and provide effective supervision of the Management's Financial Reporting Process with a view to ensuring accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting.

The Committee also oversees the work carried out in the financial reporting process by Management, Internal Auditor and the External Auditor. The Committee has the power to investigate any activity within its terms of reference, seek information from any employee when necessary and obtain external legal or professional advice from experts when necessary.

RESPONSIBILITIES

- Monitors the integrity of the Financial Statements of the Company and any formal announcements relating to the Company's financial performance, reviewing significant reporting judgments contained in them, assisting the Board's oversight of the Company's compliance with applicable legal and regulatory requirements in this respect.

- Reviews and approves the External Auditors' terms of engagement, propose fees and planned audit scope.
- Oversees, monitors and reviews the functions and effectiveness of Internal Audit.
- It reviews the scope and planning of Internal Audit requirements.
- It reviews findings on management matters in conjunction with the External Auditors.
- The Committee reviews the effectiveness of the Company's system of accounting and internal control.
- The promotion, co-ordination and monitoring of risk management activities, including regular review and input to the corporate risk profile.
- The Committee shall ensure that principal risks of the Company's business are identified and effectively managed.
- To ensure that infrastructure, resources and systems are in place for risk management.
- Carry out review of the risk mitigation programmes for completeness, adequacy, proportionality and optimal allocation of resources.
- Setting the Company's tolerance for risks.
- Ensuring that management establishes a framework for assessing the various risks.
- It makes recommendation to the Board with regard to the appointment, removal and remuneration of the External Auditors, financial and senior management of the Company.
- It has the power to instruct the Internal Auditors to carry out investigations into any of the Company's activities which might be of interest or concern to the Board.
- The Committee is responsible for the review of the integrity of the Company's financial reporting and oversees the independence and objectivity of the External Auditors.
- The Committee may seek explanations and additional information from the External Auditors with management presence.
- It receives quarterly reports of the Internal Auditors.

MEETINGS OF THE COMMITTEE

The Committee meets not less than four times per annum and more frequently as circumstances require. This Committee met five times during the period under review.

MEMBERSHIP/COMPOSITION

Mr. Shuaibu Idris	Independent Non-Executive Director (Chairman)	
Mrs. Bola Odukale	Non-Executive Director	Member
Mr. Eddie Efekoha	Managing Director	Member Resigned 31st December 2023

3. BOARD ESTABLISHMENT, GOVERNANCE & REMUNERATION COMMITTEE

PURPOSE

The Committee deals with matters affecting executive management staff as it relates to recruitment, assessment, promotion, disciplinary measures, career development among others. The Committee is also responsible for monitoring corporate governance developments, best practices for corporate governance and furthering the effectiveness of the Company's corporate governance practices.

RESPONSIBILITIES

- Review from time to time the People Management Policies and make recommendations to the Board as appropriate;
- Review and recommend recruitment, appointment and promotion of Top Management Staff;
- Consideration and approval of disciplinary matters and exit/severance matters pertaining to Top Management Staff;
- Reviews periodically, reports on productivity/performance of Top Management;
- Review of staff compensation and welfare packages and make recommendation to the Board;
- Consider and approve annual training programmes for the Company's staff in order to ensure overall staff development.
- develop a formal, clear and transparent framework for the Company's remuneration policies and procedures;
- make recommendations on compensation structure for Executive Directors;

In carrying out its Corporate Governance functions, the Committee shall undertake the following duties:

- Evaluate the current composition, organisation and governance of the Board and its Committees, as well as determine future requirements and make recommendations in this regard to the Board for its approval;
- Oversee the evaluation of the Board;
- Recommend to the Board, Director nominees for each Committee of the Board;
- Coordinate and recommend Board and Committee meeting schedules;
- Advise the Company on the best business practices being followed on corporate governance issues nationally and world–wide;
- Recommend to the Board the governance structure for the management of the affairs of the Company;
- Review and re-examine the Board charter annually and make recommendations to the Board for any proposed changes; and
- Annually review and evaluate Board performance.

MEETINGS OF THE COMMITTEE

The Committee meets at least once in each quarter and as necessary. The Board Establishment, Governance & Remuneration Committee met seven times during the period under review.

MEMBERSHIP/COMPOSITION

Prince Ben Onuora	Non-Executive Director	Chairman
Mr. Shuaibu Abubakar Idris	Independent Non-Executive Director	Member

Dr. Layi Fatona	Non-Executive Director	Member

ATTENDANCE AT BOARD & ITS COMMITTEES' MEETINGS

ATTENDANCE AT BOARD & ITS COMMITTEES' MEETINGS

	BOARD	FIGPC	ARMC	BEGRC
Mr. Obinna Ekezie	8	N/A	N/A	N/A
Mr. Eddie A. Efekoha	8	4	5	N/A
Mr. Shuaibu Idris	8	N/A	5	6
Prince Ben Onuora	8	4	N/A	6
Mrs. Adebola Odukale	8	4	5	N/A
Dr. Layi Fatona	7	4	N/A	6
Mrs. Mary Adeyanju	8	4	N/A	N/A
Mr. Babatunde Daramola	8	4	N/A	N/A
	25/01/2023	19/01/2023	19/01/2023	19/01/2023
	27/02/2023	21/04/2023	24/02/2023	21/02/2023
	26/04/2023	20/07/2023	21/04/2023	21/04/2023
	26/07/2023	19/10/2023	20/07/2023	18/07/2023
	30/08/2023		19/10/2023	24/08/2023
	25/10/2023		-	18/10/2023
	15/11/2023			
	21/12/2023			

TENURE OF DIRECTORS

The tenure of the Non-Executive Directors is limited to three terms of three years each. This is in compliance with CAMA, NAICOM's Code of Good Corporate Governance and also fueled by the necessity to reinforce the Board by continually injecting new energy, fresh ideas and perspectives.

ATTENDANCE RECORD OF DIRECTOR RETIRING BY ROTATION SUBJECT TO RE-ELECTION

	BOARD	FIGPC	ARMC	BEGC
Mr. Obinna Ekezie	8	N/A	N/A	N/A

STATUTORY AUDIT COMMITTEE

The constitution and composition of the statutory audit committee is in compliance with Section 404 of the Companies and Allied Matters Act, 2020. The Committee is made of two Directors and three representatives of Shareholders.
The Statutory Audit Committee amongst other things examines the Auditor's report and make recommendations thereon at the Annual General Meeting as it deems fit. The Committee's composition is set out below:

Dr. Tony Anonyai	Shareholders' Representative	Chairman
Chief Simon Okiotorhoro	Shareholders' Representative	Member
Chief James Emadoye	Shareholders' Representative	Member
Mr. Shuaibu Idris	Independent Non-Executive Director	Member
Mrs. Bola Odukale	Non-Executive Director	Member

Responsibilities

1. Ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices
2. Review the scope and planning of audit requirements
3. Review the findings on management matters in conjunction with external auditor and departmental responses thereon
4. Keep under review the effectiveness of the company's system of accounting and internal control
5. Make recommendations to the Board in regard to the appointment, removal and remuneration of the external auditors of the company
6. Authorise the internal auditor to carry out investigation into any activities of the company which may be of interest or concern to the Committee.

Meetings of the Committee

The Committee meets at regular intervals and as necessary to consider and review issues within its purview. The Statutory Audit Committee met four times during the period under review.

Members		28/02/23	21/04/23	20/07/23	19/10/23
Mr. Tony Anonyai	Shareholder/Chairman	✓	✓	✓	✓
Chief James Emadoye	Shareholder	✓	✓	✓	✓
Chief Simon Okiotorhoro	Shareholder	✓	✓	✓	✓
Mrs. Bola Odukale	Director	✓	✓	✓	✓
Mr. Shuaibu Idris	Director	✓	✓	✓	✓

SHAREHOLDERS RIGHTS

The Board is continuously committed to the fair treatment of shareholders and ensures that the shareholders are given equal access to information about the Company irrespective of their shareholdings. The general meetings of the Company have always been conducted in an open manner which allows for free discussions on all issues on the agenda. The statutory and general rights of the shareholders are protected at all times.

Representatives of regulatory bodies such as the NAICOM, SEC and the NGX are always in attendance at our annual general meetings. The representatives of the shareholders' associations also attend the Company's general meetings and they are allowed to make full and fair participation during the meetings.

CONFLICT OF INTEREST

CHI has a policy in place that requires prompt disclosure from Directors of any real or potential conflict of interest that they may have regarding any matter that may come before the Board or its Committees. CHI policy requires any Director who has or may have a conflict of interest to abstain from discussions and voting on such matters.

DIRECTORS' NOMINATION AND APPPOINTMENT PROCESSES

Appointment to the Board is regulated by an approved Board Appointment Policy which accords with best practice, the requirements of the applicable codes of Corporate Governance and the provisions of the Companies and Allied Matters Act 2020.

TRAINING AND INDUCTION OF NEW DIRECTORS

Training on directors needs to help them perform optimally in their responsibilities are organized on an annual basis. Board Retreat is also an avenue where the Board Members are trained and refreshed on their fiduciary duties to the Company and on emerging trends in the insurance industry and the general business environment.

Newly appointed Directors are made to undergo induction with the Board and top executives of the Company to aid seamless integration to the responsibilities of the Board. The Board Retreat also serve as an opportunity for integrating new Directors into the Board. However, no new Director was appointed in the financial year ended 31st December 2023.

THE COMPANY SECRETARY

The Company Secretary primarily assists the Board and Management in the implementation and development of good corporate governance. The Company Secretary provides guidance and advice to the Board and the Management of the Company on issues of ethics, conflict of interest and good corporate governance.

The Company Secretary also does the following: advice the Directors on their duties and ensure that they comply with corporate legislation and the Articles of Association of the Company; Arranging meetings of the Directors and the Shareholders. This responsibility involves the issue of proper notices of meetings, preparation of agenda, circulation of relevant papers and taking and producing minutes to record the business transacted at the meetings and the decisions taken.

REMUNERATION

CHI has a comprehensive remuneration policy for Directors and all levels of Management staff. Our remuneration policy is adequate to attract, motivate and retain skilled, qualified and experienced individuals required to manage the Company successfully. The statement of the Directors remuneration is stated in the Audited Financial Statement.

SUSTAINABILITY REPORTING

The following principles and practices are part of the Company's approach towards ensuring a sustainable socio-economic environment:

a. **Corruption**
   Ours is a Company that abhors corruption in business practice. To ensure activities in this regard are discouraged, we have put in place an Anti- bribery policy which is included in all Service Level Agreements with vendors.

b. **Environmental Protection**
   The nature of our services is not such that emit hazardous substances to the environment. We nonetheless have in place a robust Enterprise Risk Management framework. This consists of a policy and a set of procedures to identify, assess and manage environmental and other risks.

c. **HIV/AIDS**
The Company does not discriminate in the employment of persons living with HIV/AIDS and any form of disability. This is explicit in the employment policy.

d. **Awareness Creation**
We are known as the foremost contributor to tertiary education in insurance through the annual Consolidated Hallmark Insurance Essay Competition. This forms part of our Corporate Social Responsibilities

SPONSORSHIP AND DONATIONS

In line with our Corporate Social Responsibility initiatives the following sponsorship and donations were made to organisations during the year, including:

Organisation	Amount
Ikeja Golf Club	250,000
Ikoyi Club 1938	250,000
Chartered Insurance Institute of Nigeria	1,550,000
Mind Builders School	50,000
National Association of Insurance and Pension Correspondents	350,000
Professional Insurance Ladies Association	500,000
Hallmark Health Services Limited	1,500,000
Nigerian- British Chamber of Commerce	500,000
Tamilore Areola Foundation Taf	500,000
Corporate Farmers International	200,000
Acturial Science and Insurance Students' Association of Nigeria	100,000
Chartered Institute of Arbitrators	1,000,000
Total	**6,750,000**

EMPLOYMENT AND EMPLOYEES

a) **Employment of disabled persons**
The Company does not discriminate in considering applications for employment from disabled persons. If a disabled person meets all recruitment requirements, the Company shall not by reason of disability deny such a person from employment opportunity but would make adequate provision for the accommodation of such person. However, as at 31st December 2023 there was no disabled person in the Company employment.

b) **Employees' training and Involvement**
The Company ensures that the employees are kept fully informed of the values, goals and performance plans and progress during the year. They are involved in the goal setting at the beginning of the year and meet regularly to review performances. They make recommendations on innovative ideas towards meeting customers' expectations and improving on general operations and relationships within the Company. The Company pays strong importance to the use of our core values in the discharge of duties across the Company and acquisition of Technical expertise through extensive internal and external training, on the job skills enhancement and professional development.

c) **Health, Safety and Welfare of Employees**
The Company strictly observes all safety and health regulations. Successfully managing HSE issues is an essential component of our business strategy. Through observance and encouragement of this policy, we assist in protecting the environment and the overall well-being

of all our stakeholders, specifically, our employees, clients, shareholders, contractors, and host communities.

We conduct regular fire training and drill exercises to sensitize all staff and stakeholders of the need to be safety conscious. The Company ensures that all safety measures are observed in all locations. During the period under consideration, we did not experience any workplace accident or health hazards.

Employees are registered with Health Management Organizations of their choice for provision of medical services at the designated hospitals. We equally have arrangement with offsite hospitals to cater for emergency cases that occur during working hours.

SECURITY TRADING POLICY

In compliance with the requirement of section 14 of the Nigerian Exchange Limited amended rules, the Company has in place a Security Trading Policy which is designed to prevent Insider Trading in the Company's securities by Board Members, Executive Management and persons that are closely related to them who are privy to price sensitive information.

The policy also prevents them from releasing such price sensitive information to their privies or agent for the purpose of trading in the Company's shares.

AUDITORS

The Auditors SIAO Professional Services have indicated their willingness to serve as the Company's External Auditors in accordance with section 401 of the Companies and Allied Matters Act 2020.
A resolution will be proposed at the Annual General Meeting to authorize the Directors to fix their remuneration.

COMPLIANCE STATEMENT

The Board of Directors affirm that it is in substantial compliance with the Nigerian Code of Corporate Governance and requirements of the Securities and Exchange Commission, National Insurance Commission, the Financial Reporting Council, the Nigerian Exchange Limited, the Corporate Affairs Commission and other applicable regulatory requirements of Governments Agencies.

By order of the Board

RUKEVWE FALANA
Company Secretary
FRC/2016/NBA/00000014035

Statement of Directors' Responsibilities
In accordance with the provisions of Section 334 and 335 of the Companies and Allied Matters Act 2020 and Sections 24 and 28 of the Banks and Other Financial Institutions Act 1991, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the financial position at the end of the financial year of the Company and its Subsidiaries and of the operating result for the year then ended.

The responsibilities include ensuring that:

- Appropriate and adequate internal controls are established to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.
- The Group keeps proper accounting records which disclose with reasonable accuracy the financial position of the Group and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 2020, Banks and Other Financial Institutions Act, 1991, Insurance Act 2003, Financial Reporting Council Act 2011 and Prudential Guidelines issued by NAICOM.
- The Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and
- The financial statements are prepared on a going concern basis unless it is presumed that the Group will not continue in business.

The Directors accept responsibility for the year's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with;

- Insurance Act 2003
- International Financial Reporting Standards;
- Companies and Allied Matters Act 2020;
- Banks and Other Financial Institutions Act, 1991;
- NAICOM Prudential Guidelines; and
- Financial Reporting Council Act, 2011.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and of its operating result for the year ended.
The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of financial control. Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Directors on February 29, 2024 by:

…………………………..	………………………………….
Mrs Mary Adeyanju	**Mr. Obinna Ekezie**
Managing Director/CEO	**Chairman, Board of Director**
FRC/2022/PRO/DIR/003/03266	FRC/2017/IODN/000000017485

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 Audited Financial Statements for the period ended December 31, 2023 that:

a. We have reviewed the report;

To the best of our knowledge, the report 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;

b. To the best of our knowledge, the financial statement and other financial information included in this report fairly present in all material respects the financial condition and results of operation of the company as of, and for the periods presented in this report.

c. We:
- Are responsible for establishing and maintaining internal controls.
- have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
- have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report; have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;

d. 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 role in the company's internal controls.

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

Mrs. Katherine Itua	**Mrs. Mary Adeyanju**
E.D. Finance & Investment	**Managing Director /CEO**
FRC/2012/ICAN/00000000514	**FRC/2022/PRO/DIR/003/03266**

Report of the Audit Committee

REPORT OF THE STATUTORY AUDIT COMMITTEE TO THE MEMBERS OF CONSOLIDATED HALLMARK INSURANCE PLC FOR THE YEAR ENDED 31ST DECEMBER 2023.

In accordance with the provision of section 404(7) of the Companies and Allied Matters Act 2020, we the Members of the Statutory Audit Committee of Consolidated Hallmark Insurance Plc, having carried out our statutory functions under the Act, hereby report as follows:

1. We confirm that we have reviewed the Audit Plan and scope and the Management letter on the audit of the account of the Company and the responses to the said letter.
2. In our opinion, the plan and scope of the audit for the year ended 31st December 2023 are adequate. We have reviewed the Auditor's findings and we are satisfied with the Management responses thereon.
3. The accounting and reporting policies of the Company conformed to statutory requirements and agreed ethical practices.
4. The internal control was being constantly and effectively monitored.
5. The Committee reviewed the internal audit programmes and report for the year and is satisfied with the status.
6. Finally, we acknowledge and appreciate the co-operation of Management and Staff in the conduct of these duties.

Dr. Tony Anonyai
Chairman of the Audit Committee
FRC/2013/ICAN/00000002579
Dated 28 February 2023

MEMBERS OF THE AUDIT COMMITTEE

Dr. Tony Anonyai	Shareholders' Representative	Chairman
Chief Simon Okiotorhoro	Shareholders' Representative	Member
Chief James Emadoye	Shareholders' Representative	Member
Mrs. Adebola Odukale	Non-Executive Director	Member
Mr. Shuaibu Abubakar Idris mni	Independent Non-Executive Director	Member

The Company Secretary/Legal Adviser acted as the Secretary to the Committee

General Information;

The Group
The group comprises of Consolidated Hallmark Insurance Plc (the company) and its subsidiaries - CHI Capital Limited, Hallmark Health Services Limited, CHI Microinsurance Limited and Hallmark Finance Company Limited. CHI Capital Limited has one wholly owned subsidiary 'CHI Support Services Limited'.

Company Information:
Consolidated Hallmark Insurance Plc (formerly Consolidated Risk Insurers Plc) was incorporated on 2 August 1991. The Company changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc following its merger with Hallmark Assurance Plc and The Nigerian General Insurance Company Limited in line with the consolidation reform of NAICOM announced in 2006. Consolidated Hallmark Insurance Plc came into effect from 1 March 2007.

Part of the long-term vision when the Company was incorporated as a General Insurance Business company over three decades ago, was to become a financial power- house. In line with this vision, the company had progressively over the years diversified into other related businesses within the financial services sector. This diversification gave rise to its acquisition of Grand Treasurers Limited (now Hallmark Finance Company Limited), a CBN Licensed Finance Company in October 2010,. It also founded CHI Capital Limited in 2008, CHI Support Services Limited in 2010., Hallmark Health Services Limited (a NHIA accredited Health Management Organisation) in 2018 and more recently established CHI Microinsurance Life Company Limited (A Micro Life Assurance Company, licensed by NAICOM) in 2020. a Microinsurance Life business in 2020.

The Company, Consolidated hallmark Insurance Plc, has thus far operated both as a Company and as a Group in line with its natural evolution, with each of the subsidiaries becoming direct offshoot of the General Insurance business.

Transformation into Consolidated Hallmark Holdings Plc

Having considered the long-term strategic goals of the Group and following a comprehensive evaluation of the operating and competitive environment, the Board of Directors of Consolidated Hallmark Insurance Plc (i.e. The Group), made the decision to embark on restructuring the Group under a non-operating Holding Company. This is to align the Group's operations with global best practices, ensure greater flexibility and adapt to the rapidly evolving financial landscape. It is also part of positioning the Group as an investment vehicle that would bring alive new business ventures, enhance its earnings base and deliver greater shareholder value. This led to the Group hitherto called Consolidated Hallmark Insurance Plc transforming to Consolidated Hallmark Holdings Plc in late 2023 but with effective operations commencing on January 1 2024.

Consolidated Hallmark Holdings Plc (CHH Plc) is a non-operating Holdco and has become the parent company for the erstwhile Consolidated Hallmark Insurance Plc (CHI Plc). This restructure was achieved by way of a scheme of arrangement between the Company and its shareholders. The Scheme Shareholders received one (1) HoldCo Share for every Scheme Share transferred.

The benefits of the HOLDCO structure are envisioned to be a s follows:

(1.) **Value Maximisation:** The HoldCo structure will improve Consolidated Hallmark's valuation by creating a structure where each subsidiary is able to operate a focused business.

(2) **Simplified Corporate Structure:** The HoldCo structure will streamline the Group's structure to deliver operational and cost synergies to the business.

(3) **Stronger Credit Rating**: The effects of an improved valuation and a simplified corporate structure should improve the credit rating of the Group, and enable the Company obtain easier access to financing from the Capital Market.

(4). **Tax Efficiency:** The HoldCo structure should create effective structures that could create tax efficiencies across the business.

(5). **Fund Raising:** The transition will lead to standalone entities that are able to raise capital from the market. In addition, the HoldCo structure will result in increased financial strength of the Group, which will improve access and ability to raise capital with benefits including lower costs of funding.

(6). **Operational Efficiency:** Duplicated roles and functions could be streamlined leading to cost savings and increasing overall profitability.

(7). **Strategic Positioning**: The HoldCo structure will enable the Company to pursue other value accretive opportunities that could arise in the near term. and achieve cost synergies to the business. This will lead to improved financial performance and reduced risk exposure across all its businesses.

The corporate reorganization was achieved via a Scheme of Arrangement duly approved by the shareholders at its Court Ordered Meeting held in October 13, 2022 and sanctioned by the Court in July 12, 2023.

CHI Plc was subsequently delisted from the floor of the Nigerian Exchange (NGX). Similarly, two of the subsidiaries of the erstwhile CHI Plc, namely Hallmark Finance Company Limited and Hallmark Health Services Limited has also become a direct subsidiary of the Holding Company. Consolidated Hallmark Insurance Plc (CHI) has thus become a limited liability company wholly owned by CHH Plc and remains under the primary regulation of the National Insurance Commission (NAICOM).

The new group comprises of Consolidated Hallmark Holdings Plc (The Parent Company) with Consolidated Hallmark Insurance Limited, Hallmark Finance Company Limited and Hallmark Health Services Ltd as its direct subsidiaries. Similarly, CHI Micro-Insurance Ltd, CHI Capital Ltd and CHI Support Services Ltd. remain the direct subsidiaries of Consolidated Hallmark Insurance Limited.

The Group remains steadfast and committed to its core values of Professionalism, Relationship, Integrity, Customer Focus and Excellence and will continue to uphold its time-tested high standard of Corporate Governance.

These consolidated and separate financial statements have been authorized for issue by the Board of Directors on **February 24, 2024**.

Principal Activities
Consolidated Hallmark Insurance Plc is a General Business and Special Risks Insurance underwriting firm fully capitalized in line with statutory requirements of the industry regulatory body – National Insurance Commission. The company underwrites Aviation, Oil and Gas, Marine Cargo and Hull and other non – life insurance underwriting including Motor, Fire and Special Perils, Goods-in-transit, Engineering Insurance and General Accident insurance businesses.

The Company identifies prompt claims payment as a means to achieving customer satisfaction and therefore emphasizes prompt claims payment in its operations. The company also invests its available funds in interest bearing and highly liquid instruments to generate adequate returns to meet its claims obligations.

The Company is a public limited company incorporated and domiciled in Nigeria. Its shares are listed on the floor of the Nigerian Stock Exchange and have its registered office at Consolidated Hallmark House, 266, Ikorodu Road, Lagos.

Going concern assessment
These consolidated financial statements have been prepared on a going concern basis. The group has neither intention nor need to reduce substantially its business operations. The management believes that the going concern assumption is appropriate for the group and there are no going concern threats to the operations of the group.

Subsidiaries;

CHI Microinsurance Limited
CHI Microinsurance Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc, incorporated in 2016 and Licensed by NAICOM to provide Life microinsurance services. Microinsurance is a financial arrangement to protect low-income people against specific perils in exchange for regular premium payment proportionate to the likelihood and cost of risk involved.

CHI Capital Limited
CHI Capital Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. It carries on the business of corporate support services. CHI Capital Limited incorporated CHI Support Services Limited in 2014 with 100% shareholdings.

Hallmark Finance Company Limited
Hallmark Finance Company Limited was an indirect subsidiary of Consolidated Hallmark Insurance up to November 2019 before the Board of CHI Capital limited transferred her holding 100% to the Parent (Consolidated Hallmark Insurance Plc).

Hallmark Finance Company Limited is now a direct subsidiary of the Consolidated Hallmark Insurance Plc. The business of the company is consumer lending, lease financing and other finance company business.

CHI Support Services Limited is a company incorporated as a limited liability company in 2014. CHI Support Services ltd started as an autotrack business but has now focused on providing corporate support services for the Group. CHI Support Services was incorporated in Nigeria.

Hallmark Health Services Ltd
Hallmark Health Services Ltd is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. Incorporated in 2017. It is envisioned to be a leading health insurance company to meet the need for quality health maintenance services providing affordable and lasting health care plan for all Nigerians. Hallmark Health Services Ltd. Is fully accredited by the National Health Insurance Service as a National HMO.

Impact of Covid 19 on Financial Statement
Following the outbreak of COVID-19 pandemic, the Group instituted various measures to preserve the health and well-being of its employees, clients and communities while minimizing the impact of

the pandemic on its Businesses in all the jurisdiction where it operates. The Group activated its Business Continuity Plans and came up with various initiatives to prevent business disruptions while ensuring adequate customer service delivery. The Group also came up with palliative measures to ease the difficulty encountered by obligors in identified vulnerable segments and partnered with Government on initiatives aimed at alleviating suffering brought by COVID-19.

In 2021, following medical breakthrough with vaccines for the Covid 19 pandemic, a number of countries, including Nigeria, had relaxed the strict rules around social distancing and other COVID-19 protocol. This has positive impact on our ability to return most of our staff back to the office without necessarily letting go of the flexibility and efficiency that came along with the remote working regime. It also enabled our marketing activities as the nature of our businesses still demand some level of physical engagement with existing and potential customers.

In 2022, most of the general apprehension about COVID 19 had literally disappeared, aside from its resurgence in China towards the third quarter of the year. But, global air travel had resumed in full swing and this impacted positively on our Aviation Insurance class of business. Suffice to mention that COVID 19 had no adverse economic on our business during the period.

The group will continue to closely monitor the national and global developments on the COVID 19 pandemic, and we are confident in our capacity to respond with promptness as may be needed to safeguard the health and safety of our staff and collaborate with all other stakeholders to contain any untoward development in this regard. We will also continue to sustain the Group's Business Continuity Plans, and our ICT capabilities order to take advantage of the flexible work environment that has come to stay as a measure for efficiency and employee work life balance.

Statement of Significant Accounting Policies
The following are the significant accounting policies adopted by the Group in the preparation of its consolidated financial statements. These policies have been consistently applied to all year's presentations, unless otherwise stated

1. Basis of presentation:

1.1 Statement of compliance with IFRS

These financial statements are the separate and consolidated financial statement of the company and its subsidiaries (together, “the group”). The group’s financial statements for the year 2023 have been prepared in accordance with the International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standard Board (“IASB”), and interpretations issued by IFRS’s interpretation committee (IFRIC) and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

These are the Group’s financial statements for the year ended 31 December 2023, prepared in accordance with IFRS 10 - Consolidated Financial Statements.

1.1.2 Application of new and amended standards

New and amended standards and interpretations
Standards and interpretation effective and adopted in current year
6.1 Standards and interpretations effective for the first time for 31 December 2023 year end
The accounting policies adopted are consistent with those of the previous financial year despite the adoption of IFRS. For the preparation of these Financial Statements, the following new, revised or

amended requirements are mandatory for the first time for the financial year beginning 1 January 2023.

IAS 8 Accounting Policies, Change in Accounting Estimates and Errors
IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.

Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2023.

Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.
The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. The amendments are not expected to have a material impact on the Group.

IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter
As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The amendments is not applicable to the Group.

IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

IFRS 17 Insurance Contracts
In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

1. Level of aggregation
2. Liability Measurement
3. Presentation and disclosure
4. Production Classification
5. Transition Approach

(1) LEVEL OF AGGREGATION-

IFRS 17 defines the level of aggregation to be used for measuring insurance contracts and their related profitability. This is a key issue in identifying onerous contracts and in determining the recognition of profit or loss and presentation in the financial statements.

The starting point for aggregating contracts is to identify portfolios of insurance contracts. A portfolio comprises contracts that are subject to similar risks and managed together.

(1a) Current Product Segmentation;- Where the current product segmentation meets the requirements of IFRS 17, the current product segmentation option may be adopted.

The Group has adopted the **Current Product Segmentation** because this is what Consolidated Hallmark Insurance Plc does currently and the Naicom grouping meets this requirement as each group has similar risk and can be managed together.

(1b) DETERMINATION OF COHORTS:-

Annual Cohorts:- Group the contracts into annual time buckets that coincides with an entity's annual reporting period.

The Group has adopted the **contracts into annual cohorts** The Group has adopted the **contracts into annual cohorts** because we group all contracts to the same line of business on annual basis.

(1c) ASSESSMENT OF PROFITABILITY FOR NON-LIFE:-

Expected Combined Ratio:- The expected combined ratio is very similar to combined ratio, however, under this method, the profitability of contracts is assessed under different scenarios and a weighted ratio is derived**.**

The Group has adopted the option of **Expected Combined Ratio**. This helps to develop appropriate models to determine possible scenarios and respective scenario weights. However, given that these contracts are one year or less, this approach may be feasible.

(2)LIABILITY MEASUREMENT

(2a) DETERMINATION OF MEASUREMENT MODELS;-

Premium Allocation Approach (PAA):- Premium allocation approach (PAA) is an optional measurement model and a simplification to the GMM but can only be applied if certain criteria are met.

The company has adopted a Premium Allocation Approach (PAA) for the measurement of insurance contract liabilities. Analysis of the portfolios show that 97.8% of the contracts have contract boundaries of one year or less, hence qualified for the use of PAA approach. The general principle is that Long-dated contracts are eligible for the PAA if the liability for remaining coverage (LRC) calculation is comparable to that under the GMM.

The table below shows the summary of the Gross Premium written split by the contract boundary.

Summary of Gross premium for contracts used for December 2023 LRC calculations			
PORTFOLIO	**One year or less**	**Above one year**	**Percentage Difference**
Aviation	1,474,387,077	39,460,031	2.6%
Bonds	967,450,875	19,408,118	2.0%
Engineering	1,251,525,442	247,106,785	16.5%
Fire	3,799,481,308	63,086,689	1.6%
General Accident	2,710,355,770	63,194,470	2.3%
Marine	1,350,164,364	3,882,187	0.3%
MOTOR	7,027,677,667	89,305,496	1.3%
Oil & Gas	4,581,733,693	7,294,315	0.2%
Total	**23,162,776,197**	**532,738,089**	**2.2%**

We tested the principle on the Engineering portfolio which has 16.5% of the gross premium written with contract boundary of more than one year. Our test indicated that the difference between the Liability for Remaining Coverage using GMM and PAA is 3.4%. We can confirm that this difference is not material, hence we have applied PAA model across all contracts in all portfolios.

The Group has adopted the approach **of Premium Allocation Approach** because its feasible for the group life and non-life contracts because they have a duration of one year or less.

(2b) **ESTIMATION OF FULFILLMENT CASH FLOWS:-**

Individual Policies Level:- Estimate fulfillment cash flows at the individual policies/contract level.

The Group has adopted the **Individual policies approach** since the Company currently has the required data for in-force contracts so it will be easy to allocate the estimated fulfilment cash flows to the different Unit of accounts which is consistent with Level of Aggregation.

(2c) **DETERMINATION OF DISCOUNTING APPROACH:-**

Bottom-Up Approach:- Under this approach, a liquid risk-free yield curve is adjusted "to reflect the differences between the liquidity characteristics of the financial instruments that underlie the rates observed in the market and the liquidity characteristics of the insurance contracts."

The Group has adopted the yield curve produced by Nigeria Actuarial Society (NAS) which is based on **bottom-up approach** as yield curve can be generated from government bonds.

(2d) **CALCULATION OF RISK ADJUSTMENT:-**

Value at risk (VAR) approach: - Value at risk approach also called the confidence level technique is calculated with reference to a particular confidence level. Choosing a VAR methodology requires an entity to calculate the discounted value of the best estimate future cash flows under a range of different scenarios to produce a risk distribution.

The Group has adopted the option of **Value at risk approach**. This is because we have historical data to determine the confidence level.

(3)PRESENTATION AND DISCLOSURES

(3a) INSURANCE FINANCE AND EXPENSES:-

Disaggregate between profit or loss and other comprehensive income:- Accounting policy choice to disaggregate insurance finance income or expense between profit or loss and other comprehensive income (OCI).

The Group has adopted the **Disaggregate between profit or loss and other comprehensive income** as this may be relatively easy to adopt given that the difference between the change in the cash flows measured at a current rate and the change in the cash flows measured at the locked-in discount rate (i.e. at inception) will be recognised in OCI leading to less volatilities.

(3b) **PRESENTATION OF CHANGE IN THE RISK ADJUSTMENT FOR NON-FINANCIAL RISK:-**

Include as part of insurance service result:- Entities have an accounting policy choice to include the change in the risk adjustment for non-financial risk as part of insurance service result.

The Group has adopted the 2nd option of Include as part of insurance service result. This approach is fairly easy to adopt compared to the alternative.

(3c) **PRESENTATION OF REINSURANCE INCOME OR EXPENSES:**

Present combined as one-line item:- Entities have an accounting policy choice to present reinsurance income and expense combined in one-line/single item (net presentation) in profit or loss.

The Group has adopted the option of presenting conbined as one-line item. This approach may require considerable amount of work (reconciliation, system upgrade, etc) to separate properly as provided by the Standard.

(4) PRODUCT CLASSIFICATION

(4a) **PREMIUM ALLOCATION APPROACH ELIGIBILITY:-**

Contract duration:- This approach requires the entity to estimate at what time period after 12 months would the liability for remaining coverage be expected to differ significantly between the PAA and GMM.

The Group has adopted the option of Contract duration. This approach is easy to adopt as the analysis would need to be performed on an annual basis and may not necessarily require full computation given that it can be derived intuitively.

(4b) **Expense acquisition costs:-**

Expense acquisition costs:- Entities have an accounting policy choice to recognise any insurance acquisition cash flows as expenses.

The Group has adopted the option of expense acquisition costs. This approach is easy to adopt considering the current treatment of initial acquisition costs (DAC).

(5) **TRANSITION APPROACH**

(5a) NON – LIFE:-

Full retrospective approach:- This approach requires IFRS 17 to be applied to all in-force contracts as if the standard has always been applied. It requires day one data and the full history of transactions to date for all groups of contracts.

The Group has adopted the option of Full retrospective approach. This would not require as much data and is relatively easier to adopt because of the simplifications available.

(5b) **FAIR VALUE OR MODIFIED RETROSPECTIVE APPROACH:-**

Not to include in a group, contracts issued more than one year apart:- This approach requires an entity not to include contracts issued more than one year apart in the same group.

The Group has adopted option **Not to include in a group, contracts issued more than one year apart**. However, this option is expected to involve a higher complexity.

TRANSITION FINANCIAL POSITION					
COMPANY		31 Dec 2021	Reclassification	Remeasurement	Balance as at Jan 1st 2022 after reclassification and remeasurement
Assets					
Cash and cash equivalents		2,044,305,295			**2,044,305,295**
Financial assets		3,926,828,203			**3,926,828,203**
Finance lease receivables					**-**
Trade receivables		543,897,328			**543,897,328**
Reinsurance assets	A	3,410,440,180	(68,805,228)	745,059,261	**4,086,694,213**
Deferred acquisition cost	B	385,296,407	(385,296,407)		**-**
Other receivables & prepayments		547,376,936			**547,376,936**
Investment in subsidiaries		1,594,225,000			**1,594,225,000**
Intangible Assets		29,482,173			**29,482,173**
Investment properties		1,008,676,470			**1,008,676,470**
Property and equipment		1,089,355,653			**1,089,355,653**
Deferred tax liabilities					**-**
Right-of-Use of Assets (Leased Assets)					**-**
Statutory deposits		300,000,000			**300,000,000**
		14,879,883,645	**(454,101,635)**	**745,059,261**	**15,170,841,271**
Total assets					
Liabilities					
Insurance contract liabilities	C	5,299,544,811	(385,296,407)	734,032,304	5,648,280,708
Investment contract liabilities					-
Trade payables		46,805,158			46,805,158
Borrowing					-
Other payables and provision		275,121,116	(68,805,228)		206,315,888
Retirement benefit obligations		1,367,928			1,367,928
Deposit for Shares					-
Income tax liabilities		340,135,901			340,135,901
Deferred tax liabilities		247,979,804			247,979,804
Total liabilities		**6,210,954,718**	**(454,101,635)**	**734,032,304**	**6,490,885,387**
Equity and reserves					
Issued and paid up share capital		5,420,000,000			5,420,000,000
Share Premium		168,933,834			168,933,834
Contingency reserve		2,437,343,087			2,437,343,087
Statutory reserve					-
Fair Value Through OCI Reserve		30,669,220			30,669,220
Revaluation reserve		115,793,288			115,793,288
Regulatory risk reserve					-
Retained earnings	A,B,C & D	496,189,498		11,026,957	507,216,455
Total equity and reserves		**8,668,928,927**	**-**	**11,026,957**	**8,679,955,884**
Total Liabilities and equity and reserves		**14,879,883,645**	**(454,101,635)**	**745,059,261**	**15,170,841,271**

REINSURANCE ASSETS (COMPANY)	December 31st 2022	January 1st 2022
Reinsurance Asset on IFRS 4	3,285,437,414	3,410,440,180
Amount reclassified to reinsurance contract assets on IFRS 17	(3,285,437,414)	(3,410,440,180)
	-	-
REINSURANCE CONTRACT ASSETS		
Reinsurance assets reclassified under ifrs 4	3,285,437,414	3,410,440,180
Unearned commission income reclassified	(110,594,576)	(68,805,228)
IFRS 17 Reinsurance contracts assets impact:		
(a) Estimates of present value of future cashflows	83,979,236	471,643,823
(b) Risk adjustment	293,554,880	273,415,438
Reinsurance Contract Assets	**3,552,376,954**	**4,086,694,213**

REINSURANCE ASSETS (GROUP)	December 31st 2022	January 1st 2022
Reinsurance Asset on IFRS 4	3,285,437,414	3,410,440,180
Amount reclassified to reinsurance contract assets on IFRS 17	(3,285,437,414)	(3,410,440,180)
	-	-
REINSURANCE CONTRACT ASSETS		
Reinsurance assets reclassified under ifrs 4	3,285,437,414	3,410,440,180
Unearned commission income reclassified	(110,594,576)	(68,805,228)
IFRS 17 Reinsurance contracts assets impact:		
(a) Estimates of present value of future cashflows	83,979,236	471,643,823
(b) Risk adjustment	293,554,880	273,415,438
Reinsurance Contract Assets	**3,552,376,954**	**4,086,694,213**

INSURANCE CONTRACT LIABILITY (COMPANY)	December 31st 2022	January 1st 2022
Insurance contract liability on IFRS 4	6,329,021,551	5,299,544,811
Amount reclassified to insurance contract liabilty on IFRS 17	(6,329,021,551)	(5,299,544,811)
	-	-
INSURANCE CONTRACT LIABILITY		
Insurance contract liability reclassified under ifrs 4	6,329,021,551	5,299,544,811
Deferred aquisition cost reclassified	(551,735,100)	(385,296,407)
IFRS 17 Insurance Contract Liability impact:		
(a) Estimates of present value of future cashflows	501,636,207	430,025,901
(b) Risk adjustment	427,740,512	304,006,403
Insurance Contract Liabilty	**6,706,663,170**	**5,648,280,708**

INSURANCE CONTRACT LIABILITY (GROUP)	**December 31st 2022**	**January 1st 2022**
Insurance contract liability on IFRS 4	6,547,611,485	5,474,050,401
Amount reclassified to insurance contract liabilty on IFRS 17	(6,547,611,485)	(5,474,050,401)
	-	-
INSURANCE CONTRACT LIABILITY		
Insurance contract liability reclassified under ifrs 4	6,547,611,485	5,474,050,401
Deferred aquisition cost reclassified	(565,555,745)	(397,546,015)
IFRS 17 Insurance Contract Liability impact:		
(a) Estimates of present value of future cashflows	517,952,518	448,055,644
(b) Risk adjustment	427,740,512	304,006,403
Insurance Contract Liabilty	**6,927,748,770**	**5,828,566,433**

COMPANY		**31 Dec 2022**	**Reclassification**	**Remeasurement**	**Balance as at December 31 2022 after reclassification and remeasurement**
Assets					
Cash and cash equivalents		1,183,948,834			1,183,948,834
Financial assets		6,325,958,061			6,325,958,061
Finance lease receivables		-			-
Trade receivables		773,060,783			773,060,783
Reinsurance assets	A	3,285,437,414	(110,594,576)	377,534,116	3,552,376,954
Deferred acquisition cost	B	551,735,100	(551,735,100)		-
Other receivables & prepayments		652,618,272			652,618,272
Investment in subsidiaries		1,594,225,000			1,594,225,000
Intangible Assets		22,104,164			22,104,164
Investment properties		1,265,226,470			1,265,226,470
Property and equipment		1,088,248,164			1,088,248,164
Deferred tax liabilities		-			-
Right-of-Use of Assets (Leased Assets)		-			-
Statutory deposits		300,000,000			300,000,000
					-
Total assets		17,042,562,262	(662,329,676)	377,534,116	16,757,766,701
		-			
Liabilities					
Insurance contract liabilities	C	6,329,021,551	(551,735,100)	929,376,719	6,706,663,170
Investment contract liabilities		-			-
Trade payables		33,472,651			33,472,651
Borrowing		-			-
Other payables and provision	D	350,746,765	(110,594,576)		240,152,189
Retirement benefit obligations		1,181,508			1,181,508
Deposit for Shares		-			-
Income tax liabilities	E	635,139,647		(110,594,578)	524,545,069
Deferred tax liabilities		239,442,368			239,442,368
Total liabilities		7,589,004,490	(662,329,676)	818,782,141	7,745,456,955
Equity and reserves					
Issued and paid up share capital		5,420,000,000			5,420,000,000
Share Premium		168,933,834			168,933,834
Contingency reserve		2,799,201,192			2,799,201,192
Statutory reserve		-			-
Fair Value Through OCI Reserve		39,163,090			39,163,090
Revaluation reserve		128,676,506			128,676,506
Regulatory risk reserve		-			-
Retained earnings		897,583,150	-	(441,248,026)	456,335,124
Total equity and reserves		9,453,557,771	-	(441,248,026)	9,012,309,745
Total Liabilities and equity and reserves		17,042,562,261	(662,329,676)	377,534,116	16,757,766,701

GROUP		31 Dec 2021	Reclassify	Remeasurement	Balance as at Jan 1st 2022 after reclassification and remeasurement
Assets					
Cash and cash equivalents		2,857,075,239			2,857,075,239
Financial assets		5,290,556,583			5,290,556,583
Finance lease receivables		148,741,442			148,741,442
Trade receivables		601,620,155			601,620,155
Reinsurance assets	A	3,410,440,180	(68,805,228)	745,059,260	4,086,694,212
Deferred acquisition cost	B	397,546,015	(397,546,015)		-
Other receivables & prepayments		222,692,503			222,692,503
Investment in subsidiaries		-			-
Intangible Assets		76,702,920			76,702,920
Investment properties		1,098,676,470			1,098,676,470
Property and equipment	C	1,163,708,129	(237,066)		1,163,471,063
Deferred tax liabilities					-
Right-of-Use of Assets (Leased Assets)		6,406,590			6,406,590
Statutory deposits		400,000,000			400,000,000
		15,674,166,226	**(466,588,309)**	**745,059,260**	**15,952,637,177**
Total assets					
Liabilities					
Insurance contract liabilities	D	5,474,050,401	(397,546,015)	752,062,047	5,828,566,433
Investment contract liabilities		17,660,923			17,660,923
Trade payables		46,805,158			46,805,158
Borrowing		55,800,014			55,800,014
Other payables and provision	E	343,540,593	(68,805,228)		274,735,365
Retirement benefit obligations		2,075,682			2,075,682
Deposit for Shares					-
Income tax liabilities		462,785,844			462,785,844
Deferred tax liabilities		259,663,907			259,663,907
Total liabilities		**6,662,382,522**	**(466,351,243)**	**752,062,047**	**6,948,093,326**
Equity and reserves					
Issued and paid up share capital		5,420,000,000			5,420,000,000
Share Premium		168,933,834			168,933,834
Contingency reserve		2,437,638,438			2,437,638,438
Statutory reserve		72,039,762			72,039,762
Fair Value Through OCI Reserve		30,615,728			30,615,728
Revaluation reserve		115,793,288			115,793,288
Requlatory risk reserve		1,354,214			1,354,214
Retained earnings		765,408,440	(237,066)	(7,002,787)	758,168,587
Total equity and reserves		**9,011,783,704**	**(237,066)**	**(7,002,787)**	**9,004,543,851**
Total Liabilities and equity and reserves		**15,674,166,226**	**(466,588,309)**	**745,059,260**	**15,952,637,177**

GROUP		31 Dec 2022	Reclassification	Remeasurement	Balance as at December 31 2022 after reclassification and remeasurement
Assets					
Cash and cash equivalents		1,669,476,979	(3,112,779)		1,666,364,200
Financial assets		8,644,183,149			8,644,183,149
Finance lease receivables		210,896,364			210,896,364
Trade receivables		831,493,560			831,493,560
Reinsurance assets	A	3,285,437,414	4,883,900	262,055,640	3,552,376,954
Deferred acquisition cost	B	565,555,745	(565,555,745)		-
Other receivables & prepayments		292,572,354		3,112,779	295,685,133
Investment in subsidiaries		(0)	0		-
Intangible Assets		64,109,633			64,109,633
Investment properties		1,405,226,470			1,405,226,470
Property and equipment		1,168,945,157			1,168,945,157
Right-of-Use of Assets (Leased Assets)		2,844,702			2,844,702
Statutory deposits		400,000,000			400,000,000
		-			-
Total assets		**18,540,741,527**	**(563,784,625)**	**265,168,420**	**18,242,125,321**
					-
Liabilities					
Insurance contract liabilities	C	6,547,611,485		380,137,285	6,927,748,770
Investment contract liabilities		13,723,775			13,723,775
Trade payables		33,472,651			33,472,651
Borrowing		680,107,894			680,107,894
Other payables and provision	D	429,876,513	(105,710,676)		324,165,837
Retirement benefit obligations		2,925,281			2,925,281
Income tax liabilities	E	766,699,256		(115,478,478)	651,220,778
Deferred tax liabilities		253,908,071			253,908,071
Total liabilities		**8,728,324,926**	**(105,710,676)**	**264,658,807**	**8,887,273,057**
Equity and reserves					
Issued and paid up share capital		5,420,000,000			5,420,000,000
Share Premium		168,933,834			168,933,834
Contingency reserve		2,800,339,728			2,800,339,728
Statutory reserve		91,262,839			91,262,839
Fair Value Through OCI Reserve		39,180,406			39,180,406
Revaluation reserve		128,676,506			128,676,506
Requlatory risk reserve		1,828,189			1,828,189
Retained earnings		1,162,195,099	(458,073,949)	509,613	704,630,761
Total equity and reserves		**9,812,416,601**	**(458,073,949)**	**509,613**	**9,354,852,264**
		-			-
Total Liabilities and equity and reserves		18,540,741,527	(563,784,625)	265,168,420	18,242,125,321

Reconciliation of Statements of Comprehensive Income

	IFRS 4 Statement of profit or loss		IFRS 17 Statement of profit or loss	
	Gross premium written	12,061,936,819	Expected benefits incurred	11,142,727,902
	Change in insurance contract Liabilities	(1,014,037,305)		
	Change in the risk adjustment	-	Change in the risk adjustment	-
27	**Gross premium income**	**11,047,899,514**	**Insurance revenue**	**11,142,727,902**
	Claims expenses	(3,931,378,376)	Incurred claims	3,915,938,942
	Operating & Administrative expenses	(2,228,062,316)	Incurred Fulfilment expenses	2,017,863,268
	Underwriting expenses	(2,547,528,124)	Amortisation of insurance acquisition cash flows	2,547,528,124
	changes in BEL related to LIC		changes in BEL related to LIC	(57,402,640)
	Change in the risk adjustment	-	Change in the risk adjustment	(123,734,110)
28	**Insurance service expense**	**(8,706,968,816)**	**Insurance service expense**	**8,300,193,584**
	Reinsurance premium expenses	(4,893,972,775)	Expected recovery for claims	(1,396,202,283)
	Fee and commission income	714,526,206	Fee and commission income	(756,315,553)
	Reinsurance RA allocation	-	Reinsurance RA allocation	4,986,931,692
	Claims recoveries from reinsurers	1,869,608,166	Amounts recoverable for claims	
	changes in BEL related to reinsurance LIC	-	changes in BEL related to reinsurance LIC	(92,958,917)
30	**Net gains or loss from reinsurance**	**(2,309,838,403)**	**Net income or expense from reinsurance contracts held**	**2,741,454,939**
	Insurance service result	31,092,295	**Insurance service result**	**101,079,380**
32	Investment income	752,385,146	Other investment revenue	752,385,146
33	Other operating income	595,355,189	Net foreign exchange income or expense	590,678,251
34	Impairment (charge)	(22,685,769)	Net impairment loss on financial assets	(20,066,075)
35	Net fair value loss on financial assets at fair value through profit or l	10,163,192	Amounts recognised in OCI	10,163,192
	Total Net Investment Income	**1,335,217,758**	**Total Net Investment Income**	**1,333,160,515**
	Insurance finance expenses	-	Insurance finance expenses	-
	Reinsurance finance income	-	Reinsurance finance income	-
	Financial insurance result	**1,335,217,758**	**Financial insurance result**	**1,333,160,515**
36	**Other expenses**	-	**Other expenses**	(500,371,852)
			Other income	4,676,938
	Profit before Tax	**1,366,310,053**	**Profit before Tax**	**938,544,980**
	Income tax	(386,258,245)	Income tax	(410,768,155)
	Profit after Tax	**980,051,808**	**Profit after Tax**	**527,776,825**
	Items that will be reclassified subsequently to profit or loss	21,377,088		21,377,088
	Total comprehensive income for the year	**1,001,428,896**		**549,153,913**

December 2021 Tansition Numbers

Insurance Contract Liabilities	**IFRS 17**	**IFRS 4**
Liability for Remaining Coverage (LRC)		
Present Value of Future Cashflows	2,202,980,829	2,158,251,334
Total Liability for Remaining Coverage (LRC)	**2,202,980,829**	**2,158,251,334**
Liability for Incurred Claims (IBNR+Oustanding Claims)	**3,141,293,477**	**3,141,293,477**
Risk Adjustment	**304,006,403**	
Total Insurance Contract Liabilities	**5,648,280,708**	**5,299,544,811**

December 2022 Comparatives		
Insurance Contract Liabilities	**IFRS 17**	**IFRS 4**
Liability for Remaining Coverage (LRC)		
Present Value of Future Cashflows	2,998,455,636	3,048,554,529
Total Liability for Remaining Coverage (LRC)	**2,998,455,636**	**3,048,554,529**
Liability for Incurred Claims (IBNR+Oustanding Claims)	**3,280,467,021**	**3,280,467,021**
Risk Adjustment	**427,740,512**	
Total Insurance Contract Liabilities	**6,706,663,170**	**6,329,021,551**

December 2021 Reinsurance Assets Tansition Figures		
Reisurance Contract Assets	**IFRS 17**	**IFRS 4**
Liability for Remaining Coverage (LRC)		
Present Value of Future Cashflows	1,189,590,065	782,882,234
Total Liability for Remaining Coverage (LRC)	**1,189,590,065**	**782,882,234**
Liability for Incurred Claims (IBNR+Oustanding Claims)	**2,627,557,946**	**2,627,557,946**
Risk Adjustment	**273,415,438**	
Total Reinsurance Contract Assets	**4,090,563,449**	**3,410,440,180**

December 2022 Reinsurance Assets Comparatives		
Reisurance Contract Assets	**IFRS 17**	**IFRS 4**
Liability for Remaining Coverage (LRC)		
Present Value of Future Cashflows	830,335,912	851,128,762
Total Liability for Remaining Coverage (LRC)	**830,335,912**	**851,128,762**
Liability for Incurred Claims (IBNR+Oustanding Claims)	**2,434,308,653**	**2,434,308,653**
Risk Adjustment	**293,554,880**	
Total Reinsurance Contract Assets	**3,558,199,444**	**3,285,437,414**

6.2 Standards and interpretations not yet effective

The following standards have been issued or amended by the IASB but are yet to become effective for annual periods beginning on or after 1 January 2023:

IAS 1 Presentation of Financial statements

AS 1 "Presentation of Financial Statements" sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows.

Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The amendments are effective for reporting periods beginning on or after January 1, 2024. The amendments are applied retrospectively in accordance with IAS 8 and earlier application is permitted.

The Board also added two new paragraphs (Paragraph 76A and 76B) to IAS1 to clarify what is meant by "settlement" of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.
The amendment does not have any material impact on the Group.

IFRS 16 Leases
IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting however remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained.

Effective January 1, 2019, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted.

1.2 Basis of measurement

These financial statements are prepared on the historical cost basis except for the following:

- Investment property is measured at fair value.
- Assets held for trading are measured at fair value

1.3 Functional and presentation currency

The financial statements are presented in the functional currency, Nigeria naira which is the Group's functional currency.

1.4 Consolidation

The Group financial statements comprise the financial statements of the company and its subsidiaries, CHI Capital Limited, Hallmark Health Services Limited, Hallmark Finance Company Limited and CHI Microinsurance Limited, all made up to 31 December, each year. The financial statements of subsidiaries are consolidated from the date the group acquires control, up to the date that such effective control seizes.

Subsidiaries are all entities (including structured entities) over which the Group exercise control. Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

(1) Power over the investee

(2) Exposure, or rights, to variable returns from its involvement with the investee, and
(3) The ability to use its power over the investee to affect the amount of the investor's returns.

The subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Subsidiaries are measured at cost less impairment in the separate financial statement.

1.5 Use of estimates and judgments

The Group makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgement are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption. The annual accounting basis is used to determine the underwriting result of each class of insurance business written.

The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change
affects that period only, or in the period of change and future period, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of asset and liabilities within the next financial year are discussed below:

(a) The ultimate liability arising from claims made under insurance contracts
The estimation of the ultimate liability arising from claims made under insurance contracts is the group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the company will ultimately pay for such claims. The uncertainty arises because all events affecting the ultimate settlement of the claims have not taken place and may not take place for some time. Changes in the estimate of the provision may be caused by receipt of additional claim information, changes in judicial interpretation of contract, or significant changes in severity or frequency of claims from historical records. The estimates are based on the company's historical data and industry experience. The ultimate claims liability computation is subjected to a liability adequacy test by an actuarial consultant using actuarial models.

(b) Impairment of trade receivables
The Group adopted the policy of no premium no cover and the trade receivables outstanding as at the reporting period are premium receivable within 30days that are due from brokers. The trade receivable was further subjected to impairment based on management judgement. Internal models were developed based on company's specific collectability factors and trends to determine amounts to be provided for impairment of trade receivables. Efforts are made to assess significant debtors individually based on information available to management and where there is objective evidence of impairment they are appropriately impaired. Other trade receivables either significant or otherwise that are not specifically impaired are grouped on a sectorial basis and assessed based on a collective impairment model that reflects the company's debt collection ratio per sector.

(c) Income taxes

The Group periodically assesses its liabilities and contingencies related to income taxes for all years open to audit based on the latest information available. For matters where it is probable that an adjustment will be made, the Group records its best estimate of the tax liability including the related interest and penalties in the current tax provision.

Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

2. Segment reporting

An operating segment is a component of the Group engaged in business activities from which it can earn revenues whose operating results are reviewed regularly by the Group's Executive Management in order to make decisions about resources to be allocated to segments and assessing segments performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker is the Executive Management.

3. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits with a maturity of three months or less and other short-term highly liquid investments that are readily convertible into known amounts of cash. For the purpose of reporting cash flows, cash and cash equivalents include cash on hand; bank balances, fixed deposits and treasury bills within 90days.

3.1 Financial Instruments

Financial Assets
Recognition

The Group on the date of origination or purchase recognizes placements, equity securities and deposits at the fair value of consideration paid. Regular-way purchases and sales of financial assets shall be recognized on the settlement date. All other financial assets and liabilities, including derivatives, shall be initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Classification and Measurement

Initial measurement of a financial asset or liability shall be at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs shall be recognized immediately in profit or loss. Financial assets include placement with banks, treasury bills and equity instruments.

Financial assets shall be classified into one of the following measurement categories in line with the provisions of IFRS 9:

1. Amortised cost
2. Fair Value through Other Comprehensive Income (FVOCI)
3. Fair Value through Profit or Loss (FVTPL) for trading related assets.

The Group shall classify its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

Business Model Assessment

Business model assessment shall involve determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Group shall assess business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Group will take into consideration the following factors:

The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that shall be funding those assets or realizing cash flows through the sale of the assets;

- How the performance of assets in a portfolio will be evaluated and reported to the relevant heads of department and other key decision makers within the Company's business lines;

- The risks that affect the performance of assets held within a business model and how those risks shall be managed;

- How compensation shall be determined for the Company's business lines, management that manages the assets; and

- The frequency and volume of sales in prior periods and expectations about future sales activity.

Management shall determine the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

I) Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows

II) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and

III) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These shall be basically financial assets held with the sole objective to trade and to realize fair value changes.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions shall be met:

i) Where these sales shall be infrequent even if significant in value. A Sale of financial assets shall be considered infrequent if the sale shall be one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.

ii) Where these sales shall be insignificant in value both individually and in aggregate, even if frequent. A sale shall be considered insignificant if the portion of the financial assets sold shall be equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

iii) When these sales shall be made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

1. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2. Selling the financial asset to manage credit concentration risk (infrequent)
3. Selling the financial assets as a result of changes in tax laws (infrequent).
4. Other situations also depends upon the facts and circumstances which need to be judged by the Management

Cash flow characteristics assessment

The company shall assess the contractual features of an instrument to determine if they give rise to cash that shall be consistent with a basic investment arrangement.

Contractual cash flows shall be consistent with a basic deposit arrangement if they represent cash flow that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Principal shall be defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest shall be defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

Classification of Financial Assets

a) Financial assets measured at amortised cost

Financial assets shall be measured at amortised cost if they are held within a business model whose objective shall be to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category shall be carried at amortized cost using the effective interest rate method. The effective interest rate shall be the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost shall be calculated taking into account any discount or premium on acquisition, transaction costs and fees that shall be an integral part of the effective interest rate.

Amortization shall be included in Interest income in the Consolidated Statement of Income. Impairment on financial assets measured at amortized cost shall be calculated using the expected credit loss approach. Financial assets measured at amortized cost shall be presented net of the allowance for credit losses (ECL) in the statement of financial position.

b) **Financial assets measured at FVOCI**

Financial assets shall be measured at FVOCI if they are to be held within a business model whose objective shall be to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that shall be solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI shall be recorded in Other Comprehensive Income (OCI).

c) **Financial assets measured at FVTPL**

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that shall be solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments shall be measured at fair value in the Consolidated Statement of Financial Position, with transaction costs recognized immediately in the Consolidated Statement of Income.

d) **Equity Investments**

Equity instruments shall be measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value shall be recognized in the Consolidated Statement of Income. The Company can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election shall be made upon initial recognition, on an instrument-by-instrument basis and once made shall be irrevocable. Gains and losses on these instruments including when derecognized/sold shall be recorded in OCI and shall not be subsequently reclassified to the Consolidated Statement of Income.

Dividends received shall be recorded in Interest income in the Consolidated Statement of Income. Any transaction costs incurred upon purchase of the security shall be added to the cost basis of the security and shall not be reclassified to the Consolidated Statement of Income on sale of the security.

Financial Liabilities

Financial liabilities shall be classified into one of the following measurement categories:
a) Fair Value through Profit or Loss (FVTPL)
(b) Amortised cost

a) **Financial Liabilities at fair value through profit or loss**

Financial liabilities accounted for at fair value through profit or loss fall into two categories: financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception

Financial liabilities at fair value through profit or loss shall be financial liabilities held for trading. A financial liability shall be classified as held for trading if it shall be incurred principally for the purpose of repurchasing it in the near term or if it shall be part of a portfolio of identified financial instruments that shall be managed together and for which there shall be evidence of a recent actual pattern of profit-taking. Derivatives shall also be categorized as held for trading unless they shall be designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller.

Gains and losses arising from changes in fair value of financial liabilities classified as held for trading shall be included in the income statement and shall be reported as 'Net gains/(losses) on financial instruments classified as held for trading'. Interest expenses on financial liabilities held for trading shall be included in 'Net interest income'.

Financial Liabilities shall be designated at FVTPL when either the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value shall be recognized in the Consolidated Statement of Income, except for changes in fair value arising from changes in the company's own credit risk which shall be recognized in OCI. Changes in fair value of liabilities due to changes in the company's own credit risk, which are recognized in OCI, shall not be subsequently reclassified to the Consolidated Statement of Income upon derecognition/extinguishment of the liabilities.

b) **Financial Liabilities at amortised cost**

Financial liabilities that are not classified at fair value through profit or loss fall into this category and shall be measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost shall be debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

Reclassifications

Financial assets shall not be reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. A change in the Group's business model will occur only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example: an acquisition of a private asset management company that might necessitate transfer and sale of assets to willing buyers, this action will constitute changes in business model and subsequent reclassification of the assets held from BM1 to BM2 Category.

Any other reason that might warrant a change in the Group's business model are determined by management based on facts and circumstances.

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

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

When reclassification occurs, the Group shall reclassify all affected financial assets in accordance with the new business model. Reclassification shall be applied prospectively from the 'reclassification date'. Reclassification date shall be 'the first day of the first reporting period following the change in business model. Gains, losses or interest previously recognised shall not be restated when reclassification occurs.

Impairment of Financial Assets

In line with IFRS 9, the Group assess the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

1. Amortized cost financial assets; and
2. Debt securities classified as at FVOCI;

Equity instruments and financial assets measured at FVTPL shall not be subjected to impairment under the standard.

Expected Credit Loss Impairment Model

The Group's allowance for credit losses calculations shall be outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group shall adopt a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

Stage 1 – Where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss shall be recorded. The expected credit loss shall be computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity shall be used.

Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it shall be included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

Stage 3 – Financial instruments that are considered to be in default shall be included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model shall be to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance shall be based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination. Examples of financial assets with low credit risk (no significant increase in credit risk) include: Risk free and gilt edged debt investment securities that shall be determined to have low credit risk at the reporting date; and Other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Measurement of Expected Credit Losses

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses shall be modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

Details of these statistical parameters/inputs are as follows:

PD – The probability of default shall be an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the asset has not been previously derecognized and are still in the portfolio.

12-month PDs – This is the estimated probability of default occurring with the next 12 months (or over the remaining life of the financial instrument if that is less than 12 months). This shall be used to calculate 12-month ECLs.

Lifetime PDs – This is the estimated probability of default occurring over the remaining life of the financial instrument. This shall be used to calculate lifetime ECLs for “stage 2” and stage 3 exposures. PDs shall be limited to the maximum exposure required by IFRS 9

EAD – The exposure at default shall be an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD – The loss given default shall be an estimate of the loss arising in the case where a default occurs at a given time. It shall be based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It shall be usually expressed as a percentage of the EAD.

Forward-looking information
The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

Macroeconomic factors
The Group shall rely on a broad range of forward looking information as economic inputs, such as GDP growth, unemployment rates, central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays shall be made as temporary adjustments using expert credit judgement.

Multiple forward-looking scenarios
The Group shall determine allowance for credit losses using three probability-weighted forward looking scenarios. The Group shall consider both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Nigeria Insurers Association, Financial Markets Dealers Quotation (FMDQ), and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn shall be used in the estimation of the multiple scenario ECLs. The ‘normal case’ represents the most likely outcome and shall be aligned with information used by the company for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)
At each reporting date, the company shall assess whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for

SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking Macroeconomic factors shall be a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the borrower and the geographical region.

The Group shall adopt a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the company's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A backstop shall be used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for Default shall be transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Group shall assess whether financial assets are credit impaired. A financial asset shall be credit impaired when one or more of the following events have a detrimental impact on the estimated future cash flows of the financial asset:

- Significant financial difficulty of the Issuer;
- A breach of contract such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- The disappearance of an active market for a security because of financial difficulties

A debt that has been renegotiated due to a deterioration in the issuer's condition shall be considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there shall be no other indicators of impairment. In making an assessment of whether an investment in sovereign debts is credit-impaired, the Group shall consider the following factors.

1. The market's assessment of credit worthiness as reflected in the bond yields
2. The rating agencies' assessments of credit worthiness
3. The country's ability to access the capital markets for new debt issuance
4. The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness
5. The international support mechanisms in place to provide the necessary support as lender of last resort to that country as well as the intention, reflected in public statements of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and irrespective of the political intent, whether there is the capacity to fulfil the required Criteria.

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL shall be presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets
- Financial assets measured at FVOCI: no loss allowance shall be recognized in the statement of financial position because the carrying amount of these assets shall be their fair value. However, the loss allowance shall be disclosed and recognized in the fair value reserve.

Write-off
The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there shall be no realistic prospect of recovery. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be recommended for write-off (either partially or in full):

- Continued contact with the customer is impossible;
- Recovery cost is expected to be higher than the outstanding debt;
- Amount obtained from realization of credit collateral security leaves a balance of the debt; or
- It is reasonably determined that no further recovery on the facility is possible.

4. Leases

This is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the company are as follows:

- Company as lessee: Lessees are required to recognize a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.
- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.

- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.

- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.

- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications. Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.

- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.

- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases. Company as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.

- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.

- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.

- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

Sale and leaseback transactions:
In the event of a sale and leaseback transaction, the requirements of IFRS 15 are applied to consider whether a performance obligation is satisfied to determine whether the transfer of the asset is accounted for as the sale of an asset. If the transfer meets the requirements to be recognised as a sale, the seller-lessee must measure the new right-of use asset at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The buyer-lessor accounts for the purchase by applying applicable standards and for the lease by applying IFRS 16.

If the fair value of consideration for the sale is not equal to the fair value of the asset, then IFRS 16 requires adjustments to be made to the sale proceeds. When the transfer of the asset is not a sale, then the seller-lessee continues to recognize the transferred asset and recognizes a financial liability equal to the transfer proceeds. The buyer-lessor recognizes a financial asset equal to the transfer proceeds. The effective date of the standard is for years beginning on or after January 1, 2019. The company adopted the standard for the first time in the 2019 annual report and financial statements. The impact of this standard is not material on the financial statements.

5. Trade receivables

Trade receivables are recognized when due. These include amounts due from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Company reduces the carrying amount of the insurance receivable accordingly and recognizes that impairment loss in the income statement. The Company first assesses whether objective evidence of impairment exists individually for receivables that are individually significant. If the company determines that no objective evidence of impairment exists for an individually assessed receivable, whether significant or not, it includes the receivable in a group of receivables with similar credit risk characteristics and collectively assesses them for impairment using the model that reflects the company's historical outstanding premium collection ratio per sector.

6. Reinsurance contract assets and liabilities

These are contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company, and which also meets the classification requirements for insurance contracts held as reinsurance contracts. Insurance contracts entered into by the Company under which the contract holder is another insurer (inwards reinsurance) are included in insurance contracts.

The benefits to which the Company is entitled under its reinsurance contracts are recognized as reinsurance assets. These assets consist of short-term balances due from reinsurers, as well as long term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract.

In certain cases, a reinsurance contract is entered into retrospectively to reinsure a notified claim under the Company's property or casualty insurance contracts.

Where the premium due to the reinsurer differs from the liability established by the Company for the related claim, the difference is amortized over the estimated remaining settlement period.

The Company assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes that impairment loss in the income statement. The Company gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortized cost. The impairment loss is calculated following the same method used for these financial assets

7. Other receivables and prepayments

Receivables are stated at their original invoiced value, as the interest that would be recognized from discounting future cash receipts over the short credit period is not considered to be material. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue receivables is recognized as it accrues.

8. Investment in subsidiaries

Subsidiaries are entities controlled by the parent. In accordance with IAS 10, control exists when the parent has:

I. Power over the investee
II. Exposure, or rights, to variable returns from its involvement with the investee; and
III. The ability to use its power over the investee to affect the amount of investor's returns.

Investments in subsidiaries are reported at cost less impairment (if any).

9. 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 recognized amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

10. Intangible assets

Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses. Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in profit or loss. Intangible assets with an indefinite useful life are tested for impairment annually.

Amortization periods and methods are reviewed annually and adjusted if appropriate.
The class of the intangible assets recognised by the company and its amortisation rates are as follows:

	Rate
Computer software	15%

12. Property and equipment

12.1 Recognition and Measurement

All property and equipment are stated at historical cost less accumulated depreciation less accumulated impairment losses. Historical cost includes 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 the income statement during the financial period in which they are incurred.

Land is not depreciated. Land and Building shall be measured using the revaluation model. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	-	2%

Furniture & fittings	-	15%
Computers	-	15%
Motor vehicles	-	20%
Office equipment	-	15%

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. 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 value.
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, these are included in the income statement in operating income.

The Group reviews the estimated useful lives of property and equipment at the end of each reporting period.

12.2 Investment property

Property held for long-term rental yields and (or) capital appreciation that is not occupied by the companies in the Group is classified as investment property.

Investment property comprises freehold land and buildings. It is carried at fair values, 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. Gains/losses in the fair value of investment properties are recognised in the income statement.

These valuations are reviewed annually by an independent valuation expert. Investment Property under construction that is being developed for continuing use as investment property are measured at cost.

Property located on land that is held under an operating 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.

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in income statement to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognized in other comprehensive income and presented in the revaluation reserve in equity.

Any loss is recognized in other comprehensive income and presented in the revaluation reserve in equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognized immediately in income statement.

13. Statutory Deposit

Statutory deposit represents 10% of the minimum 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.

15. Investment Contract Liability

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

The Group enters into investment contracts with guarantee returns and other businesses of savings nature. Those contracts are termed investment contract liabilities and are initially measured at fair value and subsequently at amortised cost. Finance cost on investment contract liabilities is recognised as an expense in profit or loss using the effective interest rate.

16. Retirement benefits obligations

16.1 Defined contribution plan

The Group runs a defined contribution plan in line with the Pension Reform Act Amended 2014. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The rate of contribution by the Group and its employee is 10% and 8% respectively of basic salary, housing and transport allowance. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Under the defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

17. Share capital

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

18. Share premium

Share premium is the excess amount over the par value of the shares. This is classified as equity when there is no obligation to transfer cash or other assets. The proceeds received are recorded as net of costs. This reserve is not ordinarily available for distribution.

19. Contingency reserve

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

20. Statutory reserve

In line with Central Bank of Nigeria guideline, Finance companies in Nigeria are required to transfer a minimum of 15% of its profit before tax to statutory reserve until the reserve fund equals the Paid-up Capital and a minimum of 10% thereafter. This applies to Grand Treasurers Limited, a subsidiary within the group.

21. Regulatory risk reserve

The Subsidiary (Grand Treasurers Ltd) determines its loan loss provisions based on the requirements of IFRS. The difference between the loan loss provision as determined under Nigerian Prudential guideline (as prescribed by the Central Bank of Nigeria) is recorded in this reserve. This reserve is non distributable.

22. Dividend distribution

Dividend distribution to the Group's shareholders is recognized as a deduction in the revenue reserve in the year in which the dividend is approved by the Company's shareholders.

23. Revenue recognition

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

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

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

For the life business, the Company holds quota share reinsurance treaties and accounts for these treaties applying the PAA.

B. Definition and Classification

Products sold by the Company are classified as insurance contracts when the Company 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 Company considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

The Company determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Company 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 Company does not issue any contracts with direct participating features.

C.Separating components from insurance and reinsurance contracts

The Company 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 Company's products do not include distinct components that require separation.

Some term life contracts issued by the Company 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 Company is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

D. Level of aggregation

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The Company identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Company considers the similarity of risks rather than the specific labelling of product lines. The Company 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 Company 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 short term contracts accounted for applying the PAA, the Group determines that contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. As IFRS 17 does not define what “facts/circumstances” entail; the following are considered on their impact on expected cashflows and resulting profitability:

Significant changes in external conditions including economic or regulatory changes.

Changes to the organization or processes

Changes in underwriting and pricing strategies

Trends in experience and expected variability in cashflows

This consideration is only required for Liabilities for Remaining Claims (LRC) and not Liabilities for Incurred Claims (LIC)which is already measured at the current fulfillment value. Fulfillment cashflows can be estimated at whichever aggregate level is deemed appropriate and then subsequently allocated into IFRS 17 portfolios and groups. The fact that incurred claims of a particular cohort are loss-making does not mean the LRC will also be onerous. Judgment is applied to determine whether each cohort’s LRC will be similar to this incurred experience and hence onerous. For example, actions taken to improve profitability a historically loss-making cohort may indicate that the cohort will be non-onerous going forward.

All short-term contracts have currently been assessed as having no possibility of becoming onerous. Though the Fire portfolio (non-Life) has historically been loss-making, the portfolio has been showing some improvement post-implementation of PRAN rates and other underwriting strategies such as removal of some toxic accounts etc. The Company expects that improvements will be sustained in future and therefore the cohort will be non-onerous. In subsequent periods, non-onerous contracts are re-assessed based on the likelihood of prevailing facts and circumstances leading to significant possibility of becoming onerous.

Reinsurance contracts held are assessed for aggregation on an individual contract basis and are assessed separately from insurance contracts. The smallest unit of account is a reinsurance contract, even where this contract covers more than one type of insurance product. However, there are cases where a reinsurance contract covers separate and identifiable product lines which are only included in the same legal document for administrative convenience. These contracts have been separated into its different component.

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

E. Recognition

The Company recognizes groups of insurance contracts issued from the date when the first payment from a policyholder in the group becomes due. As Company 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.

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F. Contract Boundaries

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks Or
- Both of the following criteria are satisfied:
- The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio.
- The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

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.

G. Measurement of insurance contracts issued.

1. General Model – Initial Measurement

The Company 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 Company 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 Company estimates expected future cash flows for a group of contracts at a portfolio level and allocates them to the groups in that portfolio in a systematic and rational way.

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

- Premiums and any additional cash flows resulting from those premiums.
- Reported claims that have not yet been paid, claims incurred but not yet reported, future claims expected to arise from the policy and potential cash inflows from recoveries on future claims covered by existing insurance contracts.
- An allocation of insurance acquisition cash flows attributable to the portfolio to which the issued contract belongs.
- Claim handling costs.
- Costs of providing contractual benefits in kind, such as home and vehicle repair
- Policy administration and maintenance costs including recurring commissions expected to be paid to intermediaries for policy administration services only (recurring commissions that are insurance acquisition cash flows are treated as such in the estimate of future cash flows)
- Transaction-based taxes
- **An allocation of fixed and variable overheads directly attributable to the fulfilment of insurance contracts including overhead costs such as accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities**
- Costs incurred for performing investment activities that enhance insurance coverage benefits for the policyholder.
- Costs incurred for providing investment-related service and investment-return service to policyholders.
- Other costs specifically chargeable to the policyholder under the terms of the contract

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

The Company incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows.

The Company estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders

• Other information about the known or estimated characteristics of the insurance contracts

• Historical data about the Company's own experience, supplemented, when necessary, with data from other sources. Historical data is adjusted to reflect current conditions.

• Current pricing information, when available

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

Discount Rate

The time value of money and financial risk is measured separately from expected future cash flows with changes in financial risks recognized in profit or loss at the end of each reporting period unless the Company has elected the accounting policy to present the time value of money separately in profit or loss and other comprehensive income. The Company 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 Company 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.

Risk adjustment for non-financial risk

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

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

Contractual Service Margin (CSM)

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

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

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

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

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

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

Insurance acquisition cash flows

The Company includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, the group itself or the portfolio of insurance contracts to which the group belongs.

The Company estimates, at a portfolio level, insurance acquisition cash flows not directly attributable to the group but directly attributable to the portfolio. The Company then allocates them to the group of newly written and renewed contracts on a systematic and rational basis.

The Company applies judgement in determining the inputs used in the methodology to systematically and rationally allocate insurance acquisition cash flows to groups of insurance contracts. This includes judgements about whether insurance contracts are expected to arise from renewals of existing insurance contracts and, where applicable, the amount to be allocated to groups including future renewals and the volume of expected renewals from new contracts issued in the period.

In the current and prior years, the Company did not allocate any insurance acquisition cash flows to future groups of insurance contracts, as it did not expect any renewal contracts to arise from new contracts issued in the period.

In the current and prior year, the Company did not identify any facts and circumstances indicating that the assets may be impaired.

2. General Model – Subsequent Measurement

In estimating the total future fulfilment cash flows, the Group distinguishes between those relating to already incurred claims and those relating to future service. At the end of each reporting period, the carrying amount of the group of insurance contracts will reflect a current estimate of the liability for remaining coverage (LRC) as at that date and a current estimate of the liability for incurred claims (LIC).

The LRC represents the Group's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, amounts that relate to other insurance contract services not yet provided (i.e. provision of investment-return and investment-related services) and investment components and other amounts not related to insurance contract services that have not yet been transferred to the LIC.
The LRC is comprised of:

(a) the fulfilment cash flows relating to future service,

(b) the CSM yet to be earned and

(c) any outstanding premiums for insurance contract services already provided.

The LIC includes the Company's liability to pay valid claims for insured events that have already incurred, other incurred insurance expenses arising from past coverage service and the liability for claims incurred but not yet reported. It also includes the Group's liability to pay amounts the Group is obliged to pay the policyholder under the contract. This includes repayment of investment components, when a contract is derecognized. The current estimate of LIC comprises the fulfilment cash flows related to current and past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

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

The Company has an accounting policy choice which calculates changes in fulfilment cash flows at the end of a reporting period for changes in non-financial assumptions, changes in discount rates and financial assumptions. The Company first calculates the changes in discount rates and financial assumptions on the fulfilment cash flows (as expected at the beginning of the period) and then calculate changes on those cash flows from the change in non-financial assumptions.

Experience adjustments are the difference between:

• The expected cash flow estimates at the beginning of the period and the actual cash flows for premiums received in the period (and any related cash flows paid such as insurance acquisition cash flows and insurance premium taxes)

• The expected cash flow estimates at the beginning of the period and the actual incurred amounts of insurance service expenses in the period (excluding insurance acquisition expenses)

Experience adjustments relating to current or past service are recognized in profit or loss. For incurred claims (including incurred but not reported) and other incurred insurance service expenses, experience adjustments always relate to current or past service. They are included in profit or loss as part of insurance service expenses.

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

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

Adjustments to the CSM

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

- Experience adjustments relating to the premiums received in the period that relate to future service, and any relate cash flows such as insurance acquisition cash flows and premium-based taxes measured at the 'locked in' discount rates applicable when the contracts in the group were initially recognized.
- **The change in the estimate of the present value of expected future cash flows in the liability for remaining coverage, related to non-financial variables, measured at the 'locked in' discount rates applicable when the contracts in the group were initially recognized. All financial variables are locked in at initial recognition.**

- Changes in the risk adjustment for non-financial risk relating to future service. The Company has elected not to disaggregate the change in the risk adjustment for non-financial risk between:

o a change related to non-financial risk
and
o the effect of the time value of money and changes in the time value of money.

- Differences between the amount of investment components that were expected to be payable in the period and the amount of investment components that actually became payable. The amount of investment components expected to be payable in the period is measured at the discount rates applicable before it became payable.

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

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

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

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

- The effect of any new contracts added to the group.
- Interest accreted on the carrying amount of the CSM measured at the discount rates determined at initial recognition.
- The changes in fulfilment cash flows related to future service,

except:

o Increases in fulfilment cash flows that exceed the carrying amount of the CSM, giving rise to a loss that results in the group of contracts becoming onerous or more onerous.

o Decreases in fulfilment cash flows that reverse a previously recognized loss on a group of onerous contracts.

- The effect of any currency exchange differences on the CSM

- The amount recognized as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining coverage period.

Recognition of the CSM in profit or loss

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

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

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

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

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

3. Premium Allocation Approach (PAA)

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

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

On initial recognition, the Group measures the carrying amount of the Liability for remaining coverage for insurance contracts held as the premiums received - Gross Written premium

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

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

Insurance acquisition cash flows

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

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

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

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

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

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

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

that are not directly attributable to individual contracts but, directly attributable to the portfolio of insurance contracts to which the group belongs; with the costs being allocated to groups on a systematic and rationale method e.g., Activity-Based Costing method or based on GWP proportions or claims cost etc.

4. Onerous contracts

The Company considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract, any previously recognized acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow.

On initial recognition, the onerous assessment is done on an individual contract level assessing future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

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

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

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

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

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

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

If facts and circumstances indicate that a group of contracts is onerous during the coverage period, the onerous liability is calculated as the difference between:

the carrying amount of the liability for remaining coverage; and

the FCF that relates to remaining coverage similar to what is needed under the GMM.
This difference is recognized as a loss and shall increase the liability for remaining coverage.

I. Measurement of Reinsurance contracts issued.

1. Recognition

Proportional reinsurance contracts held will be first recognized on the later of the beginning of the coverage period of the reinsurance contract or the date that the first underlying insurance contract in the treaty is initially recognized.

For example, if we enter a surplus fire reinsurance contract on 1 January 2022 and the first fire insurance policy in the treaty is written in February 2022, then the date of recognition of the surplus reinsurance contract will be February 2022. Though the contract agreement is in place in January, cashflows on the contract don't start until February.

Non-Proportionate reinsurance coverage will be recognized at the beginning of the coverage period of the contract.

2. Reinsurance contracts held measured under the PAA.

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

A smaller number of surplus reinsurance contracts and all Facultative contracts are written on an underwriting year basis. This basis extends the contract boundary beyond one year as coverage of contracts ceded to the treaty may continue even after the underwriting year has ended.
For example, if an insurance contract incepted in May 2022 and cedes to the Marine Hull Surplus reinsurance treaty (which incepted 1 January 2022); the contract boundary extends till May 2023 when the insurance contract will expire. So, the contract boundary for the reinsurance contract is beyond one year i.e.. 1 Jan 2022 – May 2023.
Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Group adjusts the carrying amount of the asset for remaining coverage and recognizes a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The recognition of this gain results in the recognition for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held.

J. Modification and Derecognition

The Company derecognizes the original contract and recognizes the modified contract as a new contract, if the terms of insurance contracts are modified and the following are met: conditions

• If the modified terms were included at contract inception and the Group would have concluded that the modified contract:

· Is outside of the scope of IFRS 17

– Results in a different insurance contract due to separating components from the host contract

– Results in a substantially different contract boundary

– Would be included in a different group of contracts.

• The original contract met the definition of an insurance contract with direct participating features, but the modified contract no longer meets the definition.

• The original contract was accounted for applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach.

If the contract modification meets any of the conditions, the Group performs all assessments applicable at initial recognition, derecognizes the original contract and recognizes the new modified contract as if it was entered for the first time.

If the contract modification does not meet any of the conditions, the Group treats the effect of the modification as changes in the estimates of fulfilment cash flows.

For insurance contracts accounted for applying the General Model, a change in the estimates of fulfilment cash flows results in a revised end of period CSM (before the current period allocation). A portion of the revised end of period CSM is allocated to the current period, as is the revised CSM amount applied from the beginning of the period but reflecting the change in the coverage units due to the modification during the period.

This portion is calculated using updated coverage unit amounts determined at the end of the period and weighted to reflect the fact that the revised coverage existed for only part of the current period.

For insurance contracts accounted for applying the PAA, the Group adjusts insurance revenue prospectively from the time of the contract modification.

The Company derecognizes an insurance contract when, and only when the contract is:

- Extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled)
- Modified and the derecognition criteria are met.

· When the Group derecognizes an insurance contract from within a group of contracts, it:

- Adjusts the fulfilment cash flows allocated to the group to eliminate the present value of the future cash flows and risk adjustment for non-financial risk relating to the rights and obligations that have been derecognized from the group.
- Adjusts the CSM of the group for the change in the fulfilment cash flows (unless it relates to the increase or reversal of the loss component)
- Adjusts the number of coverage units for expected remaining insurance contract services to reflect the coverage units derecognized from the group and recognizes in profit or loss in the period the amount of CSM based on that adjusted number.

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

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

K. Presentation

The Company has presented separately in the consolidated statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, and the portfolios of reinsurance contracts held that are assets and those that are liabilities.

The Company disaggregates the amounts recognized in the consolidated statement of profit or loss and other comprehensive income into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the 'net insurance finance income or expenses' sub-total. The Group has voluntarily included the net insurance finance income or expenses line in another sub- total: net insurance and investment result, which also includes the income from all the assets backing the Group's insurance liabilities.

The Company includes any assets for insurance acquisition cash flows recognized before the corresponding groups of insurance contracts are recognized in the carrying amount of the related portfolios of insurance contracts issued.

1. Insurance Revenue

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

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

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

Both amounts are measured in a systematic way on the basis of the passage of time.

When applying the PAA, the Group recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each period of service.

At the end of each reporting period, the Group considers whether there was a change in facts and circumstances indicating a need to change, on a prospective basis, the premium receipt allocation due to changes in the expected pattern of claim occurrence.

2. Insurance service expenses

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

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

3. Income or expenses from reinsurance contracts held.

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following two amounts:

- Amount recovered from reinsurers.
- An allocation of the premiums paid.

The Company presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

The Company establishes a loss recovery component of the asset for the remaining coverage for a group of reinsurance contracts held. This depicts the recovery of losses recognized on the initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The loss recovery component adjusts the CSM of the group of reinsurance contracts held. The loss recovery component is then adjusted to reflect:

- Changes in the fulfilment cash flows of the underlying insurance contracts that relate to future service and do not adjust the CSM of the respective groups to which the underlying insurance contracts belong to.
- Reversals of loss recovery component to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.
- Allocations of the loss recovery component against the amounts recovered from reinsurers reported in line with the associated reinsured incurred claims or expenses.

4. Insurance finance income and expenses

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changesin financial risk of a group of insurance contracts and a group of reinsurance contracts held.

The use of OCI presentation for insurance finance income and expenses

The Company has an accounting policy choice to present all the period's insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). When considering the choice of presentation of insurance finance income or expenses, the Group examines the assets held for that portfolio and how they are accounted for.
Currently the Company present all the period's insurance finance income or expenses in the profit or loss.

The Company may reassess its accounting policy choice during the duration of a group of direct participating contracts when there is a change in whether the Company holds the underlying items or no longer holds the underlying items. When such change occurs, the Group includes the amount accumulated in OCI by the date of change as a reclassification adjustment to profit or loss spread across the period of change and future periods based on the method and on assumptions that applied immediately before the date of change.

Comparatives are not restated.

When applying the PAA, the Group does not discount the liability for remaining coverage to reflect the time value of money and financial risk for group life and non-life policies with a coverage period of one year or less. For those claims that the Group expects to be paid within one year or less from the date of incurrence, the Group does not adjust future cash flows for the time value of money and the effects of financial risks. However, claims expected to take more than one year to settle are discounted applying the discount rate at the time the incurred claim is initially recognized.

L. Contracts existing at transition date.

On transition date, 1 January 2022, the Group:

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

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

· the coverage period of the in-force policies

· the availability of historical data and assumptions driving measurement and the ability to obtain these without undue cost and effort.

1. Full Retrospective approach

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

The Company has applied the full retrospective approach on transition to all short-term contracts in force at the transition date.

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

2. Fair Value approach

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

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

27. Investment income

Investment income consists of dividend, interest income. Dividends are recognized only when the group's right to payments is established.

27.1 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount

27.2 Other operating income

Other operating income is made up of rent income, profit on disposal of fixed assets, profit or loss on disposal of investment, exchange gain or loss and other line of income that are not investment income.

27.3 Realized gains and losses

The realized gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and its original or amortized costs as appropriate.

28. Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, 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 in the countries where the Group's subsidiaries and associates operate and generate taxable income. 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 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 (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 realized or the deferred income tax liability is settled.

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 utilized.
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 taxes 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.

29. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

30. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At the reporting date, unsettled monetary assets and liabilities are translated into the Group's functional currency by using the exchange rate in effect at the year-end date.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the group's functional currency are recognized in the consolidated income statement.

31. Unclaimed dividend

Unclaimed dividend are amounts payable to shareholders in respect of dividend previously declared by the Group which have remained unclaimed by the shareholder in compliance with section 385 of the Companies and Allied Matters Act (Cap C20) laws of the Federation of Nigeria 2004. Unclaimed dividends are transferred to general reserves after twelve years.

32. Earnings per share

The Group presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of shares outstanding during the year.

33. Borrowings

These are financial liabilities that mature within 12months of the balance sheet date. Borrowings inclusive of transaction cost are recognize initially at fair value. Borrowings are subsequently stated at amortized cost using the effective interest rate method; any difference between proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest rate method.

34. **Revaluation Reserves**

Revaluation reserve is an accounting term used when a company creates a line item on its balance sheet for the purpose of maintaining a reserve account tied to certain assets. This line item can be used when a revaluation assessment finds that the carrying value of the asset has changed. The Group uses revaluation reserve lines on the financial Position to account for value fluctuations in long-term assets.

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2023

	Notes	31 December 2023 N	Restated 31 December 2022 N	Restated 1 January 2022 N	31 December 2023 N	Restated 31 December 2022 N	Restated 1 January 2022 N
Assets							
Cash and cash equivalents	2	2,985,320,307	1,666,364,199	2,857,075,240	1,933,950,945	1,183,948,834	2,044,305,295
Financial assets	3	14,822,533,183	8,644,183,149	5,290,556,582	12,432,077,250	6,325,958,061	3,926,828,203
Finance lease receivables	5	115,832,776	210,896,364	148,741,442	-	-	
Trade receivables	6	1,182,794,434	831,493,560	601,620,155	1,150,281,154	773,060,783	543,897,328
Reinsurance contracts assets	7	3,446,441,321	3,552,376,954	4,086,694,213	3,446,441,321	3,552,376,954	4,086,694,213
Other receivables & prepayments	9	478,478,481	295,685,133	222,692,504	644,340,993	652,618,272	547,376,936
Investment in subsidiaries	10	-	-		1,594,225,000	1,594,225,000	1,594,225,000
Intangible Assets	11	49,681,219	64,109,632	76,702,921	14,767,281	22,104,164	29,482,173
Investment properties	12	1,474,449,524	1,405,226,470	1,098,676,470	1,271,781,524	1,265,226,470	1,008,676,470
Property and equipment	13	1,279,747,102	1,168,945,157	1,163,471,059	1,199,375,172	1,088,248,164	1,089,355,653
Right-of-Use of Assets (Leased Assets)	13.3	23,035,044	2,844,702	6,406,591	-		
Statutory deposits	14	320,000,000	400,000,000	400,000,000	300,000,000	300,000,000	300,000,000
Total assets		26,178,313,391	18,242,125,320	15,952,637,177	23,987,240,640	16,757,766,702	15,170,841,271
Liabilities							
Insurance contract liabilities	15	9,979,029,160	6,927,748,770	5,828,566,433	9,701,037,803	6,706,663,170	5,648,280,708
Investment contract liabilities	15.5	10,437,775	13,723,775	17,660,923	-	-	
Trade payables	16	330,749,570	33,472,651	46,805,158	330,749,570	33,472,651	46,805,158
Borrowing	17	597,302,864	680,107,895	55,800,013	-	-	
Other payables and provision	18	515,543,558	324,165,837	274,735,366	224,024,963	240,152,189	206,315,888
Retirement benefit obligations	19	15,709,020	2,925,282	2,075,682	13,677,328	1,181,508	1,367,928
Income tax liabilities	21	1,554,577,043	651,220,778	462,785,845	1,316,060,787	524,545,069	340,135,901
Deferred tax liabilities	22	279,460,225	253,908,071	259,663,907	264,056,690	239,442,368	247,979,804
Total liabilities		13,282,809,214	8,887,273,058	6,948,093,327	11,849,607,141	7,745,456,955	6,490,885,387
Equity and reserves							
Issued and paid up share capital	23	5,420,000,000	5,420,000,000	5,420,000,000	5,420,000,000	5,420,000,000	5,420,000,000
Share Premium	24	168,933,834	168,933,834	168,933,834	168,933,834	168,933,834	168,933,834
Contingency reserve	25.1	3,473,337,958	2,800,339,728	2,437,638,438	3,469,814,488	2,799,201,192	2,437,343,087
Statutory reserve	25.2	133,136,812	91,262,839	72,039,763	-	-	
Fair Value Through OCI Reserve	25.3	126,393,794	39,180,406	30,615,727	127,131,418	39,163,090	30,669,220
Revaluation reserve	25.4	138,165,551	128,676,506	115,793,288	138,165,551	128,676,506	115,793,288
Regulatory risk reserve	25.5	17,293,896	1,828,189	1,354,214	-	-	
Retained earnings	26	3,418,242,332	704,630,761	758,168,587	2,813,588,208	456,335,125	507,216,455
Total equity and reserves		12,895,504,177	9,354,852,262	9,004,543,851	12,137,633,499	9,012,309,747	8,679,955,884
Total liabilities and equity and reserves		26,178,313,391	18,242,125,320	15,952,637,177	23,987,240,640	16,757,766,702	15,170,841,271

The consolidated financial statements were approved by the Board of Directors on February 29, 2024

Obinna Ekezie
Chairman
FRC/2017/IODN/00000017485

Mary Adeyanju
Managing Director
FRC/2022/PRO/DIR/003/03266

Katherine Itua
Chief Financial Officer
FRC/2012/ICAN/00000000514

The accompanying notes form an integral part of this financial statements

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
December 31, 2023

	Notes	31 December 2023 N	Restated 31 December 2022 N	31 December 2023 N	Restated 31 December 2022 N
Insurance revenue	**27.1**	**15,710,848,992**	11,880,010,802	**14,815,865,738**	11,142,727,902
Insurance service expenses	**28**	**(12,099,491,055)**	(8,963,514,992)	**(11,518,480,207)**	(8,300,193,584)
Net expenses from reinsurance contracts held	**30**	**(3,727,209,643)**	(2,745,106,417)	**(3,710,381,308)**	(2,741,454,939)
Insurance service result		**(115,851,705)**	171,389,393	**(412,995,777)**	**101,079,379**
Interest revenue calculated using the effective interest method	**32.**	**1,903,202,041**	1,439,608,085	**1,072,526,533**	752,385,146
Net fair value gains/(losses) on financial assets at fair value through profi or loss	**35.**	**1,539,014,618**	72,297,226	**1,468,699,284**	10,163,192
Net fair value gains on derecognition of financial assets measured at fair value through other comprehensive income		**-**	-		-
Net foreign exchange income/(expense)	**33.1**	**2,958,598,009**	590,678,251	**2,958,598,009**	590,678,251
Net credit impairment losses	**34**	**(26,849,335)**	(197,713,788)	**(11,838,371)**	(20,066,075)
		-	-	**-**	-
Net change in investment contract liabilities		**-**	-	**-**	
Net investment income		**6,373,965,333**	1,904,869,773	**5,487,985,455**	**1,333,160,515**
Finance expenses from insurance contracts issued		**-**	-	**-**	-
Finance income from reinsurance contracs held				**-**	
Net insurance finance expenses		**-**	-	**-**	-
Net insurance and investment result		**6,258,113,628**	2,076,259,166	**5,074,989,678**	1,434,239,894
Asset management services revenue		**-**			
Other finance costs		**-**	-		
Other expenses	**36.**	**(1,692,470,183)**	(1,159,454,003)	**(967,086,841)**	(500,371,852)
Other income	**33.**	**86,211,132**	66,439,274	**5,117,000**	4,676,938
Share of profit of associates and joint ventures accounted for using the equity method		**-**	-	**-**	-
Profit before income tax		**4,651,854,576**	983,244,436	**4,113,019,837**	938,544,979
Tax expense	**20**	**(882,704,996)**	(436,229,655)	**(759,953,356)**	(410,768,155)
Profit for the year		**3,769,149,580**	547,014,781	**3,353,066,481**	527,776,824
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Net Fair Value through OCI	**33.2**	**96,702,433**	21,394,404	**97,457,373**	21,377,088
Net finance expenses from insurance contracts					
Net finance income from reinsurance contracts		**-**	-	**-**	-
Income tax relating to these items		**96,702,433**	21,394,404	**97,457,373**	21,377,088
Items that may not be reclassified subsequently to profit or loss		**3,865,852,013**	568,409,185	**3,450,523,854**	549,153,913
Changes in the fair value on equity instruments at fair value through other comprehensive income					
Profit attributable to Equity holders		**3,865,852,013**	568,409,185	**3,450,523,854**	549,153,913
		-	-	**-**	-
Other comprehensive income for the year. Net of tax		**3,865,852,013**	568,409,185	**3,450,523,854**	549,153,913
Basic & diluted earnings per share (Kobo)	**37.00**	34.77	5.05	31.83	4.87

The accompanying notes form an integral part of this financial statements

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31st December 2023

The Group

	Issued share capital	Share Premium	Contingency reserves	Fair Value Through OCI Reserve	Revaluation Reserve	Statutory reserve	Requlatory risk reserve	Retained earnings	Total equity
	N	N	N	N	N	N	N	N	N
Restated									
At 1 January 2022	5,420,000,000	168,933,834	2,437,638,438	30,615,728	115,793,288	72,039,762	1,354,214	758,168,587	9,004,543,850
Changes in equity for 2022:								-	
Profit for the period	-		-			-	-	547,014,781	547,014,781
Other comprehensive income for the period	-		-	8,564,677	12,883,218	-	-	-	21,447,895
Total comprehensive income for the period	-	-	-	8,564,677	12,883,218	-	-	547,014,781	568,462,677
Transactions with owners:								-	-
Transfer within reserves	-	-	362,701,290			19,223,077	(1,354,214)	(381,924,367)	(1,354,214)
Addition	-	-				-	1,828,189	(1,828,189)	-
Dividends relating to prior periods paid during the period	-							(216,800,050)	(216,800,050)
Non-controlling interest arising on business combination									-
	-		-			-	-	-	-
Contribution by and to owners of the business	-	-	362,701,290	-	-	19,223,077	473,975	(600,552,606)	(218,154,264)
At December 2022	5,420,000,000	168,933,834	2,800,339,728	39,180,405	128,676,506	91,262,839	1,828,189	704,630,762	9,354,852,263
IFRS 17 implimentation adjustment								-	-
At 1 January 2023	5,420,000,000	168,933,834	2,800,339,728	39,180,405	128,676,506	91,262,839	1,828,189	704,630,762	9,354,852,263
Changes in equity for 2023:								-	-
Profit for the period	-		-	(9,489,044)		-	-	3,769,149,580	3,769,149,581
Other comprehensive income for the period	-		-	96,702,433	9,489,045	-	-	-	96,702,433
Total comprehensive income for the period	-	-	-	87,213,389	9,489,045	-	-	3,769,149,580	3,865,852,014
Transactions with owners:								-	
Transfer within reserves	-	-	672,998,230			41,873,973	15,465,706	(730,337,909)	(0)
Addition	-	-					-		0
Dividends relating to prior periods paid during the period	-		-			-	-	(325,200,100)	(325,200,100)
Non-controlling interest arising on business combination									-
	-		-			-	-	-	-
Contribution by and to owners of the business	-	-	672,998,230	-	-	41,873,973	15,465,706	(1,055,538,010)	(325,200,100)
December 31, 2023	5,420,000,000	168,933,834	3,473,337,958	126,393,794	138,165,551	133,136,812	17,293,895	3,418,242,332	12,895,504,178

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31st December 2023

The Company

	Issued share capital	Share Premium	Contigency reserves	Fair Value Through OCI Reserve	Revaluation Reserve	Retained earnings	Total equity
	N	N	N	N	N	N	N
Restated							
At 1 January 2022	5,420,000,000	168,933,834	2,437,343,087	30,669,220	115,793,288	507,216,455	8,679,955,883
Changes in equity for 2022:							
Profit for the period	-	-	-			527,776,824	527,776,824
Other comprehensive income for the pe	-		-	8,493,870	12,883,218	-	21,377,088
Total comprehensive income for the per	-	-	-	8,493,870	12,883,218	527,776,824	549,153,913
Transactions with owners:							
Transfer within reserves	-		361,858,105			(361,858,105)	-
Addition		-		-	-		-
Dividend paid during the period						(216,800,050)	(216,800,050)
Contribution by and to owners of the bus	-	-	361,858,105	-	-	(578,658,155)	(216,800,050)
At December 2022	5,420,000,000	168,933,834	2,799,201,192	39,163,090	128,676,506	456,335,125	9,012,309,745
At 1 January 2023	**5,420,000,000**	**168,933,834**	**2,799,201,192**	**39,163,090**	**128,676,506**	**456,335,125**	**9,012,309,745**
Changes in equity for 2023:						**-**	**-**
Profit for the period	**-**	**-**	**-**			**3,353,066,481**	**3,353,066,481**
Other comprehensive income for the pe	**-**		**-**	**87,968,328**	**9,489,045**	**-**	**97,457,373**
Total comprehensive income for the	**-**	**-**	**-**	**87,968,328**	**9,489,045**	**3,353,066,481**	**3,450,523,854**
Transactions with owners:							
Transfer within reserves	**-**		**670,613,297**			**(670,613,297)**	**-**
Addition				**-**	**-**		**-**
Dividend paid during the period						**(325,200,100)**	**(325,200,100)**
Contribution by and to owners of the bus	**-**	**-**	**670,613,297**	**-**	**-**	**(995,813,397)**	**(325,200,100)**
December 31, 2023	**5,420,000,000**	**168,933,834**	**3,469,814,489**	**127,131,418**	**138,165,551**	**2,813,588,208**	**12,137,633,498**

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31st December 2023

	Notes	31 December 2023 N	31 December 2022 N	31 December 2023 N	31 December 2022 N
Cash flows from operating activities					
Premium received from policy holders	6.1	**17,173,410,019**	12,595,491,111	**16,252,507,268**	11,832,773,364
Reinsurance receipts in respect of claims		**1,507,162,123**	2,082,996,900	**1,507,162,125**	2,082,996,900
Commission received	29	**1,074,410,088**	756,315,554	**1,074,410,088**	756,315,554
Other operating receipts		**86,211,132**	1,164,282,378	**5,117,000**	595,355,189
Cash paid to and on behalf of employees	36a	**(1,344,194,433)**	(822,404,959)	**(251,960,032)**	(673,461,944)
Reinsurance premium paid	16	**(5,710,639,932)**	(5,000,264,199)	**(5,710,639,932)**	(5,000,264,199)
Incurred Claims	30a	**(3,856,525,487)**	(4,453,350,219)	**(3,912,849,180)**	(3,915,938,942)
Amortisation of Insurance Acquisition Cash flows	31	**(2,577,811,664)**	(1,937,950,037)	**(2,533,559,482)**	(1,876,957,619)
Amortisation of Insurance Acquisition Cash flows	31	**(1,308,088,064)**	(837,009,198)	**(1,308,088,064)**	(837,009,198)
Other operating cash payments		**(2,668,300,966)**	(1,880,854,299)	**(3,310,646,707)**	(1,512,227,538)
Company income tax paid	21.	**(134,769,937)**	(131,287,476)	**(122,565,743)**	(109,851,741)
Net cash (used in)/ from operating activities		**2,240,862,877**	1,535,965,557	**1,688,887,341**	1,341,729,826
Cash flows from investing activities					
Purchase of property and equipment	13	**(252,268,196)**	(135,836,290)	**(215,176,700)**	(96,503,662)
Purchase of intangible asset	11	**-**	(3,267,000)	**-**	-
Additions to investment properties	12	**(6,555,054)**	(182,053,732)	**(6,555,054)**	(182,053,732)
Proceeds from sale of Investment properties		**-**	-	**-**	-
Investment in subsidiaries	10.	**-**	-	**-**	-
Proceeds from sale of property and equipment	13	**4,936,000**	7,165,722	**4,936,000**	7,165,722
Purchase of financial assets	3.	**(5,314,990,914)**	(5,523,230,057)	**(4,514,119,840)**	(3,242,165,369)
Proceeds from sale of financial assets	3.	**1,092,604,283**	2,317,425,962	**436,059,999**	514,898,760
Dividend received	32	**157,224,481**	105,020,671	**157,224,481**	166,158,671
Rental Income received	32	**43,710,256**	31,569,000	**43,710,256**	31,569,000
Foreign exchange gain	33.1	**2,958,598,009**	590,678,251	**2,958,598,009**	590,678,251
Interest received	32	**999,684,505**	484,721,158	**428,837,389**	221,388,165
Net cash from investing activities		**(317,056,631)**	(2,307,806,315)	**(706,485,459)**	(1,988,864,194)
Cash flows from financing activities					
Proceeds on private placemant	23.1	**-**	-	**-**	-
Proceeds from borrowing	**17**	**1,506,337,088**	607,885,923	**-**	-
Payment on borrowing (principal & Interest)	**17**	**(1,880,662,738)**	(219,882,483)	**-**	-
Dividend paid	26	**(325,200,100)**	(216,800,050)	**(325,200,100)**	(216,800,050)
Net cash used in financing activities		**(699,525,750)**	171,203,390	**(325,200,100)**	(216,800,050)
Increase in cash and cash equivalents		**1,224,280,497**	(1,191,315,617)	**657,201,781**	**(863,934,418)**
Cash and cash equivalents at Beginning		**1,764,448,137**	2,955,763,754	**1,277,579,973**	2,141,514,391
Gross Cash and cash equivalent at End	2	**2,988,728,634**	1,764,448,137	**1,934,781,754**	1,277,579,973

The accompanying notes form an integral part of this statement of cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

1. Corporate information
1.1 The Group

Consolidated Hallmark Insurance Plc (formerly Consolidated Risk Insurers Plc) was incorporated on 2 August 1991. The Company changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc following its merger with Hallmark Assurance Plc and The Nigerian General Insurance Company Limited in line with the consolidation reform of NAICOM announced in 2006. Consolidated Hallmark Insurance Plc came into effect from 1 March 2007.

Part of the long-term vision when the Company was incorporated as a General Insurance Business company over three decades ago, was to become a financial power- house. In line with this vision, the company had progressively over the years diversified into other related businesses within the financial services sector. This diversification gave rise to its acquisition of Grand Treasurers Limited (now Hallmark Finance Company Limited), a CBN Licensed Finance Company in October 2010,. It also founded CHI Capital Limited in 2008, CHI Support Services Limited in 2010., Hallmark Health Services Limited (a NHIA accredited Health Management Organisation) in 2018 and more recently established CHI Microinsurance Life Company Limited (A Micro Life Assurance Company, licensed by NAICOM) in 2020. a Microinsurance Life business in 2020.

The Company, Consolidated hallmark Insurance Plc, has thus far operated both as a Company and as a Group in line with its natural evolution, with each of the subsidiaries becoming direct offshoot of the General Insurance business.

1.2 Transformation into Consolidated Hallmark Holdings Plc

Having considered the long-term strategic goals of the Group and following a comprehensive evaluation of the operating and competitive environment, the Board of Directors of Consolidated Hallmark Insurance Plc (i.e. The Group), made the decision to embark on restructuring the Group under a non-operating Holding Company. This is to align the Group's operations with global best practices, ensure greater flexibility and adapt to the rapidly evolving financial landscape. It is also part of positioning the Group as an investment vehicle that would bring alive new business ventures, enhance its earnings base and deliver greater shareholder value. This led to the Group hitherto called Consolidated Hallmark Insurance Plc transforming to Consolidated Hallmark Holdings Plc in late 2023 but with effective operations commencing on January 1 2024.

1.3 Principal activities

During the year under review, the company engaged in general insurance business and maintained offices in major citiies in Nigeria with corporate headquarters at 266 Moshood Abiola way (formerly ikorodu Road), Lagos. The principal activities of the subsidiaries are portfolio management, short term lending, equipment leasing, provision of Health management services and Microinsurance life business

		Group			Company		
		31 December 2023	31 December 2022	1 January 2022	**31 December 2023**	31 December 2022	1 January 2022
		N	N		**N**	N	
2.	**Cash and cash equivalents**						
	Cash in hand	**15,441,476**	10,929,091	17,233,925	**15,025,508**	10,332,390	17,233,925
	Balance with banks	**1,257,143,181**	1,119,628,647	1,235,172,473	**1,066,340,993**	622,751,963	420,923,109
	Call deposits	**19,919,990**	25,761,050	11,267,223	**19,919,990**	25,761,049	11,267,223
	Fixed deposits (Note 2.1)	**1,696,223,987**	605,016,570	1,692,090,134	**833,495,262**	618,734,570	1,692,090,134
		2,988,728,633	1,761,335,358	2,955,763,755	**1,934,781,753**	1,277,579,972	2,141,514,391
	Impairment charge (Note 2.2)	**(3,408,326)**	(94,971,159)	(98,688,515)	**(830,808)**	(93,631,138)	(97,209,096)
		2,985,320,307	1,666,364,199	2,857,075,240	**1,933,950,945**	1,183,948,834	2,044,305,295

2.1 The Fixed deposits have a short term maturity of 30-90 days and the effect of discounting is immaterial.

2.2	**Impairment charge**						
	At 1 January	**94,971,159**	98,688,515	92,722,923.30 4,391,993.94	**93,631,138**	97,209,096	92,722,923 3,613,504
	Amount written off during the year (Safetrust)	**(92,722,924)**	-		**(92,722,924)**	-	
	Charged	**1,160,092**	(3,717,356)	1,573,597.58	**(77,406)**	(3,577,958)	872,669
	For the year ended 31st December 2023	**3,408,326**	94,971,159	98,688,515	**830,808**	93,631,138	97,209,096

The impairment charge of N92,722,924 as at January 1, 2020 resulted from a fixed deposit of N100million with a mortgage bank in 2018 that went into a default in 2019 impaired in line with standard accounting practice and regulatory requirement had been fully written off based on CBN publication of licence withdrawal.

3.	**Financial assets**						
	At fair value through profit or loss (Note 3.1)	**2,480,597,165**	827,492,587	988,259,727	**2,450,528,763**	805,071,520	977,972,694
	At Amortised cost (Note 3.2)	**12,080,403,241**		4,183,462,524	**9,722,241,174**	5,390,944,417	2,832,142,511
	At fair value through OCI (Note 3.3)	**261,532,777**	132,167,588	118,834,331	**259,307,313**	129,942,124	116,712,998
		14,822,533,183	8,644,183,149	5,290,556,582	**12,432,077,250**	6,325,958,061	3,926,828,203
	Movement in Financial Assets						
	Opening	**8,644,183,149**	5,290,556,583	4,428,386,704	**6,325,958,061**	3,926,828,203	3,683,146,676
	Addition	**5,288,799,314**	5,523,230,057	2,941,522,447	**4,514,119,840**	2,651,487,118	1,582,048,547
	Disposal	**(1,092,604,283)**	(2,317,425,962)	(2,189,231,793)	**(436,059,999)**	(514,898,760)	(1,522,762,958)
	Interest Capitalised	**442,754,407**	329,570,076	318,668,456	**442,754,407**	329,570,076	318,668,456
	Impairment (note 34)	**(66,311,212)**	(142,143,677)	(67,242,888)	**(12,759,532)**	(15,186,486)	(225,717)
	Opening impaiment adjustment	**-**	-	(27,111,619)	**-**	-	(15,912,608)
	Opening Fair value gains through OCI adjustmen	**-**	-	20,516,631	**-**	-	20,516,631
	Fair value (loss)/ gains	**1,476,346,618**	(52,199,042)	(159,457,854)	**1,468,699,283**	(64,333,076)	(163,235,988)
	Fair value gains through OCI	**129,365,189**	12,595,115	24,506,497	**129,365,189**	12,490,985	24,585,164
	Closing	**14,822,533,183**	8,644,183,149	8,644,183,149	**12,432,077,250**	6,325,958,061	3,926,828,203

3.1	**At fair value through profit or loss**						
	At 1 January	**980,043,054**	1,088,611,153	719,660,969	**971,417,979**	1,079,986,078	711,035,894
	Additions	**176,757,960**	-	368,950,184	**176,757,960**	-	368,950,184
	Disposals	**-**	(108,568,099)	-	-	(108,568,099)	-
		1,156,801,014	980,043,054	1,088,611,153	**1,148,175,939**	971,417,979	1,079,986,078
	Fair value (loss) (Note 35a)	**1,323,796,151**	(152,550,467)	(100,351,425)	**1,302,352,824**	(166,346,460)	(102,013,384)
	For the year ended 31st December 2023	**2,480,597,165**	827,492,587	988,259,728	**2,450,528,763**	805,071,520	977,972,694
	Current	**2,480,597,165**	827,492,587	988,259,728	**2,450,528,763**	805,071,520	977,972,694
	Non Current	-	-	-	-	-	-

Financial assets at fair value through profit or loss of the group represents investment where there is a ready and liquid quoted market, which are acquired for the purpose of short-term trade, and where mark-to-market valuations are possible on every trading day. Assets under this category have been acquired by management with the intent of short term trading.

		Group			Company		
		31 December 2023	December 2022	1 January 2022	31 December **2023**	December 2022	1 January 2022
		N	N		**N**	N	
3.2	**Amortised Cost**						
	Staff loans (Note 3.2.1a)	**96,279,930**	214,848,307	218,854,849	**91,147,736**	209,716,113	218,854,849
	Loan issued to corporate individuals (Note 3.2.1b)	**2,924,950,471**	2,293,578,557	1,351,264,168	**-**	5,188,038	-
	Debts Instrument (Note 3.2.3)	**4,608,870,938**	3,012,061,800	2,613,343,506	**4,608,870,938**	3,012,005,956	2,613,287,662
	Fixed Deposit (Above 90Days) (3.2.4)	**4,450,301,902**	2,164,034,310	-	**5,022,222,500**	2,164,034,310	-
		12,080,403,241	7,684,522,974	4,183,462,523	**9,722,241,174**	5,390,944,417	2,832,142,511
	Current	**12,001,820,844**	7,552,444,741	4,031,547,569	**9,511,920,674**	5,180,623,917	2,728,942,482
		78,582,397	132,078,233	151,914,955	**210,320,500**	210,320,500	103,200,030
3.2.1a	**Staff loans**						
	At 1 January	**223,073,812**	223,079,916	211,045,461	**217,941,618**	223,079,916	211,045,461
	Addition	**61,250,000**	20,033,194	36,212,000	**61,250,000**	12,901,000	36,212,000
	Repayment	**(180,511,397)**	(20,039,298)	(24,177,545)	**(180,511,397)**	(18,039,298)	(24,177,545)
		103,812,415	223,073,812	223,079,916	**98,680,221**	217,941,618	223,079,916
	Impairment on Loans & Receivable(Note 3.2.1ai)	**(7,532,485)**	(8,225,505)	(4,225,067)	**(7,532,485)**	(8,225,505)	(4,225,067)
	Closing	**96,279,930**	214,848,307	218,854,849	**91,147,736**	209,716,113	218,854,849
3.2.1ai	**Impairment on Loans & Receivable**						
	Opening	**8,225,505**	4,225,067	-	**8,225,505**	4,225,067	-
	IFRS 9 opening figure adjustment	**-**	-	3,997,138	**-**	-	3,997,138
	Charged	**(693,020)**	4,000,438	227,929	**(693,020)**	4,000,438	227,929
	Closing	**7,532,485**	**8,225,505**	**4,225,067**	**7,532,485**	8,225,505	4,225,067
3.2.1b	**Loan issued to corporate / individuals**						
	At 1 January	**2,622,061,024**	2,622,061,024	859,784,377	5,188,038	-	-
	Addition	**1,346,600,072**	1,417,413,897	1,359,473,900	**-**	9,188,038	-
	Bad debts written off	**-**	-	-	**-**	-	-
	Repayment	**(661,732,322)**	(761,220,101)	(666,468,834)	**(5,188,038)**	(4,000,000)	-
		3,306,928,774	2,622,061,024	1,552,789,443	**-**	5,188,038	-
	Impairment on loans issued to corporate and individuals (Note 3.2.3b)	**(381,978,303)**	(328,482,467)	(201,525,275)	**-**	-	-
	For the year ended 31st December 2023	**2,924,950,471**	2,293,578,557	1,351,264,168		5,188,038	-
3.2.2	**Analysis by performance:**						
	Performing (Note 3.2)	**12,080,403,241**		4,183,462,523	**9,722,241,174**	5,390,944,417	2,832,142,512
	Non-performing (Note 3.2.3b)	**381,978,303**	328,482,467	201,525,275	**-**	.	-
		12,462,381,544	8,013,005,441	4,384,987,798	**9,722,241,174**	5,390,944,417	2,832,142,512
3.2.3	**Analysis by maturity:**						
	Due within one year	**12,001,820,844**	7,552,444,741	4,031,547,569	**9,511,920,674**	5,180,623,917	2,728,942,482
	Due within one - five years	**460,560,700**	460,560,700	353,440,230	**210,320,500**	210,320,500	103,200,030
	Due after five years	**-**	-	-	**-**	-	-
		12,462,381,544	8,013,005,441	4,384,987,799	**9,722,241,174**	5,390,944,417	2,832,142,512

		Group			**Company**		
		31 December 2023	31 December 2022	1 January 2022	31 December **2023**	December 2022	1 January 2022
		N	N		**N**	N	
3.2.4	**Debts Instrument**						
	At 1 January	**3,023,434,797**	2,625,200,920	2,629,694,266	**3,023,434,797**	2,625,200,920	2,629,694,266
	At initial recognition - additions	**198,834,787**	353,714,679	1,175,423,612	**198,834,787**	353,714,679	1,175,423,612
		3,222,269,584	2,978,915,599	3,805,117,878	**3,222,269,584**	2,978,915,599	3,805,117,878
	Disposal	**(250,360,564)**	(384,291,363)	(1,476,857,811)	**(250,360,564)**	(384,291,363)	(1,476,857,811)
	Exchange Gain on EUROBOND	**1,207,743,383**	99,240,485		**1,207,743,383**	99,240,485	
	Amortised interest	**442,754,407**	329,570,076	318,668,456	**442,754,407**	329,570,076	318,668,456
		4,622,406,811	3,023,434,797	2,625,200,920	**4,622,406,811**	3,023,434,797	2,625,200,920
	Impairment (note 3.2.4a)	**(13,535,873)**	(11,372,996)	(11,857,413)	**(13,535,873)**	(11,428,841)	(11,913,258)
	For the year ended 31st December 2023	**4,608,870,938**	3,012,061,800	2,613,343,507	**4,608,870,938**	3,012,005,956	2,613,287,662
3.2.4a	**Movement on Impairment**						
	Opening	**11,372,996**	11,857,413	-	**11,428,841**	11,913,258	-
	IFRS 9 opening figure adjustment	**-**	-	11,859,625	**-**	-	11,915,470
	movement	**2,162,876**	(484,417)	(2,212)	**2,107,032**	(484,417)	(2,212)
	Closing	**13,535,872**	11,372,996	11,857,413	**13,535,873**	11,428,841	11,913,258
a)	**Debts Instruments are analysed as follows:**						
	Debts securities						
	Listed	**4,622,406,811**	3,023,434,797	2,625,200,920	**4,622,406,811**	3,023,434,797	2,625,200,920
	Unlisted	**-**	-	-	**-**	-	-
	For the year ended 31st December 2023	**4,622,406,811**	3,023,434,797	2,625,200,920	**4,622,406,811**	3,023,434,797	2,625,200,920
	Current	**1,022,952,473**	168,376,644	17,421,398	**1,022,952,473**	168,376,644	17,421,398
	Non-current	**3,599,454,338**	2,855,058,153	2,607,779,522	**3,599,454,338**	2,855,058,153	2,607,779,522
		4,622,406,811	3,023,434,797	2,625,200,920	**4,622,406,811**	3,023,434,797	2,625,200,920

b) At the reporting date, no held to maturity assets were past due or impaired

FCMB NGN SERIES 3 BOND 2016/2023	**60,884,665**	52,992,199	48,237,816	**60,884,665**	52,992,199	48,237,816
C&I LEASING SERIES 1 BOND 2018/2023	**16,025,761**	15,943,240	22,487,874	**16,025,761**	15,943,240	22,487,874
LAPO MFB SERIES 2 BOND 2020/2025	**221,189,718**	209,194,101	206,594,101	**221,189,718**	209,194,101	206,594,101
DANGOTE BOND SERIES 1 2020/2025	**121,493,702**	109,369,045	108,276,373	**121,493,702**	109,369,045	108,276,373
AXXELA SERIES 1 BOND 2020/2027	**81,118,254**	95,414,790	101,332,055	**81,118,254**	95,414,790	101,332,055
FLOUR MILLS OF NIGERIA PLC 2023/2026 (PURCH	**141,353,630**	116,416,991	116,300,127	**141,353,630**	116,416,991	116,300,127
			439,880,800			439,880,800
FGN BOND (2020/2050) CORDROS	**213,582,751**	476,739,816	102,864,580	**213,582,751**	476,739,816	102,864,580
FGN BOND (2020/2050) PLANET CAPITAL	**115,323,628**	103,815,787	252,739,296	**115,323,628**	103,815,787	252,739,296
FGN BOND (2020/2024) MERISTEM	**485,814,144**	260,849,583	343,329,875	**485,814,144**	260,849,583	343,329,875
FGN BOND (2020/2035) PLANET CAPITAL	**103,732,357**	360,467,574	215,647,718	**103,732,357**	360,467,574	215,647,718
FGN BOND (2020/2037) PLANET CAPITAL	**266,412,705**	215,750,718	470,106,534	**266,412,705**	215,750,718	470,106,534
FGN BOND (2020/2049) CORDROS	**373,518,988**	599,417,745	-	**373,518,988**	599,417,745	-
FGN 2051 EUROBOND(FIRST ALLY ASSET MANA(	**932,004,498**	214,971,323	-	**932,004,498**	214,971,323	-
FGN 2038 EUROBOND(FIRST ALLY ASSET MANA(	**430,102,835**	23,715,241	-	**430,102,835**	23,715,241	
FGN 2032 EUROBOND(FIRST ALLY ASSET MANA(	**36,896,700**		17,421,398	**36,896,700**		17,421,398
			53,355,396			53,355,396
ACCESS BANK COMMERCIAL PAPER	**1,022,952,473**	168,376,644	126,626,977	**1,022,952,473**	168,376,644	126,626,977
For the year ended 31st December 2023	**4,622,406,810**	3,023,434,797	2,625,200,919	**4,622,406,811**	3,023,434,797	2,625,200,919

3.2.4.b Movement in impairment - loans and receivables :

At 1 January	**328,482,467**	201,525,276	123,253,249	**-**	-	-
Addition (Note 34)	**53,495,836**	126,957,191	67,017,171	**-**	-	-
Impairment written off	**-**	-	-	**-**	-	-
For the year ended 31st December 2023	**381,978,303**	328,482,467	201,525,276	**-**	-	-

3.2.5 Fixed Deposit (Above 90Days)

At 1 January	**2,175,704,775**	-	-	**2,175,704,775**	-	-
Addition	**2,297,613,112**	2,175,704,775	-	**2,869,533,710**	2,175,704,775	-
	4,473,317,887	2,175,704,775		**5,045,238,485**	2,175,704,775	
Impairment	**(23,015,985)**	(11,670,465)	-	**(23,015,985)**	(11,670,465)	-
	4,450,301,902	2,164,034,310	-	**5,022,222,500**	2,164,034,310	-

3.2.5a **Movement in impairment -Fixed Deposit :**

At 1 January	11,670,465	-	-	11,670,465	-	-
Charged	11,345,520	11,670,465	-	11,345,520	11,428,841	-
For the year ended 31st December 2023	**23,015,985**	11,670,465	-	**23,015,985**	11,670,465	-

3.3 At fair value through OCI

Opening	**132,167,588**	118,834,331	72,348,451	**129,942,124**	116,712,998	70,148,451
Addition	**-**	738,141	1,462,752	**-**	738,141	1,462,752
Fair value gain	**129,365,189**	12,595,116	24,506,497	**129,365,189**	12,490,985	24,585,164
For the year ended 31st December 2023	**261,532,777**	132,167,588	118,834,331	**259,307,313**	**129,942,124**	**116,712,998**
Current	-	-	-	-	-	
Non Current	**261,532,777**	132,167,588	118,834,331	**259,307,313**	129,942,124	116,712,998

At fairvalue through Other Comrehensive Income (FVTOCI) assets are the unquoted equity securities of the group and are fair valued using net asset method.

Fairvalue Through OCI equities is analysed as follows:

Non current assets held for sale represent collateral properties recoverred from defaulted loan with aim of coverting the properties to cash within the shortest period of time.

The Company is exposed to financial risk through its financial assets (investments and loans). The key focus of financial risk management for the Company is to ensure that the proceeds from financial assets are sufficient to fund its obligations arising from its insurance operations. The most important components of financial risk (market risk) arises from open positions in interest rate, fluctuations in stock prices, inflation, all of which are exposed to general and specific market movement and/or conditions.Investments above ninety-one (91) days are classified as part of financial assets of the Company. All financial instruments are initially recorded at transaction price. Subsequent to initial recognition, the fair values of financial instruments are measured at fair values that are quoted in an active market. When quoted prices are not available, fair value are determined by using valuation techniques that refer as far as possible to observable market data. These are compared with similar instruments where market observable prices exist.

5.	**Finance lease receivables**					
	At 1 January	**280,225,667**	180,524,334	109,262,041	-	-
	Addition	**21,062,412**	252,054,233	87,786,343	-	-
	Repayment	**(160,917,552)**	(152,352,900)	(16,526,549)	-	-
	Gross investment	**140,370,527**	280,225,667	180,521,835	-	-
	Unearned income	**-**	-	-	-	-
	Net investment (Note 5.1)	**140,370,527**	280,225,667	180,521,835	-	-
	impairment on finance lease receivables (Note 5.2)	**(24,537,751)**	(69,326,804)	(31,780,393)	-	-
	For the year ended 31st December 2023	**115,832,776**	210,896,364	148,741,442	**-**	**-**
5.1	Current	**20,636,810**	124,877,617	84,360,741	-	-
	Non-current	**119,733,717**	155,345,551	96,161,094	-	-
	Analysis by performance					
	Performing	**115,832,776**	210,896,364	148,741,442	-	-
	Non-performing	**24,537,751**	69,326,804	31,780,393	-	-
		140,370,527	280,223,168	180,521,835	-	-
	Analysis by maturity					
	Due within one year	**17,636,810**	124,877,617	84,360,741		
	Due between two - five years	**122,733,717**	155,345,551	96,161,094	-	-
		140,370,527	280,223,168	180,521,835	-	-
5.2	**Movement in impairment - finance lease receivables:**					
	At 1 January	**69,326,804**	31,780,393	23,015,010	-	-
	Charge for the year (note 34)	**(44,789,053)**	37,546,411	8,765,383	-	-
	For the year ended 31st December 2023	**24,537,751**	69,326,804	31,780,393	-	-

6.	**Trade receivables**						
	Due from insurance companies	**984,232,248**	424,583,307	274,358,188	**943,744,126**	424,583,307	274,358,188
	Due from insurance brokers and agents	**206,537,028**	351,069,353	269,539,140	**206,537,028**	348,477,476	269,539,140
	Due from others	**-**	-	-	**-**	-	-
		1,190,769,276	775,652,660	543,897,328	**1,150,281,154**	773,060,783	543,897,328
	Hmo receivable		62,427,664	62,808,889	**-**	**-**	
	Total	**1,190,769,276**	838,080,324	606,706,217	**1,150,281,154**	773,060,783	543,897,328
	Impairment charge (Note 6.2)	(7,974,842)	(6,586,764)	(5,086,062)	-	-	-
	Closing Balance	**1,182,794,434**	831,493,560	601,620,155	**1,150,281,154**	773,060,783	543,897,328
	Current	**1,182,794,434**	831,493,560	606,706,217	**1,150,281,154**	773,060,783	543,897,328
	Non-current	**-**	-	-	**-**	-	-
				-			
6.1	**Movement in Trade receivables**						
	Opening	**831,493,560**	606,706,217	612,426,941	**773,060,783**	543,897,328	481,030,540
	Gross Premium written	**17,524,710,893**	12,826,865,218	10,500,388,477	**16,629,727,639**	12,061,936,819	10,024,047,477
	Premium received	**(17,173,410,019)**	(12,602,077,875)	(10,506,109,202)	**(16,252,507,268)**	(11,832,773,364)	(9,961,180,689)
	Closing receivables	**1,182,794,434**	831,493,560	606,706,217	**1,150,281,154**	773,060,783	543,897,328

6.2 Impairment charge

At 1 January	**6,586,764**	5,086,062	4,738,626	**-**	**-**	**-**
IFRS 9 opening balance adjustment	**-**	-	126,130			
Charged for the year (note 34)	**1,388,077**	1,500,702	221,306	**-**	**-**	**-**
At December 2023	**7,974,842**	6,586,764	5,086,062	**-**	**-**	**-**

Age Analysis of Trade receivable

> =1Day <= 30 Days	**931,915,429**	817,201,319	580,827,212	**899,402,149**	752,181,778	518,018,323
> =31Days <= 90 Days	**250,879,005**	14,292,241	25,879,005	**250,879,005**	20,879,005	25,879,005
Above 90 Days	**-**	-	-	**-**	-	-
	1,182,794,434	831,493,560	606,706,217	**1,150,281,154**	773,060,783	543,897,328

	Group			Company		
	31 December 2023	December 2022	1 January 2022	31 December **2023**	December 2022	1 January 2022
	N	**N**		**N**	**N**	
7. Reinsurance Contracts Assets						
Liability for Remaining Coverage (LRC) (Note 7.1a & 7.1b)	**867,277,933**	1,072,122,791	1,416,314,128	**867,277,933**	1,072,122,791	1,416,314,128
Liability for Incurred claims (LIC) (Note 7.2a & 7.2b)	**2,209,343,429**	1,856,428,777	2,065,257,909	**2,209,343,429**	1,856,428,777	2,065,257,909
	3,076,621,362	2,928,551,568	3,481,572,037	**3,076,621,362**	2,928,551,568	3,481,572,037
Reinsurance receivable on claims paid (note 7.2b)	**305,465,976**	577,879,876	562,300,037	**305,465,976**	577,879,876	562,300,037
Prepaid Minimum & Deposit Premium	**66,859,500**	51,768,000	46,691,375	**66,859,500**	51,768,000	46,691,375
	3,448,946,838	3,558,199,444	4,090,563,449	**3,448,946,838**	3,558,199,444	4,090,563,449
Expected Credit Loss (IFRS9)	**(2,505,518)**	(5,822,490)	(3,869,236)	**(2,505,518)**	(5,822,490)	(3,869,236)
For the year ended 31st December 2023	**3,446,441,320**	3,552,376,954	4,086,694,213	**3,446,441,320**	3,552,376,954	4,086,694,213
Current	**3,448,946,838**	3,558,199,444	4,090,563,449	**3,448,946,838**	3,558,199,444	4,090,563,449
Non-current	**-**	-	-	**-**		-
Movement in Impairment(Credit Loss IFRS 9)						
Opening Balance	**5,822,490**	3,869,236	-	**5,822,490**	3,869,236	-
IFRS 9 opening balance adjustment	**-**	-	-	**-**		-
Charged during the year (Note 34)	**(3,316,973)**	1,953,254	3,869,236	**(3,316,973)**	1,953,254	3,869,236
For the year ended 31st December 2023	**2,505,518**	5,822,490	3,869,236	**2,505,518**	5,822,490	3,869,236

Impairement (Expected Credit Loss was carried out on reinsurance receivable on claims paid and prepaid minimum & deposit premium.
Included in the reinsurance asset stated on the financial position is recoverable on paid claims and prepaid minimum and deposit premium

Liability for Remaining Coverage (LRC) (7.1a)	**800,418,433**	1,072,122,791	1,142,898,690	**800,418,433**	1,072,122,791	1,142,898,690
Liability for Incurred Claims (LIC)(7.1a)	**2,276,202,930**	1,856,428,778	2,338,673,347	**2,276,202,930**	1,856,428,778	2,338,673,348
Prepaid Minimum & Deposit Premium	**66,859,500**	51,768,000	46,691,375	**66,859,500**	51,768,000	46,691,375
Reinsurance receivable on claims paid (note 7.2b)	**305,465,976**	577,879,876	562,300,037	**305,465,976**	577,879,876	562,300,037
Total	**3,448,946,839**	3,558,199,445	4,090,563,449	**3,448,946,839**	3,558,199,445	4,090,563,449
Expected Credit Loss (IFRS9)		(5,822,490)	(3,869,236)		(5,822,490)	(3,869,236)
	3,446,441,321	3,552,376,954	4,086,694,213	**3,446,441,321**	3,552,376,954	4,086,694,213

The Company has a reinsurance agreement with African Reinsurance Corporation, and Continental Reinsurance Plc. Based on the financial position and performance during the period under review, they are solvent and had never defaulted on their obligations. Consequently, there are no indications of impairment as at the reporting date.

COMPANY

Movement in carrying amounts by LRC and LIC - Reinsurance -PAA

Contracts measured under PAA are non-life insurance contract

Balance as at 1st January 2022	**Liability for Remaining**			**Liability for incurred claim**	
	Excluding Loss Component	**Loss Component**		**Estimates of Present Value of Future Cash Flows**	**Total**
Opening reinsurancecontracts assets	1,463,005,503			2,627,557,946	4,090,563,449
Opening reinsurancec liability					
Impairmrnt on reinsurance recoverables				(3,869,236)	(3,869,236)
Net opening balance	**1,463,005,503**	**-**	**-**	**2,623,688,710**	**4,086,694,213**

Balance as at 31 December 2022	**Liability for Remaining Coverage**			**Liability for incurred claim**	
	Excluding Loss Component	**Loss Component**		**Estimates of Present Value of Future Cash Flows**	**Total**
Opening reinsurancecontracts assets	1,463,005,503			2,627,557,946	4,090,563,449
Opening reinsurance liability					
Impairmrnt on reinsurance recoverables				(3,869,236)	(3,869,236)
Net opening balance	**1,463,005,503**	**-**	**-**	**2,623,688,710**	**4,086,694,213**
Net income (expenses) from reinsurance contracts held					
Reinsurance expenses	4,230,616,138				4,230,616,138
Other incurred directly attributable expenses					-
Claims recovered from reinsurers				- 1,396,202,283 -	1,396,202,283
Charges that relates to past service-adjustment to incurred claims				(92,958,917) -	92,958,917
Effect of changes in the risk of reinsurers non-performance					-
					-
Net income (expenses) from reinsurance contracts held	**4,230,616,138**	**-**		**(1,489,161,200)**	**2,741,454,939**
Finance income from reinsurance contract held		-			
Total amounts recognised in income statement	**4,230,616,138**			**(1,489,161,200)**	**2,741,454,939**
Cash flows	-				
Premiums paid net of ceding commission	4,243,948,645				4,243,948,645
Other directly attributable expenses paid	- 3,120,057,854			4,517,305,553	1,397,247,699
Recoveries from reinsurers				- 2,082,996,900 -	2,082,996,900
Total cash flows	1,123,890,791	-	-	2,434,308,653	3,558,199,444
Net balance as at the end	-				
Impairmrnt on reinsurance recoverables				(5,822,490)	(5,822,490)
Closing insurance contract assets	1,123,890,791			2,434,308,653	3,552,376,954
Closing insurance contract liabilities	-				
Net closing balance	**1,123,890,791**			**2,428,486,163**	**3,552,376,954**

Balance as at 31 December 2023	**Liability for Remaining**			**Liability for incurred claim**	
	Excluding Loss Component	**Loss Component**		**Estimates of Present Value of Future Cash Flows**	**Total**
Opening reinsurancecontracts assets	1,123,890,791			2,434,308,653	3,558,199,444
Opening reinsurance liability					
Impairmrnt on reinsurance recoverables				(5,822,490)	(5,822,490)
Net opening balance	**1,123,890,791**	**-**	**-**	**2,428,486,163**	**3,552,376,954**
Net income (expenses) from reinsurance contracts					
Reinsurance expenses	4,933,506,763				4,933,506,763
Other incurred directly attributable expenses					-
Claims recovered from reinsurers				- 1,554,515,391 -	1,554,515,391
Charges that relates to past service-adjustment to				331,389,936	331,389,936
Effect of changes in the risk of reinsurers non-performance					-
					-
Net income (expenses) from reinsurance contracts held	**4,933,506,763**	**-**		**(1,223,125,455)**	**3,710,381,308**
Finance income from reinsurance contract held		-			
Total amounts recognised in income statement	**4,933,506,763**			**(1,223,125,455)**	**3,710,381,308**
Cash flows	-				
Premiums paid net of ceding commission	4,636,229,845				4,636,229,845
Other directly attributable expenses paid	(3,835,811,411)			3,783,365,056	8,419,594,901
Recoveries from reinsurers				- 1,507,162,125 -	1,507,162,125
Total cash flows	**800,418,434**	**-**	**-**	**2,276,202,931**	**3,076,621,364**
Net balance as at the end	-				
Prepaid Minimum & Deposit Premium				66,859,500	66,859,500
Reinsurance receivable on claims paid				305,465,976	305,465,976
Impairmrnt on reinsurance recoverables				(2,505,519)	(2,505,519)
Closing insurance contract assets	800,418,434			369,819,957	3,446,441,321
Closing insurance contract liabilities	-				-
Net closing balance	**800,418,434**			**367,314,438**	**3,446,441,321**
Net closing balance	-			-	

GROUP

Balance as at 1st January 2022	Liability for Remaining			Liability for incurred claim	
	Excluding Loss Component	Loss Component		Estimates of Present Value of Future Cash Flows	Total
Opening reinsurancecontracts assets	1,463,005,503			2,627,557,946	4,090,563,449
Opening reinsurancec liability					
Impairmrnt on reinsurance recoverables				(3,869,236)	(3,869,236)
Net opening balance	**1,463,005,503**			**2,623,688,710**	**4,086,694,213**

GROUP

Balance as at 31 December 2022	Liability for Remaining			Liability for incurred claim	
	Excluding Loss Component	Loss Component		Estimates of Present Value of Future Cash Flows	Total
Opening reinsurancecontracts assets	1,463,005,503			2,627,557,946	4,090,563,449
Opening reinsurance liability					
Net opening balance	**1,463,005,503**			**2,627,557,946**	**4,090,563,449**
Net income (expenses) from reinsurance contracts					
Reinsurance expenses	4,236,114,284				4,236,114,284
Other incurred directly attributable expenses					-
Claims recovered from reinsurers				- 1,398,048,950 -	1,398,048,950
Charges that relates to past service-adjustment to				(92,958,917) -	92,958,917
Effect of changes in the risk of reinsurers non-performance					-
					-
Net income (expenses) from reinsurance contracts held	**4,236,114,284**	**-**		**(1,491,007,867)**	**2,745,106,417**
Finance income from reinsurance contract held		-			
Total amounts recognised in income statement	**4,236,114,284**			**(1,491,007,867)**	**2,745,106,417**
Cash flows	-				
Premiums paid net of ceding commission	4,243,948,645				4,243,948,645
Other directly attributable expenses paid	- 3,120,057,854			4,517,305,553	1,397,247,699
Recoveries from reinsurers				- 2,082,996,900 -	2,082,996,900
Total cash flows	1,123,890,791	-	-	2,434,308,653	3,558,199,444
Net balance as at the end	-				
Impairmrnt on reinsurance recoverables				(5,822,490)	(5,822,490)
Closing insurance contract assets	1,123,890,791			2,434,308,653	3,552,376,954
Closing insurance contract liabilities	-				
Net closing balance	**1,123,890,791**			**2,428,486,163**	**3,552,376,954**

GROUP

Balance as at 31 December 2023	Liability for Remaining			Liability for incurred claim	
	Excluding Loss Component	Loss Component		Estimates of Present Value of Future Cash Flows	Total
Opening reinsurancecontracts assets	1,123,890,791			2,434,308,653	3,558,199,444
Opening reinsurance liability					
Impairmrnt on reinsurance recoverables				(5,822,490)	(5,822,490)
Net opening balance	**1,123,890,791**	**-**	**-**	**2,428,486,163**	**3,552,376,954**
Net income (expenses) from reinsurance contracts					
Reinsurance expenses	4,950,335,097				4,950,335,097
Other incurred directly attributable expenses					-
Claims recovered from reinsurers				- 1,554,515,390 -	1,554,515,390
Charges that relates to past service-adjustment to				331,389,936	331,389,936
Effect of changes in the risk of reinsurers non-performance					-
					-
Net income (expenses) from reinsurance contracts held	**4,950,335,097**	**-**		**(1,223,125,454)**	**3,727,209,643**
Finance income from reinsurance contract held		-			
Total amounts recognised in income statement	**4,950,335,097**			**(1,223,125,454)**	**3,727,209,643**
Cash flows	-				
Premiums paid net of ceding commission	4,636,229,845				4,636,229,845
Other directly attributable expenses paid	(3,835,811,411)			3,783,365,056	8,419,594,901
Recoveries from reinsurers				- 1,507,162,125 -	1,507,162,125
Total cash flows	**800,418,434**	**-**	**-**	**2,276,202,931**	**3,076,621,364**
Net balance as at the end	-				
Prepaid Minimum & Deposit Premium				66,859,500	66,859,500
Reinsurance receivable on claims paid				305,465,976	305,465,976
Impairmrnt on reinsurance recoverables				(2,505,519)	(2,505,519)
Closing insurance contract assets	800,418,434			369,819,957	3,446,441,321
Closing insurance contract liabilities	-				-
Net closing balance	**800,418,434**			**367,314,438**	**3,446,441,321**
Net closing balance	**-**			**-**	

			Group			Company		
			31 December 2023	December 2022	1 January 2022	**31 December 2023**	December 2022	1 January 2022
			N	**N**		**N**	**N**	
7.1a	**Liability for Remaining Coverage (LRC)**							
	Motor	7ai	**49,473,035**	7,403,602	4,932,150	**49,473,035**	3,128,602	4,932,150
	Aviation	7aii	**127,262**	77,327,750	97,680,810	**127,262**	77,327,750	97,680,810
	Fire	7aiii	**240,097,756**	210,858,452	149,140,952	**240,097,756**	196,863,452	149,140,952
	General accident	7aiv	**147,007,080**	147,730,377	141,909,274	**147,007,080**	145,300,377	141,909,274
	Marine	7av	**95,404,313**	63,472,397	95,539,565	**95,404,313**	49,702,397	95,539,565
	Bond	7avi	**69,984,646**	50,556,198	15,421,170	**69,984,646**	33,258,198	15,421,170
	Oil & gas	7avii	**124,325,778**	403,720,592	443,436,632	**124,325,778**	403,720,592	443,436,632
	Engineering	7aviii	**73,998,563**	162,821,424	72,269,543	**73,998,563**	162,821,424	72,269,543
			800,418,433	1,123,890,792	1,020,330,096	**800,418,433**	1,072,122,792	1,020,330,096
7.1b	**Prepaid Minimum & Deposit Premium**							
	Fire	7aiii	**15,876,000**	13,995,000	17,372,250	**15,876,000**	13,995,000	17,372,250
	General accident	7aiv	**1,500,000**	2,430,000	1,983,500	**1,500,000**	2,430,000	1,983,500
	Motor	7ai	**5,280,000**	4,275,000	4,275,000	**5,280,000**	4,275,000	4,275,000
	Marine	7av	**24,106,500**	13,770,000	8,767,500	**24,106,500**	13,770,000	8,767,500
	Engineering	7aviii	**20,097,000**	17,298,000	14,293,125	**20,097,000**	17,298,000	14,293,125
			-	-	-	**-**	-	-
			-	-	-	**-**	-	-
			66,859,500	51,768,000	46,691,375	**66,859,500**	51,768,000	46,691,375
	Liability for Remaining Coverage (LRC)		**867,277,933**	1,175,658,792	1,067,021,471	**867,277,933**	1,123,890,792	1,067,021,471
7.2 a	**Liability for Incured Claims (LIC)**							
	Motor	7ai	**22,263,985**	44,098,554	39,128,200	**22,263,985**	44,098,554	39,128,200
	Aviation	7aii	**112,812,449**	54,932,441	80,785,776	**112,812,449**	54,932,441	80,785,776
	Fire	7aiii	**314,657,893**	390,873,987	672,248,809	**314,657,893**	390,873,987	672,248,809
	General accident	7aiv	**1,336,514,478**	578,629,910	345,534,621	**1,336,514,478**	578,629,910	345,534,621
	Marine	7av	**101,816,226**	223,348,534	436,116,410	**101,816,226**	223,348,534	436,116,410
	Bond	7avi	**1,216,777**	13,487,385	6,094,897	**1,216,777**	13,487,385	6,094,897
	Oil & gas	7avii	**310,199,846**	151,486,055	137,298,712	**310,199,846**	151,486,055	137,298,712
	Engineering	7aviii	**76,721,278**	106,017,032	74,635,046	**76,721,278**	106,017,032	74,635,046
			2,276,202,931	1,562,873,898	1,791,842,471	**2,276,202,931**	1,562,873,898	1,791,842,471
7.2b	**Reinsurers share of paid claims/Risk Adjustment**							
	Fire		**24,176,692**	353,340,533	8,719,519	**24,176,692**	353,340,533	8,719,519
	General accident		**189,318,392**	66,010,627	200,907,030	**189,318,392**	66,010,627	200,907,030
	Motor		**-**	25,649,642	70,625,744	**-**	25,649,642	70,625,744
	Marine		**57,549,590**	7,685,000	16,443,442	**57,549,590**	7,685,000	16,443,442
	Bond		**-**	-	-	**-**	-	-
	Engineering		**34,421,301**	10,182,772	4,920,359	**34,421,301**	10,182,772	4,920,359
	Aviation		**(0)**	-	55,317,458	**(0)**	-	55,317,458
	Oil & gas		**-**	115,011,302	205,366,485	**-**	115,011,302	205,366,485
	Agric		**-**			**-**		
			305,465,976	577,879,876	562,300,037	**305,465,976**	577,879,876	562,300,037
7.3	**Reinsurance Contract Assets:**							
	Movement in Liability for Remaining Coverage:						-	
	At 1 January		**1,072,122,791**	1,463,005,503	847,365,944	**1,072,122,791**	1,463,005,503	847,365,944
	Additions during the period (Note 28)		**6,002,084,808**	4,992,429,837	4,458,744,931	**6,007,916,850**	4,986,931,691	4,458,744,931
			7,074,207,599	6,059,451,308	5,306,110,875	**7,080,039,641**	6,053,953,162	5,306,110,875
	Amortization during the period (Note 28)		**(3,710,381,308)**	(2,309,838,404)	(4,239,089,404)	**(3,710,381,308)**	(2,309,838,404)	(4,239,089,404)
	For the year ended 31st December 2023		**3,363,826,291**	1,159,980,388	1,067,021,471	**3,369,658,334**	3,744,114,759	1,067,021,471
	Movement in Liability for Incurred claims:							
	At 1 January		**1,856,428,777**	2,354,142,508	2,170,714,673	**1,856,428,777**	2,627,557,946	2,170,714,673
	Additions during the period		**1,860,076,777**	2,163,163,044	1,711,954,074	**1,860,076,777**	2,163,163,044	1,711,954,074
			3,716,505,555	4,517,305,553	3,882,668,747	**3,716,505,555**	4,790,720,991	3,882,668,747
	Amortization during the period		**(1,507,162,126)**	(2,082,996,900)	(1,528,526,239)	**(1,507,162,126)**	(2,082,996,900)	(1,528,526,239)
	At the end		**2,209,343,429**	2,434,308,653	2,354,142,508	**2,209,343,429**	2,707,724,091	2,354,142,508

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

9. Other Receivables and Prepayments

Staff advances & prepayment	**59,906,912**	75,913,942	38,223,808	**59,906,912**	46,802,665	38,223,806
Account receivables **	**307,147,652**	112,394,257	17,283,848	**78,113,990**	79,370,973	30,933,113
Intercompany Receivables	**-**	-	-	**379,358,487**	408,968,433	316,785,801
Witholding tax credit	**30,300,846**	24,406,769	33,550,342	**30,300,847**	24,406,769	33,550,343
Prepayments (Note 9.1)	**110,606,249**	104,032,197	136,409,435	**104,945,247**	99,573,725	127,883,874
	507,961,659	316,747,164	225,467,432	**652,625,483**	659,122,565	547,376,937
Impairment allowance	**(29,483,178)**	(21,062,031)	(2,774,928)	**(8,284,491)**	(6,504,293)	-
	478,478,482	295,685,133	222,692,504	**644,340,993**	652,618,272	547,376,937
Current	**478,478,482**	295,685,133	225,467,431	**644,340,993**	652,618,272	547,376,937
Non-current	**-**	-	-	**-**	-	-

Impairment allowance on other receivables

As at 1 January	**21,062,031**	2,774,928	-	**6,504,293**	**-**	
IFRS 9 opening balance adjustment	**-**	-	132,986	**-**	**-**	
Charged/(reversed) (Note 34)	**8,421,147**	18,287,103	2,641,942	**1,780,199**	**6,504,293**	
As at 31 December	**29,483,178**	21,062,031	2,774,928	**8,284,491**	6,504,293	

** Included in Account receivable were Assets totalling =N=160m repossesed from defaulted customer of Hallmark Finance Company limited, =N=55m being the balance of the amount deposited with lead underwriters for the purpose of settling claims based on MOU signed at the inception of the policies. The amount =N=83.9 million is the balance as at 31st December 2022.

9.1 Prepayments

Prepaid rent	**103,159,013**	96,584,960	116,662,920	**97,498,011**	92,126,488	108,137,359
Other prepayments	**7,447,236**	7,447,237	19,746,515	**7,447,236**	7,447,237	19,746,515
	110,606,249	104,032,197	136,409,435	**104,945,247**	99,573,725	127,883,874
Current	**110,606,249**	104,032,197	136,409,435	**104,945,247**	99,573,725	127,883,874
Non-current	**-**	-	-	**-**	-	-

10. Investment in Subsidiaries

CHI Capital (Note 10.1a)	**-**	-	-	**130,000,000**	130,000,000	130,000,000
Chi Microinsurance Limited (10.1b)	**-**	-	-	**200,000,000**	200,000,000	200,000,000
Hallmark Finance Company Limited	**-**	-	-	**764,225,000**	764,225,000	764,225,000
Hallmark Health Services Limited (10.1c)	**-**	-	-	**500,000,000**	500,000,000	500,000,000
	-	**-**	**-**	**1,594,225,000**	1,594,225,000	1,594,225,000

Movement in Investment in subsidiaries	**Grand Treasurers Limited**	**CHI Capital Limited**		**Hallmark Health Services Limited**	**Chi Microinsurance Limited**
Opening	**764,225,000**	**130,000,000**		500,000,000	**200,000,000**
Addition	**-**	**-**		**-**	**-**
Disposal	**-**	**-**		-	**-**
Closing	**764,225,000**	**130,000,000**		**500,000,000**	**200,000,000**

10.1a CHI Capital Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. It carries on the business of corporate support services. In 2019, CHI Capital Limited transferred its 100% interest in Hallmark Finance Company Limited to Consolidated Hallmark Insurance Plc .Hallmark Finance Company Ltd is a CBN licensed finance company, acquired by CHI Capital Ltd in December 2010 with the purpose of carrying on financing activities. CHI Capital Limited also owns 100% interest in CHI Support Services Limited started as a vehicle tracking Company, but now focused on corporate support services for the Group.

10.1b CHI Microinsurance Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. The group incorporated CHI Microinsurance Limited in the year 2016 and licensed by NAICOM to carryout micro life assurance business to further deepen its market share in insurance business.

10.1c Hallmark Health Services Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. The group incorporated Hallmark Health Services Limited towards the end of the year 2017 and fully accredited by National Health Insurance Scheme to operate in health Insurance sector.

		CHI PLC	CHI Capital Limited	CHI Microinsurance	Hallmark Health Ltd	Hallmark Finance	Elimination	Total
		N	N	N	N		N	N
	Condensed result of consolidated entities - 2023							
10.2	**Condensed Financial Position**							
	Assets							
	Cash and cash equivalents	1,933,950,945	201,006,598	271,862,506	456,590,518	588,076,417	(466,166,678)	2,985,320,307
	Financial assets	12,432,077,250	32,901,660	-	-	2,932,455,526	(574,901,252)	14,822,533,183
	Non-current Assets held for sale	-	-				-	-
	Finance lease receivables	-			-	115,832,776	-	115,832,776
	Trade receivables	1,150,281,154	-	18,460,702	14,052,577		-	1,182,794,433
	Reinsurance contract assets	3,446,441,321	-				-	3,446,441,321
	Deferred acquisition cost		-		-		-	-
	Other receivables and prepayment	644,340,993	29,883,623	8,095,556	44,207,875	160,405,237	(408,454,802)	478,478,481
	Investment in subsidiaries	1,594,225,000	-			-	(1,594,225,000)	-
	Investment properties	1,271,781,524	-		202,668,000		-	1,474,449,524
	Leasehold properties	-	-		23,035,044		-	23,035,044
	Intangible Assets	14,767,281	-	5,811,480	1,822,340	27,280,118		49,681,219
	Property and equipment	1,199,375,172	-	3,866,223	33,683,322	42,822,384	-	1,279,747,102
	Deffered tax asset	-	-	-	-	-	-	-
	Statutory deposits	300,000,000	-	20,000,000			-	320,000,000
	Total assets	23,987,240,640	263,791,881	328,096,467	776,059,677	3,866,872,458	(3,043,747,732)	26,178,313,391
	Liabilities							
	Insurance contract liabilities	9,701,037,803	-	49,029,040	228,962,317		-	9,979,029,160
	Investment Contract liabilities	-	-	10,437,775				10,437,775
	Trade payables	330,749,570	-	-			-	330,749,570
	Borrowing	-	-	-		1,638,370,794	(1,041,067,930)	597,302,864
	Provision and other payables	224,024,963	23,416,347	28,399,078	143,292,869	504,865,103	(408,454,802)	515,543,558
	Staff retirement benefit	13,677,328	-	-		2,031,691	-	15,709,020
	Tax liabilities	1,316,060,787	7,829,349	8,354,822	23,329,439	199,002,646	-	1,554,577,043
	Deffered tax	264,056,690	(347,116)	-		15,750,652		279,460,226
	Share capital	5,420,000,000	130,000,000	200,000,000	500,000,000	764,225,000	(1,594,225,000)	5,420,000,000
	Share Premium	168,933,834	-	-			-	168,933,834
	Statutory reserve	3,469,814,488	-	3,523,470		133,136,812	-	3,606,474,770
	Fair Value Through OCI Reserve	127,131,418	(737,624)	-				126,393,794
	Revaluation reserve	138,165,551						138,165,551
	Requlatory risk reserve	-				17,293,896		17,293,896
	Retained earnings	2,813,588,208	103,630,925	28,352,282	(119,524,947)	592,195,864		3,418,242,332
	Total liabilities and equity	23,987,240,640	263,791,881	328,096,467	776,059,677	3,866,872,457	(3,043,747,732)	26,178,313,391

		CHI PLC N	CHI Capital N	Microinsurance N	Health Services LTD N	Hallmark Finance Company Limited	Elimination N	Total N
10.2	**Condensed result of consolidated entities - 2023**							
	Condensed profit and loss							
	Insurance Revenue Result	**(412,995,777)**	**-**	**33,824,152**	**263,319,920**		**-**	**(115,851,705)**
	Investment Revenus Result	**1,072,526,533**	**25,258,060**	**46,614,992**	**47,807,850**	**710,994,605**	**-**	**1,903,202,041**
	Other operating income	**2,963,715,009**	**2,351,401**	**-**	**4,910,304**	**73,832,426**	**-**	**3,044,809,141**
	Total operating income	**3,623,245,765**	**27,609,461**	**80,439,144**	**316,038,074**	**784,827,031**	**-**	**4,832,159,476**
	Impairment no longer required	**(11,838,371)**	**(2,531,489)**	**-**	**2,325,167**	**(14,804,642)**	**-**	**(26,849,334)**
	Net fair value gains/(losses) on financial assets at fair value through profit or loss	**1,468,699,284**	**9,800,334**		**60,000,000**	**515,000**	**-**	**1,539,014,618**
	Management Expenses	**(967,086,841)**	**(2,509,875)**	**(47,645,399)**	**(278,420,532)**	**(396,807,537)**	**-**	**(1,692,470,183)**
	Profit before taxation	**4,113,019,837**	**32,368,431**	**32,793,746**	**99,942,709**	**373,729,852**	**-**	**4,651,854,576**
	Taxation	**(759,953,356)**	**-**	**(8,354,822)**	**(19,826,785)**	**(94,570,033)**	**-**	**(882,704,996)**
	Profit after taxation	**3,353,066,481**	**32,368,431**	**24,438,924**	**80,115,925**	**279,159,819**	**-**	**3,769,149,581**

		CHI PLC N	CHI Capital Limited N	CHI Microinsurance N	Hallmark Health Ltd N	Hallmark Finance	Elimination N	Total N
	Condensed result of consolidated entities - 2022							
10.2	Condensed Financial Position							
	Assets							
	Cash and cash equivalents	1,183,948,834	168,055,991	150,333,413	349,077,777	125,903,484	(307,842,520)	1,669,476,979
	Financial assets	6,325,958,061	24,211,532	-	-	2,294,013,557	-	8,644,183,149
	Finance lease receivables	-	-		-	210,896,364	-	210,896,364
	Trade receivables	773,060,783	-	2,353,272.00	56,079,505		-	831,493,560
	Reinsurance assets	3,552,376,954	-				-	3,552,376,954
	Deferred acquisition cost	-	-		-		-	-
	Other receivables and prepayment	652,618,272	26,896,544	14,452,000	33,569,749	16,859,879	(451,824,092)	292,572,353
	Investment in subsidiaries	1,594,225,000	-			-	(1,594,225,000)	-
	Investment properties	1,265,226,470	-		140,000,000		-	1,405,226,470
	Leasehold properties		-		2,844,702		-	2,844,702
	Intangible Assets	22,104,164	-	8,079,405	791,354	33,134,708		64,109,632
	Property and equipment	1,088,248,164	-	6,223,562	40,722,431	33,751,000	-	1,168,945,157
	Deffered tax asset	-	-	-	-	-	-	-
	Statutory deposits	300,000,000	-	100,000,000			-	400,000,000
	Total assets	16,757,766,702	219,164,067	281,441,653	623,085,519	2,714,558,992	(2,353,891,612)	18,242,125,321
	Liabilities							
	Insurance contract liabilities	6,706,663,170	-	27,514,128	193,571,472		-	6,927,748,770
	Investment Contract liabilities	-	-	13,723,775				13,723,775
	Trade payables	33,472,651	-	-			-	33,472,651
	Borrowing	-	-	-		987,950,415	(307,842,521)	680,107,894
	Provision and other payables	240,152,189	5,162,860	32,766,922	125,652,266	367,371,791	(451,824,091)	319,281,937
	Staff retirement benefit	1,181,508	-	-		1,743,773	-	2,925,281
	Tax liabilities	524,545,069	12,713,249	-	3,502,654	115,343,705	-	656,104,678
	Deffered tax	239,442,368	8,149	-		14,457,554		253,908,071
	Share capital	5,420,000,000	130,000,000	200,000,000	500,000,000	764,225,000	(1,594,225,000)	5,420,000,000
	Share Premium	168,933,834	-	-			-	168,933,834
	Statutory reserve	2,799,201,192	-	1,138,536		91,262,839	-	2,891,602,567
	Fair Value Through OCI Reserve	39,163,090	17,316	-				39,180,406
	Revaluation reserve	128,676,506		-				128,676,506
	Requlatory risk reserve	-		-		1,828,189		1,828,189
	Retained earnings	456,335,125	71,262,493	6,298,292	(199,640,872)	370,375,726		704,630,763
	Total liabilities and equity	16,757,766,701	219,164,067	281,441,653	623,085,520	2,714,558,992	(2,353,891,612)	18,242,125,320

10.2	Condensed result of consolidated entities - 2022	CHI PLC	CHI Capital Limited	CHI Microinsurance	Hallmark Health Ltd	Hallmark Finance	Elimination	
	Condensed profit and loss							
	Insurance Revenue Result	101,079,379	-	14,200,893	118,548,569		(82,354,812)	151,474,029
	Investment Revenus Result	752,385,146	18,964,150	13,780,400	41,844,518	612,633,870	(1,141,447)	1,438,466,638
	Other operating income	595,355,189	1,583,722	-	6,705,787	53,312,826	-	656,957,524
	Total operating income	1,448,819,714	20,547,871	27,981,293	167,098,874	665,946,697	(83,496,259)	2,246,898,190
	Impairment no longer required	(20,066,075)	(5,657,017)	(6,681,961)	160,001	(165,468,737)	-	(197,713,788)
	Net fair value gains/(losses) on financial assets	10,163,192	12,214,033		50,000,000	(80,000)	-	72,297,226
	Management Expenses	(500,371,852)	(1,540,761)	(34,409,059)	(274,542,797)	(348,589,534)	21,216,812	(1,138,237,191)
	Profit before taxation	938,544,979	25,564,127	(13,109,727)	(57,283,923)	151,808,427	(62,279,447)	983,244,436
	Taxation	(410,768,155)	-		(1,806,923)	(23,654,577)	-	(436,229,655)
	Profit after taxation	527,776,824	25,564,127	(13,109,727)	(59,090,845)	128,153,850	(62,279,447)	547,014,781

		31 December 2023 N	31 December 2022 N	1 January 2022	**31 December 2023 N**	31 December 2022 N	1 January 2022
11	**Intangible assets**						
	Cost						
	At 1 January	**128,609,605**	125,342,605	74,117,939	**69,784,428**	69,784,428	62,487,520
	Addition	**-**	3,267,000	51,224,666	**-**	-	7,296,908
	Reclassification	**-**	-	-			
	For the year ended 31st December 2023	**128,609,605**	128,609,605	125,342,605	**69,784,428**	69,784,428	69,784,428
	Accumulated amortization						
		64,499,973	48,639,685	37,543,282	**47,680,264**	40,302,256	32,007,107
	Charge	**14,428,413**	15,860,288	11,096,403	**7,336,883**	7,378,008	8,295,149
	For the year ended 31st December 2023	**78,928,386**	64,499,973	48,639,685	**55,017,146**	47,680,264	40,302,256
	Carrying amount						
	For the year ended 31st December 2023	**49,681,219**	64,109,632	76,702,921	**14,767,281**	22,104,164	29,482,173
12	**Investment Properties**						
	At 1 January	**1,405,226,470**	1,098,676,470	1,042,487,470	**1,265,226,470**	1,008,676,470	948,826,470
	Addition	**6,555,054**	182,053,732	231,850,000	**6,555,054**	182,053,732	141,850,000
	Disposal/transfer (Note 12.1b)	**-**	-	(175,661,000)	**-**	-	(82,000,000)
	Fair value change {Note 35)	**62,668,000**	124,496,268	-	**-**	74,496,268	-
	For the year ended 31st December 2023	**1,474,449,524**	1,405,226,470	1,098,676,470	**1,271,781,524**	1,265,226,470	1,008,676,470

Investment Properties
Investment properties are made up of buildings and properties held by the company to earn rentals or for capital appreciation or both and are accounted for in line with International Accounting Standard (IAS) 40. Some of these properties retained the title of one of the legacy companies making up Consolidated Hallmark Insurance Plc. There is no dispute as to the title of Consolidated Hallmark Insurance Plc to these properties. However, in line with NAICOM requirement, provided below is the list of these properties and status of efforts to change their name to Consolidated Hallmark Insurance Plc.

The properties were professionally re-valued as at 15 November 2023, by Messrs Adegboyega Sanusi & Co (FRC/2013/NIESV/00000001757) on the basis of open market values.

S/N	TYPE OF ASSET	ADDRESS	AMOUNT N	CURRENT TITLE HOLDER	STATUS ON CHANGE OF TITLE
	Company				
1	Building	Plot A/5 Pocket Layout (Clerk Quarters) Owerri, Imo State.	206,000,000	Consolidated Hallmark Insurance Plc.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
2	Building	219, 220 and 221, Akukwe Street, Works Layout,	229,000,000	Consolidated Hallmark Insurance Plc.	Title now changed from Hallmark Assurance Plc to the name of Consolidated Hallmark Insurance Plc.
3	Building	No. 30, East Street, Rivers Layout Aba, Abia State.	104,682,620	Consolidated Hallmark Insurance Plc.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
4	Building	Plot 33, Chief Ogbonda Layout, Rumuogba, Port Harcourt.	144,221,000	Consolidated Hallmark Insurance Plc.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
5	Building	Rivers State Housing Estate, Abuloma PH	48,000,000	Consolidated Hallmark Insurance Plc.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
6	Land	Plot 14, 1(W) Road, First Avenue, Lugbe Estate, Abuja.	23,000,000	Hallmark Assurance Plc (Legacy Company)	The Company had paid all required fees to the Federal Housing Authority since 2017 and is awaiting final approval from them.
7	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	199,002,000	Consolidated Hallmark Insurance Plc.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
8	Building	3Units of 4 Bedroom Terrace At Westend Ikota,	137,875,904	Consolidated Hallmark Insurance Plc.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
9	Building	Semi detached duplex at Osapa London, Lekki	180,000,000	Consolidated Hallmark Insurance Plc.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
	Company's Total		**1,271,781,524**		
	Hallmark Health Services Limited				
	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	**142,168,000**	Hallmark Health Services Ltd	The deed of assigment is in the name of Hallmark Health Services Ltd.
	Group Total		**1,474,449,524**		

Movement on Investment Properties

12.1b

S/N	TYPE OF ASSET	ADDRESS	Opening	Addition	Disposal/transfer	Increase (decrease) in Fairvalue	Total
	Company						
1	Building	Plot A/5 Pocket Layout (Clerk Quarters) Owerri, Imo State.	206,000,000	-	-	-	206,000,000
2	Building	219, 220 and 221, Akukwe Street, Works Layout, Owerri, Imo	229,000,000	-	-	-	229,000,000
3	Building	No. 30, East Street, Rivers Layout Aba, Abia State.	104,105,470	577,150.00	-	-	104,682,620
4	Building	Plot 33, Chief Ogbonda Layout, Rumuogba, Port Harcourt.	144,221,000	-	-	-	144,221,000
5	Building	Jacob's Arena Plot 4, close4, road 4, Westend EstateIkota.,	135,900,000	1,975,903.96			137,875,904
		Semi detached duplex at Osapa London, Lekki Lagos.	180,000,000	-	-	-	180,000,000
6	Building	Rivers State Housing Estate, Abuloma PH	48,000,000		-	-	48,000,000
7	Land	Plot 14, 1(W) Road, First Avenue, Lugbe Estate, Abuja.	23,000,000	-	-	-	23,000,000
8	Building	Romax Homes Estate by Harris drivet beside	195,000,000	4,002,000	-	-	199,002,000
Company Total			**1,265,226,470**	**6,555,054**	**-**	**-**	**1,271,781,524**
	Subsidiary						
9	Building	Romax Homes Estate by Harris drivet beside	140,000,000	62,668,000	-	-	202,668,000
		Thomas estate Ajah Lagos			-		-
Group Total			**1,405,226,470**	**69,223,054**	**-**	**-**	**1,474,449,524**

Addition to item no 3,5 and 8 as stated on the table above represents amount paid for construction of borehore,renovation of apartment and electrification and processing charges to the estate management respectively.

13.0 Property and Equipment
2023
13.1a The group

	Land	Building	Office Equipment	Furniture & Fittings	Motor Vehicles	Computer Equipment	Total
	N	N	N	N	N	N	N
Costs							
At 1 January	300,000,000	716,669,825	122,660,928	161,641,268	717,825,832	279,934,035	2,298,731,887
Additions during the period	-	-	44,044,772	28,170,990	153,562,569	26,489,865	252,268,196
Revaluation	-	13,954,478					13,954,478
Disposals during the period	-	-	-	-	-	-	-
For the year ended 31st December 2023	**300,000,000**	**730,624,303**	**166,705,700**	**189,812,258**	**871,388,401**	**306,423,900**	**2,564,954,561**
Accumulated depreciation							
At 1 January 2023	-	175,319,825	103,413,572	135,625,874	487,471,808	227,955,653	1,129,786,732
Depreciation charge for the period	-	13,954,478	7,950,828	12,610,140	104,202,971	16,702,313	155,420,730
Disposals in the period	-	-	-	-	-	-	-
For the year ended 31st December 2023	**-**	**189,274,304**	**111,364,400**	**148,236,014**	**591,674,779**	**244,657,966**	**1,285,207,462**
Accummulated impairment losses	-	-	-	-	-	-	**-**
Carrying value							
For the year ended 31st December 2023	**300,000,000**	**541,350,000**	**55,341,301**	**41,576,244**	**279,713,623**	**61,765,934**	**1,279,747,102**
At 1 January 2023	300,000,000	541,350,000	19,247,355	26,015,394	230,354,024	51,978,382	1,168,945,157

The properties were professionally re-valued as at 25 November 2023, by Messrs Adegboyega Sanusi & Co (FRC/2013/NIESV/00000001757) on the basis of open market values. These values were incorporated in the books at end of the year 2023. The surplus arising on the revaluation over the written down values was treated as revaluation surplus.

Note : There was no lien on any of the properties non the properties pledged as collateral for any loan or to any creditor. And Land was not depreciated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

Property and Equipment

13.1b The Group

2022	Land	Building	Office **Equipment**	**Fittings**	Motor **Vehicles**	Computer **Equipment**	**Total**
	N	**N**	**N**	**N**	**N**	**N**	**N**
At 1 January	300,000,000	697,723,916	116,646,562	150,817,238	631,770,354	256,792,619	2,153,750,690
Additions during the period	-	-	6,014,366	10,824,030	95,856,478	23,141,416	135,836,290
Revaluation		18,945,909					18,945,909
Disposals during the period	-	-	-	-	(9,801,000)	-	(9,801,000)
31 December	300,000,000	716,669,825	122,660,928	161,641,268	717,825,832	279,934,035	2,298,731,889
Accumulated depreciation							
At 1 January 2022	-	161,373,916	96,346,121	125,553,428	392,075,190	214,693,908	990,042,563
Depreciation charge for the period	-	13,945,909	7,067,451	10,072,446	102,697,618	13,261,745	147,045,169
Disposals in the period	-	-	-	-	(7,301,000)	-	(7,301,000)
31 December	-	175,319,825	103,413,572	135,625,874	487,471,808	227,955,653	1,129,786,732
Accummulated impairment losses	-	-	-	-	-	-	-
Carrying value							
31 December 2022	300,000,000	541,350,000	19,247,356	26,015,394	230,354,024	51,978,382	1,168,945,157
At 1 January 2022	300,000,000	536,350,000	20,300,441	25,263,810	239,695,165	42,098,712	1,163,708,128

13.2a Property and Equipment
2023
The Company

	Land	Building	Office Equipment	Furniture & Fittings	Motor Vehicles	Computer Equipment	Total
	N	N	N	N	N	N	N
Costs							
At 1 January	300,000,000	716,669,825	114,000,493	163,215,975	599,020,079	257,046,410	2,149,952,783
Additions			43,053,772	26,061,990	126,862,569	19,198,365	215,176,700
Revaluation		13,954,478	-				13,954,478
Disposals	-	-			-		-
For the year ended 31st December 2023	**300,000,000**	**730,624,303**	**157,054,264**	**189,277,965**	**725,882,648**	**276,244,776**	**2,379,083,960**
Accumulated depreciation							
At 1 January	-	175,319,825	100,419,985	136,186,020	427,409,980	222,368,808	1,061,704,618
Depreciation charge for the period	-	13,954,478	6,226,630	10,643,160	75,761,622	11,418,278	118,004,170
Disposals			-	-	-	-	-
For the year ended 31st December 2023	**-**	**189,274,303**	**106,646,615**	**146,829,179**	**503,171,601**	**233,787,087**	**1,179,708,789**
Carrying value							
For the year ended 31st December 2023	**300,000,000**	**541,350,000**	**50,407,649**	**42,448,786**	**222,711,046**	**42,457,689**	**1,199,375,172**
At 1st January 2023	300,000,000	541,350,000	13,580,508	27,029,955	171,610,099	34,677,602	1,088,248,164

The properties were professionally re-valued as at 25 November 2023, by Messrs Adegboyega Sanusi & Co (FRC/2013/NIESV/00000001757) on the basis of open market values. These values were incorporated in the books at end of the year 2022. The surplus arising on the revaluation over the written down values was treated as revaluation surplus.

13.2b Property and Equipment (Cont'd)

2022

The company

	Land	Building	Office Equipment	Furniture & Fittings	Motor Vehicles	Computer Equipment	Total
	N	N	N	N	N	N	N
At 1 January	300,000,000	697,723,916	110,728,948	154,660,725	533,954,601	247,236,021	2,044,304,211
Additions	-	-	3,271,545	8,555,250	74,866,478	9,810,389	96,503,662
Transfer from Investment Property(12.1a)	-	-					-
Revaluation		18,945,909	-				18,945,909
Disposals	-	-			(9,801,000)		(9,801,000)
31 December	300,000,000	716,669,825	114,000,493	163,215,975	599,020,079	257,046,410	2,149,952,782
Accumulated depreciation							
At 1 January	-	161,373,916	94,440,092	127,370,268	359,277,014	212,487,267	954,948,557
Depreciation charge for the period	-	13,945,909	5,979,893	8,815,752	75,433,966	9,881,541	114,057,061
Disposals			-	-	(7,301,000)	-	(7,301,000)
31 December	-	175,319,825	100,419,985	136,186,020	427,409,980	222,368,808	1,061,704,618
Carrying value							
31 December 2022	300,000,000	541,350,000	13,580,508	27,029,955	171,610,099	34,677,602	1,088,248,164
At 1 January 2022	300,000,000	536,350,000	16,288,856	27,290,457	174,677,587	34,748,754	1,089,355,654

13.3 Right-of-Use of Assets (Leased Assets)

	Furniture & Fittings ₦	Motor Vehicles ₦	Office Equipment ₦	Computer Equipment ₦	Total ₦
Cost					
Balance as at 1 January 2022	4,145,404	7,436,438	2,345,697	311,787	14,239,326
Additions during the year	1,037,061	1,860,000	586,826	78,001	3,561,888
Balance as at 31 December 2022/1 January 2023	5,182,464	9,296,438	2,932,524	389,787	17,801,213
Disposal during the year		(2,800,000)			(2,800,000)
Additions during the year	1,731,278	26,003,562	979,651	130,213	28,844,704
Balance as at 31 December 2023	**6,913,742**	**32,500,000**	**3,912,175**	**520,000**	**43,845,917**
Accumulated Depreciation					
Balance as at 1 January 2022	4,145,404	7,436,438	2,345,697	311,787	14,239,326
Charge for the year	1,037,061	1,860,000	586,826	78,001	3,561,888
Balance as at 31 December 2022/1 January 2023	5,182,464	9,296,438	2,932,524	389,787	17,801,214
Disposal during the year		(2,800,000)			(2,800,000)
Charge for the year	1,104,323	3,650,685	976,652	78,000	5,809,660
Balance as at 31 December 2023	**6,286,787**	**10,147,124**	**3,909,175**	**467,787**	**20,810,873**
Carrying Amount					
Carrying amount as at 31 December 2022	***1,731,277***	***3,561***	***979,651***	***130,213***	***2,844,702***
Carrying amount as at 31 December 2023	***626,955***	***22,352,876***	***3,000***	***52,213***	***23,035,044***

The leased assets are owned by the Company at the expiration of the leased period, hence they were depreciated using the useful life of the assets.

		2023 N	2022 N	Jan-22 N	2023 N	2022 N	Jan-22 N
14.	**Statutory deposits**	**300,000,000**	300,000,000	300,000,000	**300,000,000**	300,000,000	300,000,000
	Microinsurance	**20,000,000**	100,000,000	100,000,000			
		320,000,000	400,000,000	400,000,000	**300,000,000**	300,000,000	300,000,000

This represents the amount deposited with the Central Bank of Nigeria as at 31 March, 2023.

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15.	**Insurance contract liabilities**						
	Liability for Incured Claim (LIC) (Note 15.1)	**4,533,328,446**	3,280,467,021	2,841,412,777	**4,460,979,749**	3,280,467,021	2,837,287,074
	Liability for Remaining Coverage(LRC)(Note 15.1)	**5,445,700,713**	3,647,281,748	2,632,637,624	**5,240,058,053**	3,426,196,149	2,462,257,737
	IFRS 17 Adjustment			354,516,031			348,735,897
		9,979,029,159	6,927,748,770	5,828,566,433	**9,701,037,802**	6,706,663,170	5,648,280,708

15.1 Insurance contract liabilities

		Liability for Remaining Coverage (LRC)			**Liability for Incurred Claim (LIC)**		**Total**	
		Excluding Loss Component **N**	**Loss Component** **N**		**PV of future cashflow**	**Risk Adjustment** **N**	**N**	
MOTOR		**1,928,390,951**	**-**		**476,446,216**	**39,110,939**	**2,443,948,106**	
FIRE		**799,837,570**	**-**		**424,779,935**	**71,777,640**	**1,296,395,144**	
AVIATION		**166,213,613**	**-**		**186,944,497**	**34,534,067**	**387,692,177**	
OIL &GAS		**692,113,690**	**-**		**904,426,725**	**162,987,340**	**1,759,527,755**	
ENGINEERING		**407,458,544**	**-**		**198,106,277**	**43,106,111**	**648,670,932**	
BOND		**262,667,172**	**-**		**29,687,405**	**2,668,882**	**295,023,459**	
GENERAL ACCIDENT		**585,045,256**	**-**		**1,455,484,550**	**291,333,773**	**2,331,863,579**	
MARINE		**398,331,257**	**-**		**117,307,080**	**22,278,311**	**537,916,649**	
		5,240,058,053			**3,793,182,686**	**667,797,063**	**9,701,037,802**	
HMO - LRC/LIC		**156,613,620**			**72,348,697**		**228,962,317**	
Microinsurance - (LRC)		**49,029,040**					**49,029,040**	
		5,445,700,713	**-**	**-**	**3,865,531,383**	**667,797,063**	**9,979,029,158**	**-**

Insurance contract liabilities 2022

		Liability for Remaining Coverage (LRC)		**Liability for Incurred Claim (LIC)**		**Total**
		Excluding Loss Component **N**	**Loss Component** **N**	**PV of future cashflow**	**Risk Adjustment** **N**	**N**
MOTOR	15. i	1,022,278,126	-	363,660,331	18,183,017	1,404,121,474
FIRE	15.ii	523,775,134	-	521,165,316	19,330,515	1,064,270,965
AVIATION	15.iii	88,900,375	-	123,899,860	6,194,993	218,995,228
OIL &GAS	15.iv	522,396,718	-	244,332,345	12,456,143	779,185,206
ENGINEERING	15.v	508,790,836	-	195,806,189	29,056,538	733,653,563
BOND	15.vi	156,888,742	-	22,478,975	1,123,949	180,491,666
GENERAL ACCIDENT	15.vii	459,220,522	-	951,867,080	319,919,538	1,731,007,140
MARINE	15.viii	143,945,695	-	429,516,413	21,475,821	594,937,929
		3,426,196,148	-	**2,852,726,509**	**427,740,514**	**6,706,663,171**
HMO - LRC/LIC		122,809,341		**70,762,130**		193,571,471
Microinsurance - (LRC)		27,514,128				27,514,128
		3,576,519,617	**-**	**2,923,488,639**	**427,740,514**	**6,927,748,770**

			Liability for Remaining Coverage (LRC)	**Liability for Incurred Claim (LIC)**			
		Excluding Loss Component **N**	Loss Component **N**	PV of future cashflow **N**	**Risk Adjustment**	**Total** **N**	
Insurance contract liabilities 2021							
MOTOR	15. i	833,210,000	**-**	281,837,246	14,091,862	**1,129,139,108**	
FIRE	15.ii	346,066,546	**-**	867,757,155	32,185,934	**1,246,009,635**	
AVIATION	15.iii	102,138,794	**-**	96,176,672	4,808,834	**203,124,300**	
OIL &GAS	15.iv	454,137,875	**-**	242,271,998	12,351,106	**708,760,979**	
ENGINEERING	15.v	185,232,684	**-**	118,873,937	17,640,224	**321,746,845**	
BOND	15.vi	59,792,680	**-**	18,759,856	937,993	**79,490,529**	
GENERAL ACCIDENT	15.vii	377,623,968	**-**	564,179,345	189,618,907	**1,131,422,220**	
MARINE	15.viii	148,784,684	**-**	647,430,865	32,371,543	**828,587,092**	
		2,506,987,231	**-**	**2,837,287,074**	**304,006,403**	**5,648,280,708**	
HMO - LRC/LIC		110,637,393		60,103,400		**170,740,793**	
Microinsurance - (LRC)		9,544,931				**9,544,932**	-
		2,627,169,555		**2,897,390,474**	**304,006,403**	**5,828,566,433**	

The measurement of Liability for Remianing Coverage and Liability for Incurred Claims was developed by the Management of the Company with the use of a professional actuary (Becoda Consulting Ltd), certified firm of actuaries with FRC registration number FRC/2015/NAS/00000012946

Management believes that the carrying amount of insurance liabilities represents a reasonable approximation of fair value.

Movement in carrying amounts by LRC and LIC - Insurance Contract Liability -PAA
Contracts measured under PAA are non-life insurance contract

Balance as at 1st January 2022	Liability for Remaining Coverage Excluding Loss Component	Loss Component	Liability for incurred claim Estimates of Present Value of Future Cash Flows	Risk Adjustmen	Total
Insurance Contract Liability as at 1st Jan 2022	2,506,987,232		2,837,287,075	304,006,401	5,648,280,708
Company Net closing balance	**2,506,987,232**		**2,837,287,075**	**304,006,401**	**5,648,280,708**
Hallmark Health Services Ltd	110,637,373		60,103,420		170,740,793
CHI Micro Insurance Ltd	9,544,931				9,544,931
Group Closing balance	**2,627,169,536**		**2,897,390,495**	**304,006,401**	**5,828,566,432**

Balance as at 31 December 2022	**Liability for Remaining Coverage**		**Liability for incurred claim**		
	Excluding Loss Component	**Loss Component**	**Present Value of Future Cash Flows**	**Risk Adjustment for Non-Financial Risk**	**Total**
Opening reinsurancecontracts assets					
Opening reinsurancecontracts liability	2,506,987,232		2,837,287,074	304,006,403	5,648,280,708
Net opening balance	**2,506,987,232**		**2,837,287,074**	**304,006,403**	**5,648,280,708**
Insurance revenue	- 11,142,727,902			-	11,142,727,902
Insurance service expenses					
Incurred claims and other expenses			5,354,202,092		5,354,202,092
Risk Adjustment release for expired risks				123,730,000	123,730,000
Experience adjustments					-
Acquisition expenses	2,713,966,817				2,713,966,817
Changes related to future service					
Changes related to past service			108,294,675		108,294,675
Total Insurance service expenses	**2,713,966,817**	**-**	**5,462,496,767**	**123,730,000**	**8,300,193,584**
Investment components		-			
Insurance service result	**(8,428,761,085)**		**5,462,496,767**	123,730,000	(2,842,534,318)
Insurance finance expenses	-				
Total change in comprehensive income	**(8,428,761,085)**		5,462,496,767	123,730,000	**(2,842,534,318)**
Premiums received	12,061,936,819				12,061,936,819
Adjustments to liabilities for incurred claims					-
Claims and expenses paid	-		- 5,447,053,222		(5,447,053,222)
Acquisition cash flows	- 2,713,966,817				
Total cash flows	**9,347,970,002**		**- 5,447,053,222**	123,730,000	**4,024,646,779**
Closing insurance contract assets					
Closing insurance contract liabilities	3,426,196,149		2,852,730,619	427,736,402	6,706,663,170
Company Net closing balance	**3,426,196,149**		**2,852,730,619**	**427,736,402**	**6,706,663,170**

Balance as at 31 December 2023	**Liability for Remaining Coverage**		**Liability for incurred claim**		
	Excluding Loss Component	**Loss Component**	**Estimates of Present Value of Future Cash Flows**	**Risk Adjustment for Non-Financial Risk**	**Total**
Opening reinsurancecontracts assets					
Opening reinsurancecontracts liability	3,426,196,149		2,852,730,619	427,736,402	6,706,663,170
Net opening balance	**3,426,196,149**		**2,852,730,619**	**427,736,402**	**6,706,663,170**
Insurance revenue	- 14,815,865,738			-	14,815,865,738
Insurance service expenses					
Incurred claims and other expenses			5,630,329,561		5,630,329,561
Risk Adjustment release for expired risks				240,056,551	240,056,551
Experience adjustments					-
Acquisition expenses	3,841,647,546				3,841,647,546
Changes related to future service					
Changes related to past service			1,806,446,548		1,806,446,548
Total Insurance service expenses	**3,841,647,546**	**-**	**7,436,776,109**	**240,056,551**	**11,518,480,206**
Investment components		-			
Insurance service result	**(10,974,218,192)**		**7,436,776,109**	240,056,551	(3,297,385,531)
Insurance finance expenses	-				
Total change in comprehensive income	**(10,974,218,192)**		**7,436,776,109**	**240,056,551**	**(3,297,385,531)**
Premiums received	16,629,727,642				16,629,727,642
Adjustments to liabilities for incurred claims					-
Claims and expenses paid	-		- 6,496,319,933		(6,496,319,933)
Acquisition cash flows	- 3,841,647,546				(3,841,647,546)
Total cash flows	**12,788,080,096**		**- 6,496,319,933**		**6,291,760,163**
Closing insurance contract assets					
Closing insurance contract liabilities	5,240,058,053		3,793,186,796	667,792,953	9,701,037,802
Company Net closing balance	**5,240,058,053**		**3,793,186,796**	**667,792,953**	**9,701,037,802**

GROUP

Balance as at 1st January 2022	Liability for Remaining Coverage Excluding Loss Component	Loss Component	Liability for incurred claim Estimates of Present Value of Future Cash Flows	Risk Adjustmen	Total
Insurance Contract Liability as at 1st Jan 2022	2,627,169,536		2,897,390,495	304,006,401	5,828,566,432
Company Net closing balance	**2,627,169,536**		**2,897,390,495**	**304,006,401**	**5,828,566,432**

GROUP

Balance as at 31 December 2022	**Liability for Remaining Coverage**		**Liability for incurred claim**		
	Excluding Loss Component	**Loss Component**	**Present Value of Future Cash Flows**	**Risk Adjustment for Non-Financial Risk**	**Total**
Opening reinsurancecontracts assets					
Opening reinsurancecontracts liability	2,506,987,232		2,837,287,074	304,006,403	5,648,280,708
Net opening balance	**2,506,987,232**		**2,837,287,074**	**304,006,403**	**5,648,280,708**
Insurance revenue	- 11,880,010,802			-	11,880,010,802
Insurance service expenses					
Incurred claims and other expenses			6,124,536,704		6,124,536,704
Risk Adjustment release for expired risks				123,734,110	123,734,110
Experience adjustments					-
Acquisition expenses	2,606,949,503				2,606,949,503
Changes related to future service					
Changes related to past service			108,294,675		108,294,675
Total Insurance service expenses	**2,606,949,503**	**-**	**6,232,831,379**	**123,734,110**	**8,963,514,992**
Investment components		-			
Insurance service result	**(9,273,061,299)**		**6,232,831,379**	123,734,110	(2,916,495,810)
Insurance finance expenses	-				
Total change in comprehensive income	**(9,273,061,299)**		**6,232,831,379**	**123,734,110**	**(2,916,495,810)**
Premiums received	12,061,936,819				12,061,936,819
Adjustments to liabilities for incurred claims					-
Claims and expenses paid	-		- 5,480,109,044		(5,480,109,044)
Acquisition cash flows	- 2,606,949,503				(2,606,949,503)
Total cash flows	**9,454,987,316**		**- 5,480,109,044**		**3,974,878,272**
Closing insurance contract assets					
Closing insurance contract liabilities	2,839,236,718		3,660,771,539	427,740,512	6,927,748,769
Company Net closing balance	**2,839,236,718**		**3,660,771,539**	**427,740,512**	**6,927,748,769**

GROUP

Balance as at 31 December 2023	**Liability for Remaining Coverage**		**Liability for incurred claim**		
	Excluding Loss Component	**Loss Component**	**Estimates of Present Value of Future Cash Flows**	**Risk Adjustment for Non-Financial Risk**	**Total**
Opening reinsurancecontracts assets					
Opening reinsurancecontracts liability	3,426,196,149		2,852,730,619	427,740,512	6,706,667,280
Net opening balance	**3,426,196,149**		**2,852,730,619**	**427,740,512**	**6,706,667,280**
Insurance revenue	- 15,710,848,992			-	15,710,848,992
Insurance service expenses					
Incurred claims and other expenses			6,335,546,869		6,335,546,869
Risk Adjustment release for expired risks				240,056,551	240,056,551
Experience adjustments					-
Acquisition expenses	3,717,441,086				3,717,441,086
Changes related to future service					
Changes related to past service			1,806,446,548		1,806,446,548
Total Insurance service expenses	**3,717,441,086**	**-**	**8,141,993,417**	**240,056,551**	**12,099,491,054**
Investment components		-			
Insurance service result	**(11,993,407,906)**		**8,141,993,417**	240,056,551	(3,611,357,938)
Insurance finance expenses	-				
Total change in comprehensive income	**(11,993,407,906)**		8,141,993,417	240,056,551	**(3,611,357,938)**
Premiums received	16,629,727,642				
Adjustments to liabilities for incurred claims					-
Claims and expenses paid	-		- 6,306,558,095		(6,306,558,095)
Acquisition cash flows	- 3,717,441,086				
Total cash flows	**12,912,286,556**		**- 6,306,558,095**		**6,605,728,461**
Closing insurance contract assets					
Closing insurance contract liabilities	4,550,717,459		4,760,514,638	667,797,063	9,979,029,160
Company Net closing balance	**4,550,717,459**		**4,760,514,638**	**667,797,063**	**9,979,029,160**

1. DATA SUMMARY AND RECONCILIATIONS

This section outlines the summary of the data used for the IFRS 17 valuation.

Insurance Contract Liabilities - December 2023					
	Liability for Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	1,928,390,951	400,213,647	76,232,568	39,110,939	2,443,948,106
Fire	799,837,570	315,537,083	109,242,852	71,777,640	1,296,395,144
General Accident	585,045,256	1,201,926,680	253,557,870	291,333,773	2,331,863,579
Marine	398,331,257	91,982,994	25,324,086	22,278,311	537,916,649
Bonds	262,667,172	26,851,323	2,836,082	2,668,882	295,023,459
Oil & Gas	692,113,690	863,706,914	40,719,811	162,987,340	1,759,527,755
Engineering	407,458,544	160,994,815	37,111,463	43,106,111	648,670,932
Aviation	166,213,613	128,776,307	58,168,190	34,534,067	387,692,177
Total	**5,240,058,053**	**3,189,989,763**	**603,192,922**	**667,797,063**	**9,701,037,801**

1.2 Transactional claims Data

The table below summarises the claims incurred in the reporting period, claims paid and outstanding claims.

Insurance Transactional Data and Outstanding claims in the reporting			
Portfolios	**Incurred Claims**	**Claims Paid**	**Outstanding claims**
Aviation	44,604,392	74,542,773	58,168,190
Bonds	30,906,813	34,221,715	2,836,082
Engineering	168,934,432	260,568,170	37,111,463
Fire	337,856,637	298,011,601	109,242,852
General Accident	1,098,521,139	1,423,512,389	253,557,870
Marine	277,152,257	368,537,286	25,324,086
Motor	1,198,675,720	1,304,089,900	76,232,568
Oil & Gas	130,263,970	180,171,723	40,719,811
Total	**3,286,915,359**	**3,943,655,557**	**603,192,922**

2. RESULTS OF VALUATION

2.1 Insurance Contract Liabilities

The total gross liability for the IFRS 17 insurance portfolio is N9,701m as at 31 December 2023. This is made up of N5,240m of liabilities for remaining coverage (LRC) and N4,461m of liabilities for incurred claims (LIC).

The breakdown of the gross insurance contract liabilities is shown in the table below:

Insurance Contract Liabilities - December 2023					
	Liability for Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	1,928,390,951	400,213,647	76,232,568	39,110,939	2,443,948,106
Fire	799,837,570	315,537,083	109,242,852	71,777,640	1,296,395,144
General Accident	585,045,256	1,201,926,680	253,557,870	291,333,773	2,331,863,579
Marine	398,331,257	91,982,994	25,324,086	22,278,311	537,916,649
Bonds	262,667,172	26,851,323	2,836,082	2,668,882	295,023,459
Oil & Gas	692,113,690	863,706,914	40,719,811	162,987,340	1,759,527,755
Engineering	407,458,544	160,994,815	37,111,463	43,106,111	648,670,932
Aviation	166,213,613	128,776,307	58,168,190	34,534,067	387,692,177
Total	**5,240,058,053**	**3,189,989,763**	**603,192,922**	**667,797,063**	**9,701,037,801**

The breakdown of the corresponding Insurance Contract Liabilities for the December 2022 IFRS 17

Insurance Contract Liabilities - December 2022 Comparatives					
	Liability for Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	1,022,278,126	189,451,009	174,209,322	18,183,017	1,404,121,474
Fire	523,775,134	352,311,456	168,853,860	19,330,515	1,064,270,965
General Accident	459,220,522	319,493,826	632,373,254	319,919,538	1,731,007,140
Marine	143,945,695	260,080,669	169,435,744	21,475,821	594,937,929
Bonds	156,888,742	16,569,559	5,909,416	1,123,949	180,491,666
Oil & Gas	522,396,718	179,330,860	65,001,485	12,456,143	779,185,206
Engineering	508,790,836	151,334,309	44,471,880	29,056,538	733,653,563
Aviation	88,900,375	48,140,398	75,759,462	6,194,993	218,995,228
Total	**3,426,196,149**	**1,516,712,086**	**1,336,014,423**	**427,740,512**	**6,706,663,170**

The total insurance contract liabilities increased by 45% from N6.7bn reported in December 2022 to N9.7bn as at December 2023.

15.3 AGE ANALYSIS OF OUTSTANDING CLAIMS AS AT 31 DECEMBER, 2023

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	24,204,668	18,716,445	20,133,996	16,381,898	31,204,483	110,641,490
250,001-500,000	7,932,795	5,222,000	23,063,222	30,410,079	26,607,131	93,235,228
500,001-1,500,000	15,500,000	7,284,112	26,263,400	33,848,441	68,202,998	151,098,951
1,500,001-2,500,000	11,948,570	6,000,000	4,290,145	12,100,000	8,076,600	42,415,315
2,500,001-5,000,000	3,000,000	26,015,753	20,000,000	28,125,542	28,684,293	105,825,588
ABOVE 5,000,000	14,168,700	7,120,868	6,250,438	29,806,604	42,629,740	99,976,350
TOTAL	**76,754,733**	**70,359,178**	**100,001,202**	**150,672,564**	**205,405,245**	**603,192,922**

AGE ANALYSIS OF OUTSTANDING CLAIMS AS AT 31 DECEMBER, 2022

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	28,578,289	18,991,061	17,252,131	13,286,098	55,203,107	133,310,687
250,001-500,000	18,875,451	11,348,613	10,661,250	15,897,200	49,997,081	106,779,595
500,001-1,500,000	33,286,322	25,204,937	42,469,094	32,826,487	70,542,470	204,329,309
1,500,001-2,500,000	15,716,046	10,143,086	7,696,600	5,665,000	11,791,993	51,012,725
2,500,001-5,000,000	28,621,816	17,611,841	18,254,950	27,377,893	61,485,004	153,351,504
ABOVE 5,000,000	85,515,400	183,803,100	7,000,000		410,912,103	687,230,603
TOTAL	**210,593,324**	**267,102,638**	**103,334,025**	**95,052,678**	**659,931,758**	**1,336,014,423**

Number of claimants in each category

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
At December 2023	**439**	**381**	**323**	**320**	**636**	**2,099**
At December 2022	483	331	319	289	1,174	2,596

Further Analysis of Outstanding Claims

OUTSTANDING CLAIMS (AWAITING EDV)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	-	-	-	-	-	-
250,001-500,000	-	-	-	-	-	-
500,001-1,500,000	-	-	-	-	-	-
1,500,001-2,500,000	-	-	-	-	-	-
2,500,001-5,000,000	-	-	-	-	-	-
ABOVE 5,000,000	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

OUTSTANDING CLAIMS (AWAITING SETTLEMENT DECISION)

	0-90 DAYS		181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	-	566,819.00	654,342.08	100,000.00	811,667.02	**2,132,828.10**
250,001-500,000	-	-	800,000.00	-	-	**800,000.00**
500,001-1,500,000	-	1,374,112.00	1,335,590.16	1,500,000.00	1,000,000.00	**5,209,702.16**
1,500,001-2,500,000	-	-	-	-	-	**-**
2,500,001-5,000,000	-	-	-	-	-	**-**
ABOVE 5,000,000	-	-	-	-	-	**-**
TOTAL	**-**	**1,940,931.00**	**2,789,932.24**	**1,600,000.00**	**1,811,667.02**	**8,142,530.26**

OUTSTANDING CLAIMS (AWAITING SUPPORTING DOCUMENT)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	22,685,886.75	16,885,646.00	18,646,040.00	15,716,922.86	29,249,393.86	**103,183,889.47**
250,001-500,000	6,485,145.35	4,500,000.00	22,263,222.40	29,910,079.23	26,318,518.19	**89,476,965.17**
500,001-1,500,000	15,500,000.00	5,910,000.00	24,927,810.12	31,648,440.67	65,202,997.61	**143,189,248.40**
1,500,001-2,500,000	8,000,000.00	6,000,000.00	4,290,145.23	12,100,000.00	8,076,600.00	**38,466,745.23**
2,500,001-5,000,000	3,000,000.00	20,029,337.06	20,000,000.00	25,003,666.69	24,531,093.01	**92,564,096.76**
ABOVE 5,000,000	14,168,700.00	-	6,250,438.00	29,806,604.13	35,629,740.00	**85,855,482.13**
TOTAL	**69,839,732.10**	**53,324,983.06**	**96,377,655.75**	**144,185,713.58**	**189,008,342.67**	**552,736,427.16**

OUTSTANDING CLAIMS (BEING ADJUSTED)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	1,508,781.29	1,263,980.20	683,614.20	564,975.00	978,390.40	**4,999,741.09**
250,001-500,000	1,447,650.00	722,000.00	-	500,000.00	288,612.90	**2,958,262.90**
500,001-1,500,000	-	-	-	700,000.00	-	**700,000.00**
1,500,001-2,500,000	3,948,569.75	-	-	-	-	**3,948,569.75**
2,500,001-5,000,000	-	5,986,416.04	-	3,121,875.00	4,153,200.00	**13,261,491.04**
ABOVE 5,000,000	-	7,120,868.10	-	-	7,000,000.00	**14,120,868.10**
TOTAL	**6,905,001.04**	**15,093,264.34**	**683,614.20**	**4,886,850.00**	**12,420,203.30**	**39,988,932.88**

OUTSTANDING CLAIMS (SIGNED DISCHARGE VOUCHER UNPAID)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	265,031.65	-	-	-		**265,031.65**
250,001-500,000	-	-	-	-	-	**-**
500,001-1,500,000	2,000,000.00	-	-	-		**2,000,000.00**
1,500,001-2,500,000	-	-	-	-	-	**-**
2,500,001-5,000,000	-	-	-	-	-	**-**
ABOVE 5,000,000	-	-	-	-	-	**-**
TOTAL	**2,265,031.65**	**-**	**-**	**-**	**-**	**2,265,031.65**

Please note that, the group do not have any outstanding claim with executed discharge voucher that is more than 90 days in accordance with Section 70 (1a) of the Insurance Act 2003

	Group			Company		
	2023	2022	Jan-22	**2023**	2022	Jan-22
	N	N		**N**	**N**	
15.4 Funds representing insurance contract liabilities						
Insurance Contract Liabilities	**9,701,037,803**	6,706,663,170	5,828,566,433	**9,701,037,803**	6,706,663,170	5,648,280,708
Reinsurance Contract Assets	**(3,446,441,321)**	(3,552,376,954)	(4,086,694,213)	**(3,446,441,321)**	(3,552,376,954)	(4,086,694,213)
	6,254,596,483	3,154,286,216	1,741,872,220	**6,254,596,483**	3,154,286,216	1,561,586,495
Balance with banks	**-**	-		**-**	-	
Fixed placement	**832,664,454**	525,103,432	1,594,881,038	**832,664,454**	525,103,432	1,594,881,038
Fixed placement (above 90days)	**5,022,222,500**	1,930,281,941	-	**5,022,222,500**	1,930,281,941	-
Investment property	**1,271,781,524**	1,265,226,470	1,008,676,470	**1,271,781,524**	1,265,226,470	1,008,676,470
	2,450,528,763	-	-	**2,450,528,763**	-	-
	9,577,197,242	3,720,611,843	2,603,557,508	**9,577,197,242**	3,720,611,843	2,603,557,508
Surplus	**3,322,600,759**	458,437,772	861,685,288	**3,322,600,759**	677,027,706	1,041,971,013
15.5 Investment contract liabilities						
Opening	**13,723,775**	17,660,923	-	-	-	-
movement	**(3,286,000)**	(3,937,148)	17,660,923	-	-	-
Closing	**10,437,775**	13,723,775	17,660,923	-	-	-
16. Trade payables						
Due to insurance companies	**-**	-	-	**-**	-	-
Due to reinsurance companies - local	**330,749,570**	33,472,651	46,805,158	**330,749,570**	33,472,651	46,805,158
Other trade payables	**-**	-	-	**-**	-	-
	330,749,570	33,472,651	46,805,158	**330,749,570**	33,472,651	46,805,158
Current	**330,749,570**	33,472,651	46,805,158	**330,749,570**	33,472,651	46,805,158
Non-current	**-**	-	-	**-**	-	-
Movement in Trade payables						
Opening	**33,472,651**	46,805,158	13,972,733	**33,472,651**	46,805,158	13,972,733
Reinsurance during the year	**6,007,916,851**	4,986,931,692	4,458,744,932	**6,007,916,851**	4,986,931,692	4,458,744,932
Payment	**(5,710,639,932)**	(5,000,264,199)	(4,425,912,507)	**(5,710,639,932)**	(5,000,264,199)	(4,425,912,507)
Closing	**330,749,570**	33,472,651	46,805,158	**330,749,570**	33,472,651	46,805,158
17 Borrowing						
At 1 January	**680,107,895**	55,800,013	5,013,053	-	-	-
Addition	**1,506,337,088**	607,885,923	142,596,600	-	-	-
Repayment	**(1,880,662,738)**	(71,713,122)	(96,655,552)	-	-	-
Interest capitalised	**291,520,620**	88,135,080	4,845,913	-	-	-
As At 31st December	**597,302,864**	680,107,895	55,800,013	**-**	**-**	-

These are financial liabilities that mature within 12months of the balance sheet date. It is measure at fair value at initial recognition.

	2023	2022	Jan-22	**2023**	2022	Jan-22
18. Other payables and provision						
Audit fees	**14,520,000**	9,932,500	11,500,000	**8,020,000**	5,432,500	7,000,000
VAT payable	**100,000**	100,000	100,000	**100,000**	100,000	100,000
Witholding tax payable	**64,333,855**	26,383,472	5,320,984	**64,333,855**	26,383,472	5,320,984
Unclaimed dividend payable (Note 18.1)	**82,423,287**	82,423,287	80,662,912	**82,423,287**	82,423,287	80,662,912
Accrued expenses	**45,012,420**	92,184,590	68,193,685	**45,012,420**	75,588,801	45,799,518
Unearned Commission received(Note 18.2	**-**	-		**-**		
Staff Cooperative	**41,870,700**	39,569,085	46,672,519	**41,870,700**	39,569,085	46,672,519
Sundry creditors	**267,283,296**	73,572,903	62,285,265	**(17,735,299)**	10,655,045	20,759,955
	515,543,559	324,165,837	274,735,366	**224,024,963**	240,152,189	206,315,888
Current	**515,543,559**	324,165,837	274,735,366	**224,024,963**	240,152,189	206,315,888
Non-current	**-**	-	-	**-**	-	-

18.1 Unclaimed dividend payable represents amount of dividend which shareholders are yet to collect from the company's registrars and which, in line with the relevant rules of the Securities and Exchange Commission, have been returned to the Company to be held in a separate investment trust account.

		2023	2022	**Jan-22**	**2023**	2022	**Jan-22**
		N	N		**N**	**N**	
19. Retirement benefit obligation							
Defined contribution pension plan							
At 1 January		**2,925,282**	2,075,682	4,129,526	**1,181,508**	1,367,928	2,253,607
Provision during the period (Note 36b)		**60,223,992**	67,071,824	51,461,849	**56,175,917**	46,565,279	47,593,611
Payment during the period		**(47,440,254)**	(66,222,225)	(53,515,693)	**(43,680,097)**	(46,751,699)	(48,479,290)
December 31 2023		**15,709,020**	2,925,282	2,075,682	**13,677,328**	1,181,508	1,367,928
19.a Employer contribution	10%	**8,727,234**	1,625,156	1,153,157	**8,022,364**	20,943	391,282
Employees contribution	8%	**6,981,787**	1,300,125	922,525	**5,654,964**	1,160,565	976,646
		15,709,020	2,925,282	2,075,682	**13,677,328**	1,181,508	1,367,928

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		Group			Company		
		2023	2022	**Jan-22**	**2023**	2022	**Jan-22**
		N	**N**		**N**	**N**	
20	**Taxation**						
20	**Income tax expense**						
	Income tax	**1,136,823,041**	534,384,596	225,748,745	**990,225,386**	504,039,196	173,259,733
	Education tax	**19,753,486**	27,326,201	19,814,649	**8,546,100**	27,326,201	15,284,310
	Under/(over)provision in previous year	**(251,330,458)**	(102,000,000)	(77,388,702)	**(217,570,158)**	(102,000,000)	(72,500,000)
		905,246,069	459,710,797	168,174,692	**781,201,327**	429,365,397	116,044,044
	Deferred tax (Note 22)	**(22,541,069)**	(23,481,142)	12,862,091	**(21,247,971)**	(18,597,242)	6,016,141
		882,704,999	436,229,655	181,036,783	**759,953,356**	410,768,155	122,060,185

20.1 The Nigerian Information Technology Development Agency (NITDA) Act was signed into law on 24 April 2007. Section 12(2a) of the Act demands that, 1% of profit before tax should be paid to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

		Group			Company		
		2023	2022	**Jan-22**	**2023**	2022	**Jan-22**
		N	**N**		**N**	**N**	
21.	**Current income tax liabilities**				**-**		
	At 1 January	**651,220,777**	462,785,845	359,459,121	**524,545,069**	340,135,901	289,145,971
	IFRS 17 Adjustment	**132,880,134**	-	-	**132,880,134**	-	-
	Payments during the period	**(134,769,937)**	(246,765,955)	(64,847,969)	**(122,565,743)**	(226,358,987)	(65,054,114)
		649,330,974	216,019,890	294,611,152	**534,859,460**	113,776,914	224,091,857
	IFRS 17 Adjustment				**-**	-	
	Charge for the period (note 20)	**905,246,069**	435,200,887	168,174,692	**781,201,327**	410,768,155	116,044,044
	For the year ended 31st December 2023	**1,554,577,043**	651,220,778	462,785,845	**1,316,060,787**	524,545,069	340,135,901
21.1	**Reconciliation of effective tax rate**						
	Profit after tax	**3,769,149,580**	547,014,781	790,638,018	**3,353,066,481**	527,776,824	642,155,338
	Total income tax expense						
	Income	**1,136,823,041**	534,384,596	225,748,745	**990,225,386**	504,039,195	173,259,733
			-			-	
		19,753,486	27,326,201	19,814,649	**8,546,100**	27,326,201	15,284,310
	(Over)/under-provision	**(251,330,458)**	(102,000,000)	(77,388,702)	**(217,570,158)**	(102,000,000)	(72,500,000)
	Deferred tax (Note 22)	**(22,541,069)**	(23,481,142)	12,862,091	**(21,247,971)**	(18,597,242)	6,016,141
		882,705,000	436,229,655	181,036,783	**759,953,357**	410,768,155	122,060,184
	Profit for the period before income tax	**4,651,854,580**	983,244,436	971,674,801	**4,113,019,837**	938,544,979	764,215,522
	Effective tax rate	**19%**	44%	19%	**18%**	44%	16%
22	**Deferred tax liabilities**						
	At 1 January	**253,908,071**	259,663,907	177,878,284	**239,442,368**	247,979,804	173,040,130
	Charge for the period (Note 21.1)	**22,541,069**	(23,481,142)	12,862,090	**21,247,971**	(18,597,242)	6,016,141
	Deffered tax on Revalued Land & Building (PPE)	**3,011,084**	6,062,691	54,490,959	**3,366,351**	6,062,691	54,490,959
	Deffered tax on FVTOCI instruments	**-**	11,662,615	7,867,252	**-**	3,997,115	7,867,252
	For the year ended 31st December 2023	**279,460,225**	253,908,071	259,663,907	**264,056,690**	239,442,368	247,979,804

The Company has adopted the
International Accounting Standards

CONSOLIDATED HALLMARK INSURANCE PLC

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		2023 N	2022 N	Jan-22	2023 N	2022 N	Jan-22
23	***Issued and fully paid:***						
	10.84 billion ordinary shares of 50k each						
	For the year ended 31st December 2023	**5,420,000,000**	5,420,000,000	5,420,000,000	**5,420,000,000**	5,420,000,000	5,420,000,000
		5,420,000,000	5,420,000,000	5,420,000,000	**5,420,000,000**	5,420,000,000	5,420,000,000
	Addition: Right issue	**-**	-	-	**-**	-	-
	Bonus Issue	**-**	-	-	**-**	-	-
	Closing	**5,420,000,000**	5,420,000,000	5,420,000,000	**5,420,000,000**	5,420,000,000	5,420,000,000

The holder of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Group.

24 Share Premium

	2023	2022	Jan-22	2023	2022	Jan-22
Opening	**168,933,834**	168,933,834	168,933,834	**168,933,834**	168,933,834	168,933,834
Share Premium	**168,933,834**	**168,933,834**	168,933,834	**168,933,834**	**168,933,834**	168,933,834

25. Other reserves

25.1. Contingency reserve

At 1 January	**2,800,339,728**	2,437,638,438	2,136,621,663	**2,799,201,192**	2,437,343,087	2,136,621,662
Transfer from income statement (Note 26)	**670,613,296**	361,858,105	300,721,425	**670,613,297**	361,858,105	300,721,425
Chi Microinsurance Limited	**2,384,934**	843,185	295,350	**-**	(843,185)	-
For the year ended 31st December 2023	**3,473,337,958**	2,800,339,728	2,437,638,438	**3,469,814,488**	2,799,201,192	2,437,343,087

In line with sections 21(1) and (2) and 22(16) of the Insurance Act 2003, Insurance companies in Nigeria are required to transfer to the statutory contingency reserve, the higher of 20% of net profits and 3% of total Premium. In the year, the Company transferred the sum of =N=670,613,297 based on 20% of net Profit.

25.2 Statutory reserve

At 1 January	**91,262,839**	72,039,762	45,964,379	**-**	-	
Transfer from income statement (Note 26)	**41,873,973**	19,223,077	26,075,384	**-**		
For the year ended 31st December 2023	**133,136,812**	91,262,839	72,039,763	**-**	-	

In line with Central Bank of Nigeria guideline, Finance companies in Nigeria are required to transfer a minimum of 15% of its profit before tax to statutory reserve until the reserve fund equals the Paid-up Capital and a minimum of 10% thereafter. This applies to Hallmark Finance Company Limited a subsidiary within the group.

25.3 Fair Value Through OCI Reserve

At 1 January	**39,180,406**	30,615,728	-	**39,163,090**	30,669,220	-
Gain on financial Assets meansured through OCI	**87,213,388**	8,564,677	30,615,727	**87,968,328**	8,493,870	30,669,220
For the year ended 31st December 2023	**126,393,794**	39,180,406	30,615,727	**127,131,418**	**39,163,090**	**30,669,220**

25.4 Revaluation Reserve

At 1 January	**128,676,506**	115,793,288	-	**128,676,506**	115,793,288	-
Revaluation gain on PPE (Land & Building)	**9,489,045**	12,883,218	115,793,288	**9,489,045**	12,883,218	115,793,288
For the year ended 31st December 2023	**138,165,551**	128,676,506	115,793,288	**138,165,551**	**128,676,506**	**115,793,288**

25.5 Regulatory Risk Reserve

At 1 January	**1,828,189**	1,354,214	-	**-**	-	
Transfer to/(from) Retained earnings **(Note:26**).	**15,465,707**	473,975	1,354,214	**-**	-	
For the year ended 31st December 2023	**17,293,896**	1,828,189	1,354,214	**-**	**-**	

This is the difference between Expected Credit Loss (ECL) and CBN Prudential Guidelines Computations on Loans & Receivables and Finance Lease Receivables.

26. Retained earnings

At 1 January	**704,630,761**	758,168,587	550,078,221	**456,335,125**	507,216,455	400,684,735
Changes on initial application of IFRS 9	**-**	-	(33,930,609)	**-**	-	(32,998,336)
Changes on initial application of IFRS 17		-	(3,370,618)	**-**	-	14,896,192
Dividend declared and paid in the year	**(325,200,100)**	(216,800,050)	(216,800,050)	**(325,200,100)**	(216,800,050)	(216,800,050)
Transfer to contigency reserve (Note 25.1)	**(672,998,230)**	(362,701,290)	(301,016,775)	**(670,613,297)**	(361,858,105)	(300,721,425)
Transfer from income statement	**3,769,149,581**	547,014,781	790,638,017	**3,353,066,481**	527,776,824	642,155,338
Regulatory Risk Reserve	**(15,465,707)**	(1,828,189)	(1,354,214)	**-**	-	-
Transfer to statutory reserve (Note 25.2)	**(41,873,973)**	(19,223,077)	(26,075,385)	**-**	-	-
For the year ended 31st December 2023	**3,418,242,332**	704,630,761	**758,168,587**	**2,813,588,208**	456,335,125	507,216,455

Retained earnings are the carried forward recognised income net of expenses plus current period profit attributable to shareholders.

26.1. Profit before taxation

Profit before taxation is stated after charging/crediting:						
Depreciation of property and equipment	**72,817,812**	147,045,169	118,196,881	**118,004,168**	114,057,061	100,318,021
Auditors' remuneration	**2,880,000**	9,932,500	11,500,000	**2,100,000**	6,500,000	7,000,000
Directors' remuneration:						
- Fees	**17,000,000**	8,000,000	8,000,000	**17,000,000**	8,000,000	8,000,000
Profit on disposal of property and equipment	**-**	-	-	**-**	-	-
Foreign exchange (gains)/loss	**(2,958,598,009)**	(590,678,251)	(266,543,572)	**(2,958,598,009)**	(590,678,251)	(266,543,572)

The Auditors, Messrs SIAO Partners did not render any other services to the Group besides Statutory Auditing services.

CONSOLIDATED HALLMARK INSURANCE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

		GROUP		COMPANY	
		2023	2022	**2023**	2022
27	**Insurance Revenue**				
	Insurance Revenue	**15,710,848,992**	11,880,010,802	**14,815,865,738**	11,142,727,902

27.1 Insurance Revenue analysed as follows:

	N	N	N	N
Fire	**2,296,564,771**	**1,601,217,825**	**2,296,564,771**	**1,601,217,825**
General accident	**1,669,296,461**	**1,484,685,461**	**1,669,296,461**	**1,484,685,461**
Motor	**4,031,349,516**	**2,449,031,937**	**4,031,349,516**	**2,449,031,937**
Aviation	**1,234,369,328**	**1,112,778,885**	**1,234,369,328**	**1,112,778,885**
Oil & Gas	**3,223,495,685**	**2,680,501,523**	**3,223,495,685**	**2,680,501,523**
Marine	**890,340,933**	**810,204,089**	**890,340,933**	**810,204,089**
Engineering	**871,238,723**	**614,996,575**	**871,238,723**	**614,996,575**
Bond	**599,210,321**	**389,311,609**	**599,210,321**	**389,311,609**
Agric	-	-	-	-
Company Total	**14,815,865,738**	**11,142,727,902**	**14,815,865,737**	**11,142,727,903**
Medical Premium	**832,636,942**	**710,597,203**		
Micro-insurance Premium	**62,346,313**	**26,685,696**		
GroupTotal	**15,710,848,992**	**11,880,010,801**		

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time.

	Insurance Service expenses 31 December 2023 N	Insurance Service expenses 31 December 2022	Insurance Service expenses 31 December 2023 N	Insurance Service expenses 31 December 2022 N
28 Insurance Service Expenses				
Incurred claims and other expenses	**6,335,546,869**	6,124,536,704	**5,630,329,559**	5,354,202,092
Acquisition expenses	**3,717,441,086**	2,606,949,503	**3,841,647,546**	2,713,966,817
Risk Adjustment release for expired risks	**240,056,551**	123,734,110	**240,056,551**	123,730,000
Changes related to past service	**1,806,446,548**	108,294,675	**1,806,446,548**	108,294,675
Insurance Service Expenses	**12,099,491,054**	8,963,514,992	**11,518,480,204**	8,300,193,584

		2023	2022	**2023**	2022
		N	**N**	**N**	**N**
30.	**Net expenses from reinsurance contracts held**				
	The reinsurance expense is analysed as follows:				
	Reinsurance expense cost (Note 7.3)	**4,950,335,097**	4,236,114,284	**4,933,506,763**	4,230,616,138
	Charges that relates to past service-adjustment to incurred claims	**331,389,936**	(92,958,917)	**331,389,936**	(92,958,917)
	Claims recovered from reinsurers	**(1,554,515,390)**	(1,398,048,950)	**(1,554,515,391)**	(1,396,202,283)
	Net expenses from reinsurance contracts held (Note 7.3)	**3,727,209,643**	2,745,106,417	**3,710,381,308**	2,741,454,939

The Company presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income

30a	**#REF!**				
	Fire	**391,413,813**	207,089,854	**391,413,813**	207,089,854
	General accident	**245,188,700**	204,008,665	**245,188,700**	204,008,665
	Motor	**10,913,339**	29,635,317	**10,913,339**	29,635,317
	Aviation	**-**	-	**-**	-
	Oil & Gas	**-**	802,558	**-**	802,558
	Marine	**218,472,653**	135,966,340	**218,472,653**	135,966,340
	Engineering	**120,696,295**	111,077,106	**120,696,295**	111,077,106
	Bond	**87,725,287**	67,735,714	**87,725,287**	67,735,714
	Agric	**-**		**-**	
		1,074,410,088	756,315,554	**1,074,410,088**	756,315,554

31. Amortisation of Insurance Acquisition Cash Flows

Amortisation of Insurance Acquisition Cash Flows	31 December 2023 N	31 December 2022 N	31 December 2023 N	31 December 2022 N
Amortisation of Insurance Acquisition Cash Flows	**2,535,146,047**	1,769,940,305	**2,533,559,482**	1,876,957,619
Amortisation of Insurance Acquisition Cash Flows	**1,182,295,039**	837,009,198	**1,308,088,064**	837,009,198
	3,717,441,086	2,606,949,503	**3,841,647,546**	2,713,966,817

Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting, and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs.

		Group		Company	
		31 December 2023	31 December 2022	**31 December 2023**	31 December 2022
		N	N	**N**	N
32.	**Investment income**				
	Interest received	**132,190,039**	105,986,321	**372,027,129**	168,309,588
	Interest received on corporate loan	**7,208,285**	7,175,836	**7,208,285**	7,175,836
	Interest accrued	**1,120,114,573**	860,286,181	**49,601,975**	49,601,975
	Rent income on investment properties	**43,710,256**	31,569,000	**43,710,256**	31,569,000
	Dividend Received	**157,224,481**	105,020,671	**157,224,481**	166,158,671
		1,460,447,633	1,110,038,009	**629,772,126**	422,815,070
	Amortised gain on Debts Security (Note 3.2.3)	**442,754,407**	329,570,076	**442,754,407**	329,570,076
		1,903,202,041	1,439,608,085	**1,072,526,533**	752,385,146
32.1	**Investment income**				
	Investment income attributable to policyholders' fund	**442,754,408**	239,923,636	**442,754,408**	239,923,637
	Investment income attributable to shareholders' fund	**1,460,447,633**	776,481,284	**629,772,125**	339,470,503
		1,903,202,041	1,016,404,920	**1,072,526,533**	579,394,140
33.	**Other operating income**				
	Profit (Loss) on disposal of property and equipment	**4,936,000**	4,665,722	**4,936,000**	4,665,722
	Interest on staff receivables	**125,000**	-	**125,000**	-
	Other income	**81,150,132**	61,773,552	**56,000**	11,216
		86,211,132	66,439,274	**5,117,000**	4,676,938
33.1	**Exchange gain**				
	Gain on disposal of foreign currency	**1,231,315,092**	322,842,500	**1,231,315,092**	322,842,500
	Gain/ (loss) from valuation of closing foreign currency balances	**1,727,282,917**	267,835,751	**1,727,282,917**	267,835,751
		2,958,598,009	590,678,251	**2,958,598,009**	590,678,251
33.2	**Fair Value Through OCI**				
	Items that will be reclassified subsiquently to profit or loss				
	Revaluation of Land & Building (PPE)	**9,489,045**	12,883,218	**9,489,045**	12,883,218
	Gain on Fair value through OCI	**87,213,388**	8,511,186	**87,968,328**	8,493,870
		96,702,433	21,394,404	**97,457,373**	21,377,088
	Deffered tax on Fair value through OCI	**-**		**-**	3,997,115
	Deffered tax on revaluation surplus Land & Building	**3,011,084**	6,062,691	**3,366,351**	6,062,691
		3,011,084	6,062,691	**3,366,351**	10,059,806
34.	**Impairment charged**				
	Cash and cash equivalent (Note 2.2)	**(1,160,092)**	3,717,356	**77,406**	3,577,958
	Loans and receivables (Note 3.2)	**(54,965,692)**	(130,957,629)	**(2,107,032)**	(4,000,438)
	Fixed Deposits (90Days above) Note 3.2.4	**(11,345,520)**	(11,670,465)	**(11,345,520)**	(11,670,465)
	Finance Lease receivable (Note 5.1)		(37,546,411)	**-**	-
	Reinsurance Assets (Note 7)	**3,316,973**	(1,953,254)	**3,316,973**	(1,953,254)
	Trade receivables (Note 6.1)	**(1,388,077)**	(1,500,702)	**-**	-
	Other receivables (Note 9)	**(8,421,147)**	(18,287,100)	**(1,780,199)**	(6,504,293)
	IFRS 9 Adjustment	**-**	-	**-**	-
		(73,963,555)	(198,198,205)	**(11,838,372)**	(20,550,493)
	Impairment no longer required				
	Loans and receivables (Note 3.2.4)	**-**	484,417	**-**	484,417
	Trade receivables (Note 6.1)	**-**	-	**-**	-
	Other receivables (Note 9)	**2,325,167**	-	**-**	-
	Inventories (Note 11)	**-**	-	**-**	-
	Finance Lease receivable (Note 5.2)	**44,789,053**	-		
		47,114,220	484,417	**-**	484,417
	Impairment (charge)/write back	**(26,849,335)**	(197,713,788)	**(11,838,372)**	(20,066,076)

		Group		Company	
		31 December 2023	31 December 2022	**31 December 2023**	31 December 2022
		N	N	**N**	N
35.	**Net fair value gain (loss) at fair value through profit or loss**				
	**Financial assets at fair value through profit or loss	**1,476,346,618**	(52,199,042)	**1,468,699,284**	(64,333,076)
	Investment property (Note 12.0)	**62,668,000**	124,496,268	**-**	74,496,268
	Fair value gains/(loss)	**1,539,014,618**	72,297,226	**1,468,699,284**	10,163,192

This represents increase/(decrease) in the value of financial assets and investment properties at fair value through profit or loss during the year.

35a	**Financial Asset at fair value through profit or loss (Note 3.1)**				
	Openning balance	**(152,550,467)**	(100,351,425)	**(166,346,460)**	(102,013,384)
	Addition charged to profit or loss	**1,476,346,618**	(52,199,042)	**1,468,699,284**	(64,333,076)
	Closing balance	**1,323,796,151**	(152,550,467)	**1,302,352,824**	(166,346,460)

36.	**Other Expenses**				
	Employee cost (Note 36a)	**683,841,232**	156,327,792	**251,960,032**	119,384,778
	Rent, insurance and maintenance	**62,598,288**	191,948,303	**99,557,574**	98,850,380
	Depreciation of property and equipment	**72,817,812**	78,507,250	**35,401,250**	45,691,946
	Amortisation of intangible assets	**9,292,594**	11,433,483	**2,201,065**	2,951,203
	Auditors' remuneration	**2,880,000**	7,030,000	**2,100,000**	2,600,000
	Directors' remuneration:	**-**	-	**-**	-
	- Fees	**8,100,000**	3,200,000	**5,100,000**	3,200,000
	- Allowance & Expenses	**66,989,540**	48,531,266	**36,989,540**	10,414,880
	Professional charges	**268,318,683**	192,931,181	**118,216,852**	40,544,358
	Printing and telecommunication	**44,192,183**	71,392,515	**15,238,939**	14,493,390
	Advertising	**308,750,078**	196,977	**201,654,753**	39,274,877
	Travelling and motor vehicle expenses	**20,657,407**	95,772,957	**61,249,873**	31,219,983
	Rates, Insurance levy and utilities	**-**	30,120,338	**44,166,664**	12,069,778
	Information Technology (note 20)	**-**	11,856,918	**-**	5,428,722
	Office running expenses	**37,286,708**	38,145,775	**8,100,805**	15,458,388
	Bank charges	**196,883**	70,182,534	**8,707,075**	11,770,306
	Subscription,Clubs & Donation	**17,720,077**	40,230,982	**16,907,200**	15,370,567
	Office security expenses	**22,993,488**	17,769,907	**17,001,501**	16,833,120
	Brand management	**45,433,761**	74,030,152	**29,569,593**	7,103,296
	Legal and Filing fees	**20,401,449**	19,845,675	**12,964,119**	7,711,879
		1,692,470,183	**1,159,454,003**	**967,086,835**	**500,371,851**

36.1	**Incured Fullfillment Expenses (Note 28)**				
	Employee cost (Note 36a)	912,436,214	666,077,166	912,436,214	654,077,166
	Rent, insurance and maintenance	232,301,007	166,275,571	232,301,007	148,275,571
	Depreciation of property and equipment	82,602,918	68,537,919	82,602,918	68,537,919
	Amortisation of intangible assets	5,135,818	4,426,805	5,135,818	4,426,805
	Auditors' remuneration	4,900,000	3,900,000	4,900,000	3,900,000
	Directors' remuneration:	-	-	-	-
	- Fees	11,900,000	4,800,000	11,900,000	4,800,000
	- Allowance & Expenses	86,308,926	38,122,320	86,308,926	38,122,320
	Professional charges	275,839,321	183,699,831	275,839,321	183,699,831
	Printing and telecommunication	37,100,523	21,740,086	35,557,523	21,740,086
	Advertising	470,527,758	495,834,512	470,527,758	495,834,512
	Travelling and motor vehicle expenses	143,416,371	106,829,974	142,916,371	106,829,974
	Rates, Insurance levy and utilities	105,460,868	78,104,667	105,460,868	78,104,667
	Information Technology (note 20)	-	8,143,082	-	8,143,082
	Office running expenses	19,837,477	23,187,582	18,901,879	23,187,582
	Bank charges	21,643,042	17,655,460	20,316,508	17,655,460
	Subscription,Clubs & Donation	39,450,132	23,055,851	39,450,132	23,055,851
	Office security expenses	39,903,039	25,249,681	39,670,169	25,249,681
	Brand management	68,995,717	100,654,944	68,995,717	100,654,944
	Legal and Filing fees	30,249,624	11,567,819	30,249,624	11,567,819
		2,588,008,755	**2,047,863,268**	**2,583,470,753**	**2,017,863,268**

36.2	**Non-Attributable Expenses**				
	Incured Fullfillment Expenses (Note 28)	**1,806,446,548**	**108,294,675**	1,806,446,548	108,294,675
	Other Expenses	**1,692,470,183**	**1,159,454,003**	967,086,835	500,371,852
		3,498,916,731	**1,267,748,678**	**2,773,533,383**	**608,666,527**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

		31 December 2023 N	31 December 2022 N	31 December 2023 N	31 December 2022 N
36.2a	**Employee cost**				
	Wages and salaries	**1,120,630,114**	618,936,472	**954,860,747**	495,300,328
	Medical	**54,022,881**	44,984,613	**46,073,827**	41,994,321
	Staff training	**107,285,754**	91,737,296	**107,285,754**	89,602,016
	Defined contribution pension plan (Note 19)	**62,255,684**	66,746,578	**56,175,917**	46,565,279
		1,344,194,433	822,404,959	**1,164,396,245**	673,461,944
36.2b	**Chairman's and Directors' emoluments, pensions and compensation for loss of office**				
	Emoluments:				
	Chairman	**2,000,000**	2,000,000	**2,000,000**	2,000,000
	Other Directors	**6,000,000**	6,000,000	**6,000,000**	6,000,000
	Other emolument of executives	**18,760,000**	18,760,000	**18,760,000**	18,760,000
	Emolument of highest paid Director	**14,500,000**	14,500,000	**14,500,000**	14,500,000
37.	**Basic/diluted earnings per share**				
	Profit/(loss) after taxation	**3,769,149,580**	547,014,781	**3,450,523,854**	527,776,824
	Number of shares	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Movement in Numbers of Share Capital				
	Opening	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Right issue	**-**	-	**-**	-
	Bonus Issue				
	Private placement	**-**	-	**-**	-
	Closing	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Weighted Average nos of share				
	Opening	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Right issue (half year)	**-**	-	**-**	-
	Bonus Issue				
	Private placement	**-**	-	**-**	-
	Weighted Average nos of share	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Basic/diluted earnings per share (kobo)	**34.77**	**5.05**	**31.83**	**4.87**

Earnings/(loss) per share have been computed on profit/(loss) after taxation attributable to ordinary shareholders and divided by the number of shares at 50k ordinary shares in issue at year end.

38 Reconciliation of net cashflow from operating activities

	Group		Company	
	31 December 2023	31 DECEMBER 2022	**31 December 2023**	31 DECEMBER 2022
Profit before tax	**4,651,854,576**	983,244,436	**4,113,019,837**	938,544,979
Adjustment for the following;				
Add, Depreciation & amortisation	**72,817,812**	118,196,881	**35,401,250**	100,318,021
Fair value gain on Investment Property	**(62,668,000)**		**-**	
Net fair value loss on financial assets at fair value through profit or loss	**(1,476,346,618)**	159,457,854	**(1,468,699,283)**	163,235,988
Less :				
Profit /Loss on disposal	**(4,936,000)**	(8,064,378)	**(4,936,000)**	(8,064,378)
Gain/ (loss) from valuation of closing foreign currenc	**(2,958,598,009)**	**(590,678,251)**	**(2,958,598,009)**	**(590,678,251)**
Investment income	**(1,745,977,560)**	(1,101,606,383)	**(915,302,052)**	(486,747,288)
Dividend received	**(157,224,481)**	(101,095,583)	**(157,224,481)**	(101,095,583)
Impairment	**26,849,335**	81,565,926	**11,838,371**	2,219,197
	(1,654,228,945)	120,129,117	**(1,344,500,367)**	426,081,480
Changes in working capital:				
Increase(deccrease) in trade receivable	**351,300,874**	6,068,161	**(377,220,371)**	(62,866,788)
Increase(deccrease) in reinsurance assets	**(105,935,633)**	(392,359,563)	**105,935,633**	(392,359,563)
Increase(deccrease) in deferred acquisition	**-**	(42,479,867)	**-**	(40,478,557)
Increase(deccrease) in other receivable	**182,793,348**	(93,339,392)	**8,277,279**	(159,127,066)
Increase(deccrease) in finance lease receivable	**(95,063,588)**	(62,494,410)	**-**	-
		3,561,887	**-**	-
Increase(deccrease) in trade payable	**297,276,919**	32,832,425	**297,276,919**	32,832,425
Increase(deccrease) in Borrowing	**(82,805,031)**	50,786,962	**-**	-
Increase(deccrease) in insurance contract liabilities	**3,051,280,390**	265,817,250	**2,994,374,633**	285,205,038
Increase(deccrease) in provision & other payable	**418,230,744**	122,483,724	**114,813,536**	66,356,744
Increase(deccrease) in retirement benefits	**12,783,737**	(2,053,844)	**12,495,820**	(885,679)
Increase(deccrease) in other Assets	**-**			-
Tax paid	**(134,769,937)**	(69,731,872)	**(122,565,742)**	(65,054,114)
	2,240,862,877	(60,779,422)	**1,688,887,341**	89,703,920

		Group		Company	
		2023	2022	**2023**	2022
		Number	Number	**Number**	Number
39.	**Staff**				
	Average number of persons employed in the financial year were as follows:				
	Managerial	**39**	31	**31**	26
	Senior staff	**161**	124	**123**	109
	Junior staff	**18**	23	**16**	16
		218	178	**170**	151

39a. The number of Directors excluding the Chairman whose emoluments were within the following ranges were:

33.1		**N**	Group 2023	Group 2022	Company 2023	Company 2022
Nil	-	100,000	**Nil**	Nil	**Nil**	Nil
100,001	-	200,000	**Nil**	Nil	**Nil**	Nil
200,001	-	300,000	**Nil**	Nil	**Nil**	Nil
Above	-	300,000	**7**	**7**	**7**	**7**

	Group 2023	Group 2022	Company 2023	Company 2022
Emolument				
Number of Directors who have waived their rights to receive emoluments	**Nil**	Nil	**Nil**	Nil

39b. **Employees remunerated at higher rates**
The number of employees in respect of emoluments within the following ranges were:

N		**N**	Group 2023	Group 2022	Company 2023	Company 2022
200,001	-	300,000	**7**	7	**6**	6
300,001	-	400,000	**7**	30	**5**	26
400,001		500,000	**4**	29	**4**	29
500,001	-	600,000	**2**	14	**2**	14
600,001	-	700,000	**2**	2	**2**	2
700,001	-	800,000	**8**	11	**4**	11
800,001	-	900,000	**15**	15	**13**	13
900,001	-	1,000,000	**5**	7	**5**	5
1,000,001	and above		**168**	63	**129**	45
			218	178	**170**	151

40a. **Capital commitments**

40b. **Contingent liabilities**

There were no contigent liabilities against the Group as at 31 December 2023.

41. **Comparative figures** -

Where necessary, comparative figures have been adjusted to conform with changes in presentation of the current year in accordance with the International Accounting Standards (IAS 1).

42a The Insurance Assets and Liability values have been restated resulting from the change in measurement from IFRS 4 to IFRS 17 for insurance operations

42b **Segment Information**

An operating segment is a component of the Group engaged in business activities from which it can earn revenues whose operating results are reviewed regularly by the Group's Executive Management in order to make decisions about resources to be allocated to segments and assessing segments performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Executive Management.

The Group is organized into two operating segments, these segments and their respective operations are as follows:
33.1
General & Micro Life Insurance Business & HMO: This segment provides cover for indemnifying customers' properties,and compensation for other parties that have suffered damage as a result of customers' accidents. Major sources of revenue in this segment are mainly from insurance premium, investment income, commission received,net fair value gains on financial assets at fair value through profit or loss.

CHI Capital Ltd: This is a subsidiary of Consolidated Hallmark Insurance Plc. The company is registered by CAC to offer corporate support services to Consolidated Hallmark Insurance Plc (the parent company). In addition, it owns Hallmark Finance Company Ltd. In 2019, CHI Capital Ltd transferred 100% of its interest in Hallmark Finance Company Ltd (Grand Treasurers Ltd) to Consolidated Hallmark Insurance Plc. Hallmark Finance Company Ltd is registered by CBN to offer wide range financial services and products domestically to suit customer's long- and short-term financial needs. These products include L.P.O financing, Consumer Lease, Working Capital financing, Auto lease, Project financing and intermediation and Financial Management Consultancy Services. Revenue from this segment is derived primarily from interest income, fee income, investment income and net fair value gains on financial assets at fair value through profit and loss.

Segment information by company and subsidiaries:

	General Insurance, HMO & Life	Finance and support services	Elimination	Total
	N	N	N	N
Operating income	**5,538,909,063**	**805,415,696**	**-**	**6,344,324,759**
Operating expenses	**(1,293,152,771)**	**(399,317,412)**	**-**	**(1,692,470,182)**
Operating profit	**4,245,756,292**	**406,098,283**	**-**	**4,651,854,577**
Taxation	**(788,134,963)**	**(94,570,033)**	**-**	**(882,704,996)**
Profit for the period	**3,457,621,330**	**311,528,251**	**-**	**3,769,149,581**
Total assets	**25,091,396,784**	**4,130,664,339**	**(3,043,747,732)**	**26,178,313,391**
Total liabilities	**12,341,412,480**	**2,390,919,466**	**(1,449,522,732)**	**13,282,809,214**
Share capital and reserves	**12,749,984,304**	**1,739,744,872**	**(1,594,225,000)**	**12,895,504,176**
Depreciation	**118,004,168**	**37,416,562**	**-**	**155,420,729**
ROCE	**33%**	**23%**	**-**	**36%**
At 31 December 2022				
Operating income	1,677,475,038	444,006,589		2,121,481,628
Operating expenses	(809,323,708)	(328,913,483)		(1,138,237,191)
Operating profit	868,151,330	115,093,106	-	983,244,436
Taxation	(412,575,078)	(23,654,577)	-	(436,229,655)
Profit for the period	455,576,252	91,438,529	-	547,014,781
				-
Total assets	17,662,293,874	2,933,723,059	(2,353,891,612)	18,242,125,321
				-
Total liabilities	8,142,188,172	1,504,751,496	(759,666,612)	8,887,273,056
				-
Share capital and reserves	9,520,105,702	1,428,971,562	(1,594,225,000)	9,354,852,265
				-
Depreciation	100,318,000	17,878,860	-	118,196,860
ROCE	13%	12%	0%	14%

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC) Non-onerous	0 Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
Opening insurance contract assets	1,196,813,258	-	447,036,055.30	**1,643,849,314**
Opening insurance contract liabilities	1,022,278,126	-	381,843,348	**1,404,121,474**
Net opening balance	**174,535,132**	**-**	**65,192,708**	**239,727,840**
Insurance revenue	(4,031,349,516)	-	-	**(4,031,349,516)**
Insurance service expenses	-	-	-	
Incurred claims and other expenses	-	-	1,965,723,132	**1,965,723,132**
Acquisition expenses	961,570,710	-	-	**961,570,710**
Changes related to future service	-	-	-	**-**
Changes related to past service	**-**	**-**	**199,758,528**	**199,758,528**
Total Insurance service expenses	**961,570,710**	**-**	**2,165,481,660**	**3,127,052,370**
Investment components	-	-	-	-
Insurance service result	**(3,069,778,806)**	**-**	**2,165,481,660**	**(904,297,146)**
Insurance finance expenses	-	-	-	-
Total change in comprehensive income	**(3,069,778,806)**	**-**	**2,165,481,660**	**(904,297,146)**
Premiums received	4,937,462,341	-	-	**4,937,462,341**
Claims and expenses paid	-	-	(2,031,767,852)	**(2,031,767,852)**
Acquisition costs paid	(961,570,710)	-	-	**(961,570,710)**
Total cash flows	**3,975,891,631**	**-**	**(2,031,767,852)**	**1,944,123,779**
Closing insurance contract assets	2,456,705,355	-	656,802,514	**3,113,507,868**
Closing insurance contract liabilities	1,928,390,951	-	515,557,155	**2,443,948,106**
Net closing balance	**528,314,404**	**-**	**141,245,358**	**669,559,762**

Reconciliation of carrying amounts by LRC/LIC:	Liability for Remaining Coverage (LRC) Non-onerous	0 Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
Opening insurance contract assets	97,198,802	-	142,238,588	**239,437,390**
Opening insurance contract liabilities	88,900,375	-	130,094,853	**218,995,228**
Net opening balance	**8,298,427**	**-**	**12,143,735**	**20,442,162**
Insurance revenue	(1,234,369,328)	-	-	**(1,234,369,328)**
Insurance service expenses	-	-	-	
Incurred claims and other expenses	-	-	248,377,636	**248,377,636**
Acquisition expenses	781,167,404	-	-	**781,167,404**
Changes related to future service	-	-	-	**-**
Changes related to past service	**-**	**-**	**121,322,092**	**121,322,092**
Total Insurance service expenses	**781,167,404**	**-**	**369,699,728**	**1,150,867,132**
Investment components	-	-	-	-
Insurance service result	**(453,201,924)**	**-**	**369,699,728**	**(83,502,196)**
Insurance finance expenses	-	-	-	-
Total change in comprehensive income	**(453,201,924)**	**-**	**369,699,728**	**(83,502,196)**
Premiums received	1,311,682,566	-	-	**1,311,682,566**
Claims and expenses paid	-	-	(278,316,017)	**(278,316,017)**
Acquisition costs paid	(781,167,404)	-	-	**(781,167,404)**
Total cash flows	**530,515,162**	**-**	**(278,316,017)**	**252,199,145**
Closing insurance contract assets	182,093,261	-	242,638,092	**424,731,354**
Closing insurance contract liabilities	166,213,613	-	221,478,564	**387,692,177**
Net closing balance	**15,879,648**	**-**	**21,159,529**	**37,039,177**

	Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
N6.1	Opening insurance contract assets	671,427,557	-	692,861,825	**1,364,289,382**
N6.2	Opening insurance contract liabilities	523,775,134	-	540,495,831	**1,064,270,965**
	Net opening balance	**147,652,423**	**-**	**152,365,994**	**300,018,417**
N6.3	Insurance revenue	(2,296,564,771)	-	-	**(2,296,564,771)**
	Insurance service expenses	-	-	-	
N6.4	Incurred claims and other expenses	-	-	737,520,858	**737,520,858**
N6.6	Acquisition expenses	639,371,747	-	-	**639,371,747**
N6.7	Changes related to future service	-	-	-	**-**
N6.8	Changes related to past service	**-**	**-**	**(83,783,292)**	**(83,783,292)**
N6.9	**Total Insurance service expenses**	**639,371,747**	**-**	**653,737,566**	**1,293,109,313**
N6.10	Investment components	-	-	-	**-**
N6.11	**Insurance service result**	**(1,657,193,024)**	**-**	**653,737,566**	**(1,003,455,458)**
N6.12	Insurance finance expenses	-	-	-	**-**
N6.13	**Total change in comprehensive income**	**(1,657,193,024)**	**-**	**653,737,566**	**(1,003,455,458)**
N6.14	Premiums received	2,572,627,207	-	-	**2,572,627,207**
N6.15	Claims and expenses paid	-	-	(697,675,822)	**(697,675,822)**
N6.16	Acquisition costs paid	(639,371,747)	-	-	**(639,371,747)**
N6.17	**Total cash flows**	**1,933,255,460**	**-**	**(697,675,822)**	**1,235,579,638**
N6.20	Closing insurance contract assets	1,134,599,200	-	704,385,300	**1,838,984,500**
N6.21	Closing insurance contract liabilities	799,837,570	-	496,557,575	**1,296,395,144**
	Net closing balance	**334,761,630**	**-**	**207,827,726**	**542,589,356**

	Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
N6.1	Opening insurance contract assets	497,970,667	-	1,379,103,065	**1,877,073,732**
N6.2	Opening insurance contract liabilities	459,220,522	-	1,271,786,618	**1,731,007,140**
	Net opening balance	**38,750,144**	**-**	**107,316,447**	**146,066,592**
N6.3	Insurance revenue	(1,669,296,461)	-	-	**(1,669,296,461)**
	Insurance service expenses	-	-	-	
N6.4	Incurred claims and other expenses	-	-	1,377,397,812	**1,377,397,812**
N6.6	Acquisition expenses	434,093,634	-	-	**434,093,634**
N6.7	Changes related to future service	-	-	-	**-**
N6.8	Changes related to past service	**-**	**-**	**790,470,238**	**790,470,238**
N6.9	**Total Insurance service expenses**	**434,093,634**	**-**	**2,167,868,049**	**2,601,961,683**
N6.10	Investment components	-	-	-	**-**
N6.11	**Insurance service result**	**(1,235,202,827)**	**-**	**2,167,868,049**	**932,665,222**
N6.12	Insurance finance expenses	-	-	-	**-**
N6.13	**Total change in comprehensive income**	**(1,235,202,827)**	**-**	**2,167,868,049**	**932,665,222**
N6.14	Premiums received	1,795,121,195	-	-	**1,795,121,195**
N6.15	Claims and expenses paid	-	-	(1,692,836,344)	**(1,692,836,344)**
N6.16	Acquisition costs paid	(434,093,634)	-	-	**(434,093,634)**
N6.17	**Total cash flows**	**1,361,027,561**	**-**	**(1,692,836,344)**	**(331,808,783)**
N6.20	Closing insurance contract assets	641,561,534	-	1,915,563,678	**2,557,125,212**
N6.21	Closing insurance contract liabilities	585,045,256	-	1,746,818,323	**2,331,863,579**
	Net closing balance	**56,516,278**	**-**	**168,745,355**	**225,261,633**

	Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
N6.1	Opening insurance contract assets	159,895,743	-	500,964,884	**660,860,627**
N6.2	Opening insurance contract liabilities	143,945,695	-	450,992,234	**594,937,929**

	Net opening balance	**15,950,048**	**-**	**49,972,650**	**65,922,699**
N6.3	Insurance revenue	(890,340,933)	-	-	**(890,340,933)**
	Insurance service expenses	-	-	-	
N6.4	Incurred claims and other expenses	-	-	454,988,448	**454,988,448**
N6.6	Acquisition expenses	217,603,445	-	-	**217,603,445**
N6.7	Changes related to future service	-	-	-	**-**
N6.8	Changes related to past service	**-**	**-**	**(201,906,012)**	**(201,906,012)**
N6.9	**Total Insurance service expenses**	**217,603,445**	**-**	**253,082,436**	**470,685,881**
N6.10	Investment components	-	-	-	**-**
N6.11	**Insurance service result**	**(672,737,488)**	**-**	**253,082,436**	**(419,655,052)**
N6.12	Insurance finance expenses	-	-	-	**-**
N6.13	**Total change in comprehensive income**	**(672,737,488)**	**-**	**253,082,436**	**(419,655,052)**
N6.14	Premiums received	1,144,726,495	-	-	**1,144,726,495**
N6.15	Claims and expenses paid	-	-	(564,489,277)	**(564,489,277)**
N6.16	Acquisition costs paid	(217,603,445)	-	-	**(217,603,445)**
N6.17	**Total cash flows**	**927,123,050**	**-**	**(564,489,277)**	**362,633,773**
N6.20	Closing insurance contract assets	496,169,698	-	173,870,467	**670,040,164**
N6.21	Closing insurance contract liabilities	398,331,257	-	139,585,392	**537,916,649**
	Net closing balance	**97,838,441**	**-**	**34,285,075**	**132,123,516**

	Reconciliation of carrying amounts by LRC/LIC: insurance	**Liability for Remaining Coverage (LRC)**		**Liability for Incurred Claims**	**Insurance Contract**
		Non-onerous	**Onerous**	**LIC**	**Liabilities (ICL)**
N6.1	Opening insurance contract assets	190,689,939	-	28,688,101	**219,378,040**
N6.2	Opening insurance contract liabilities	156,888,742	-	23,602,924	**180,491,666**
	Net opening balance	**33,801,197**	**-**	**5,085,177**	**38,886,374**
N6.3	Insurance revenue	(599,210,318)	-	-	**(599,210,318)**
	Insurance service expenses	-	-	-	
N6.4	Incurred claims and other expenses	-	-	140,428,619	**140,428,619**
N6.6	Acquisition expenses	101,962,569	-	-	**101,962,569**
N6.7	Changes related to future service	-	-	-	**-**
N6.8	Changes related to past service	**-**	**-**	**12,068,266**	**12,068,266**
N6.9	**Total Insurance service expenses**	**101,962,569**	**-**	**152,496,885**	**254,459,454**
N6.10	Investment components	-	-	-	**-**
N6.11	**Insurance service result**	**(497,247,749)**	**-**	**152,496,885**	**(344,750,864)**
N6.12	Insurance finance expenses	-	-	-	**-**
N6.13	**Total change in comprehensive income**	**(497,247,749)**	**-**	**152,496,885**	**(344,750,864)**
N6.14	Premiums received	704,988,748	-	-	**704,988,748**
N6.15	Claims and expenses paid	-	-	(143,743,521)	**(143,743,521)**
N6.16	Acquisition costs paid	(101,962,569)	-	-	**(101,962,569)**
N6.17	**Total cash flows**	**603,026,179**	**-**	**(143,743,521)**	**459,282,658**
N6.20	Closing insurance contract assets	361,714,249	-	44,557,263	**406,271,512**
N6.21	Closing insurance contract liabilities	262,667,172	-	32,356,287	**295,023,459**
	Net closing balance	**99,047,077**	**-**	**12,200,975**	**111,248,053**

	Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
N6.1	Opening insurance contract assets	620,730,315	-	305,125,192	**925,855,506**
N6.2	Opening insurance contract liabilities	522,396,718	-	256,788,488	**779,185,206**
	Net opening balance	**98,333,596**	**-**	**48,336,704**	**146,670,300**
N6.3	Insurance revenue	(3,223,495,688)	-	-	**(3,223,495,688)**
	Insurance service expenses	-	-	-	
N6.4	Incurred claims and other expenses	-	-	657,408,242	**657,408,242**
N6.6	Acquisition expenses	524,659,899	-	-	**524,659,899**
N6.7	Changes related to future service	-	-	-	**-**
N6.8	Changes related to past service	**-**	**-**	**860,533,330**	**860,533,330**
N6.9	**Total Insurance service expenses**	**524,659,899**	**-**	**1,517,941,571**	**2,042,601,470**
N6.10	Investment components	-	-	-	**-**
N6.11	**Insurance service result**	**(2,698,835,789)**	**-**	**1,517,941,571**	**(1,180,894,217)**
N6.12	Insurance finance expenses	-	-	-	**-**
N6.13	**Total change in comprehensive income**	**(2,698,835,789)**	**-**	**1,517,941,571**	**(1,180,894,217)**
N6.14	Premiums received	3,393,212,659	-	-	**3,393,212,659**
N6.15	Claims and expenses paid	-	-	(707,315,994)	**(707,315,994)**
N6.16	Acquisition costs paid	(524,659,899)	-	-	**(524,659,899)**
N6.17	**Total cash flows**	**2,868,552,760**	**-**	**(707,315,994)**	**2,161,236,766**
N6.20	Closing insurance contract assets	808,110,088	-	1,246,309,800	**2,054,419,887**
N6.21	Closing insurance contract liabilities	692,113,690	-	1,067,414,065	**1,759,527,755**
	Net closing balance	**115,996,398**	**-**	**178,895,734**	**294,892,133**

	Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC) Non-onerous	Onerous	Liability for Incurred Claims LIC	Insurance Contract Liabilities (ICL)
N6.1	Opening insurance contract assets	565,005,762	-	249,707,203	**814,712,965**
N6.2	Opening insurance contract liabilities	508,790,836	-	224,862,727	**733,653,563**
	Net opening balance	**56,214,926**	**-**	**24,844,476**	**81,059,402**
N6.3	Insurance revenue	(871,238,722)	-	-	**(871,238,722)**
	Insurance service expenses	-	-	-	
N6.4	Incurred claims and other expenses	-	-	288,541,366	**288,541,366**
N6.6	Acquisition expenses	181,218,138	-	-	**181,218,138**
N6.7	Changes related to future service	-	-	-	**-**
N6.8	Changes related to past service	**-**	**-**	**107,983,399**	**107,983,399**
N6.9	**Total Insurance service expenses**	**181,218,138**	**-**	**396,524,765**	**577,742,903**
N6.10	Investment components	-	-	-	**-**
N6.11	**Insurance service result**	**(690,020,584)**	**-**	**396,524,765**	**(293,495,819)**
N6.12	Insurance finance expenses	-	-	-	**-**
N6.13	**Total change in comprehensive income**	**(690,020,584)**	**-**	**396,524,765**	**(293,495,819)**
N6.14	Premiums received	769,906,431	-	-	**769,906,431**
N6.15	Claims and expenses paid	-	-	(380,175,104)	**(380,175,104)**
N6.16	Acquisition costs paid	(181,218,138)	-	-	**(181,218,138)**
N6.17	**Total cash flows**	**588,688,293**	**-**	**(380,175,104)**	**208,513,189**
N6.20	Closing insurance contract assets	492,795,449	-	291,731,192	**784,526,641**
N6.21	Closing insurance contract liabilities	407,458,544	-	241,212,388	**648,670,932**
	Net closing balance	**85,336,905**	**-**	**50,518,805**	**135,855,709**

43. Contraventions

The Group do not contravened rules or regulation during the period of reporting.

44. Reinsurance treaty

The Company has a reinsurance agreement with African Reinsurance Corporation, Continental Reinsurance Plc and WAICA Reinsurance Corporation Plc to reinsure the risks associated with fire and consequential loss, General accident, Marine cargo, motor, aviation and special risks etc. according to agreed quota share, surplus treaty or excess of loss treaty. This agreement was last modified 31 December 2023.

45. Related party transactions

There are no significant business dealings with its related parties during the period under review. All transactions were at arms length.

Parent:

The Group is controlled by Consolidated Hallmark Insurance Plc. which is the parent company, whose shares are widely held. Consolidated Hallmark Insurance Plc, is a General Business Insurance Company licensed by the National Insurance Commission.

Subsidiaries:

Consolidated Hallmark Insurance Plc holds 99.99% interest in CHI Capital Limited, 100% in Micro Insurance Limited and 100% in HMO Service Limited. Transactions between Consolidated Hallmark Insurance Plc and all the subsidiaries are eliminated on consolidation and already disclosed in Note 10.2

Key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group or Company, directly or indirectly, including any director (whether executive or otherwise). It includes close members of their families who may be expected to influence or be influenced by that individual in their dealings with the Group.

The significant related party transaction in the course of the reporting year with the subsidiaries are as stated below;

	Entity	2023 **31 December**	2022 **31 December**
Due from Hallmark Finance Company Limited	Consolidated Hallmark Insurance PLC	238,458,338	121,013,028
Due from Hallmark Health Services Limited	Consolidated Hallmark Insurance PLC	104,692,269	17,250,000
Due from Hallmark Health Services Limited	Hallmark Finance Company Limited	8,265,953	7,601,857
Medical Expenses paid to Hallmark Health Services Limited	Consolidated Hallmark Insurance PLC		13,276,026
Due from Microinsurance Limited	Consolidated Hallmark Insurance PLC	20,469,254	49,413,172
Due from CHI Capital Limited	Consolidated Hallmark Insurance PLC	1,215,667	26,007,142
Due to Hallmark Health Services Limited from HFC	Hallmark Finance Company Limited	351,310,148	307,842,521
Due from Hallmark Finance Company Limited	Consolidated Hallmark Insurance PLC	574,901,252	
Due from Hallmark Finance Company Limited	Microinsurance Limited	114,856,530	
Interest Expense to Hallmark Finance Company Ltd	Consolidated Hallmark Insurance PLC	49,829,779	
Interest Expense to Hallmark Finance Company Ltd	Hallmark Health Services Limited	19,283,256.00	
Interest Expense to Hallmark Finance Company Ltd	Microinsurance Limited	5,088,803	

		December 31, 2023 **2023** **N**	**31 December** 2022 **N**	**31-Dec** **2023** **N**	**31 December** 2022 **N**
46.	**Compensation of key management personnel:**				
	Salaries and other benefits of key management personnel	**49,074,864**	49,074,864	**39,408,000**	39,408,000.00

47. Events after the reporting period:

Consolidated Hallmark Holding Plc commenced operations officially 1st January 2024. The Share of then Consolidated Hallmark Insurance Plc were transferred to Consolidated Hallmark Holding at 1 for 1. Consolidated Hallmark Insurance Plc was delisted while Consolidated Hallmark Holding was enlisted and then Consolidated Hallmark Insurance Plc is now Consolidated Hallmark Insurance Limited. The new group comprises of Consolidated Hallmark Holdings Plc (The Parent Company) with Consolidated Hallmark Insurance Limited, Hallmark Finance Company Limited and Hallmark Health Services Ltd as its direct subsidiaries.. Similarly, CHI Micro-Insurance Ltd, CHI Capital Ltd and CHI Support Services Ltd. remain the direct subsidiaries of Consolidated Hallmark Insurance Limited.

48. Capital management

The Group's objectives with respect to capital management are to maintain a capital base that adequately meets regulatory requirements and to utilize capital allocations efficiently and effectively. Capital levels are determined either based on internal assessment or regulatory requirements.

The Nigerian Insurance Act 2003 stipulates the minimum capital requirement for a non life insurance company as an amount not less than 15% of the gross premium income less reinsurance premiums paid out during the year under review or the minimum paid up capital whichever is greater. The Act defines what constitutes admissible assets liabilities. The regulators generally expect companies to comply with capital adequacy requirements and the Company has consistently exceeded this minimum over the years. The regulator has the authority to request more extensive reporting and can place restrictions on the Company's operations if the Company falls below this requirement as deemed neccessary.

All of the Groups capital is Tier 1 (core capital) which consists of share capital and reserves created by appropriation of retained earnings. The following sources of funds are available to the group to meet its capital growth requirements:

1. Profits from operations: The group had regularly appropriated from its profit to grow its capital.
2. Issue of shares: The Group can successfully access the capital market to raise the desired funds for its operations and needs.
3. Loans (long term/short term): this remains a source of capital even though the group had never had cause to access this source for funding its operations.

Compliance with statutory solvency margin requirement:

The company at the end of financial period ended 31 December 2023, maintained admisible assets of N22,827,905,308 which exceeded the total admissible liabilities of N11,585,550,450. The solvency margin was computed in line with the requirements of Section 24 of the insurance Act 2003, latest NAICOM guidelines. This showed a solvency margin of N11,242,354,857 The minimum requirement for General Insurance Business is N3billion. Thus, the solvency margin above satisfies the requirement of the Regulator.

CONSOLIDATED HALLMARK INSURANCE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SOLVENCY MARGIN COMPUTATION AS AT DECEMBER 31, 2023

CONSOLIDATED HALLMARK INSURANCE LIMITED

	TOTAL	INADMISSIBLE ASSETS	ADMISSIBLE ASSETS
ASSETS			
Cash and Cash Equivalents	1,933,950,945	574,901,252	1,359,049,693
Financial Assets	12,432,077,250	-	12,432,077,250
Deferred Acquisition Cost	-	-	-
Other receivables and prepayments	644,340,993	584,434,080	59,906,912
Reinsurance asset	3,446,441,321	-	3,446,441,321
Trade Receivable	1,150,281,154	-	1,150,281,154
Deposit for Shares	-	-	-
Intangible Assets	14,767,281	-	14,767,281
Investment in Subsidiaries	1,594,225,000	-	1,594,225,000
Investment Properties	1,271,781,524	-	1,271,781,524
Property & Equipment - Land & Building	841,350,000	-	841,350,000
Property & Equipment	358,025,172	-	358,025,172
Statutory Deposit	300,000,000	-	300,000,000
Total Assets	23,987,240,641	1,159,335,332	22,827,905,308
LIABILITIES			
Insurance Contract Liabilities	9,701,037,803	-	9,701,037,803
Trade payables	330,749,570	-	330,749,570
Provision and Other payables	224,024,963	-	224,024,963
Current Income Tax Liabilities	1,316,060,787	-	1,316,060,787
Deffered Tax Liability	264,056,690	264,056,690	-
Retirement Benefit Obligation	13,677,328	-	13,677,328
TOTAL LIABILITIES	11,849,607,140	264,056,690	11,585,550,450
			11,242,354,857
SOLVENCY MARGIN (ADMISSIBLE ASSETS MINUS ADMISSIBLE LIABILITIES)			-
Subject to higher of:			
15% OF NET PREMIUM: 15% X ₦7,919,652,272.93	1,257,189,169		
OR	or		
Minimum paid-up capital	3,000,000,000.00		
EXCESS SOLVENCY MARGIN			

49. Asset & Liability Management

Asset & Liability Management (ALM) is the practice of managing an insurer's financial position so that actions taken with respect to assets and liabilities are designed to address the broad set of financial risks inherent in their joint behavior.

Asset & Liability Management (ALM) attempts to address financial risks the group is exposed to which includes interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long run its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts.

ALM ensures that specific assets of the group is allocated to cover reinsurance and other liabilities of the group.

The following tables reconcile the consolidated balance sheet to the classes and portfolios used in the Group's ALM framework.

Group 2023

	Insurance fund	Shareholders funds	December 2023
	N	N	N
ASSETS			
Cash and cash equivalents	832,664,454	2,152,655,853	2,985,320,307
Financial assets	7,472,751,263	7,349,781,920	14,822,533,183
Finance lease receivables		115,832,776	115,832,776
Trade receivables		1,182,794,434	1,182,794,434
Reinsurance assets	3,446,441,321	-	3,446,441,321
Other receivables and prepayments		478,478,481	478,478,481
Investment in subsidiaries		-	
Intangible Asset		49,681,219	49,681,219
Right-of-Use of Assets (Leased Assets)		23,035,044	23,035,044
Investment properties	1,271,781,524	202,668,000	1,474,449,524
Property and equipment		1,279,747,102	1,279,747,102
Statutory deposit		320,000,000	320,000,000
TOTAL ASSETS	**13,023,638,563**	**13,154,674,829**	**26,178,313,391**
LIABILITIES			
Insurance contract liabilities	9,979,029,160	-	9,979,029,160
		10,437,775	10,437,775
Trade payable		330,749,570	330,749,570
Other payables and Provision		515,543,558	515,543,558
Retirement benefit obligations		15,709,020	15,709,020
Income tax liabilities		1,554,577,043	1,554,577,043
Deferred income tax		279,460,225	279,460,225
TOTAL LIABILITIES	**9,979,029,160**	**2,706,477,190**	**12,685,506,349**
SURPLUS	**3,044,609,403**	**10,448,197,640**	**13,492,807,042**

CONSOLIDATED HALLMARK INSURANCE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

Group 2022

	Insurance fund	Shareholders funds	December 2022
	N	**N**	**N**
ASSETS			-
Cash and cash equivalents	525,103,432	1,144,373,547	1,669,476,979
Financial assets	-		-
-At fair value through profit or loss	-	827,492,588	827,492,588
-At Ammortised Cost	1,930,281,941	5,754,241,033	7,684,522,974
-Fair Value Through OCI	-	132,167,588	132,167,588
Finance lease receivables		210,896,364	210,896,364
Trade receivables		831,493,560	831,493,560
Reinsurance assets	3,552,376,954	-	3,552,376,954
Deferred acquisition cost		-	-
Other receivables and prepayments		292,572,354	292,572,354
Investment in subsidiaries		-	-
Intangible Asset		64,109,633	64,109,633
Right-of-Use Assets (Leased Assets)		2,844,702	2,844,702
Investment properties	1,265,226,470	140,000,000	1,405,226,470
Property and equipment		1,168,945,157	1,168,945,157
Statutory deposit		400,000,000	400,000,000
TOTAL ASSETS	**7,272,988,797**	**10,969,136,526**	**18,242,125,323**
LIABILITIES			
Insurance contract liabilities	6,927,748,770	-	6,927,748,770
Investment contract liabilities			13,723,775
Trade payable		33,472,651	33,472,651
Borrowing			680,107,895
Other payables and Provision		429,876,513	324,165,837
Retirement benefit obligations		2,925,281	2,925,282
Income tax liabilities		766,699,256	651,220,778
Deferred income tax		253,908,071	253,908,071
TOTAL LIABILITIES	6,927,748,770	1,486,881,772	8,887,273,058
SURPLUS	**-**	**146,091,929**	**517,724,379**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

Company 2023

	Insurance fund	Shareholders funds	Dec-23
ASSETS			
Cash and cash equivalents	832,664,454	1,101,286,491	1,933,950,945
Financial assets:	7,472,751,263	4,959,325,987	12,432,077,250
Finance lease receivables	-	-	-
Trade receivables		1,150,281,154	1,150,281,154
Reinsurance assets	3,446,441,321	-	3,446,441,321
Deferred acquisition cost	-		
Other receivables & prepayments	-	644,340,993	644,340,993
Investment in subsidiaries		1,594,225,000	1,594,225,000
Intangible Assets		14,767,281	14,767,281
Investment properties	1,271,781,524	0	1,271,781,524
Property and equipment		1,199,375,172	1,199,375,172
Right-of-Use of Assets (Leased Assets)		-	-
Statutory deposits		300,000,000	300,000,000
TOTAL ASSETS	**13,023,638,563**	**10,963,602,078**	**23,987,240,641**
LIABILITIES			
Insurance contract liabilities	**9,701,037,803**	-	9,701,037,803
Trade payable		330,749,570	330,749,570
Provision and Other payables		224,024,963	224,024,963
Retirement benefit obligations		13,677,328	13,677,328
Income tax liabilities		1,316,060,787	1,316,060,787
Deferred income tax		264,056,690	264,056,690
TOTAL LIABILITIES	**9,701,037,803**	**2,148,569,338**	**11,849,607,141**
SURPLUS	**3,322,600,760**	**8,815,032,741**	**12,137,633,500**

Company 2022

	Insurance fund	Shareholders funds	December 2022
ASSETS			
Cash and cash equivalents	525,103,432	658,845,403	1,183,948,835
Financial assets:			
-At fair value through profit or loss	-		
-At Ammortised Cost	1,930,281,941	3,460,662,476	5,390,944,417
-Fair Value Through OCI	-	129,942,123	129,942,123
Finance lease receivables	-	-	-
Trade receivables		773,060,783	773,060,783
Reinsurance assets	-	-	-
Other receivables & prepayments	-	652,618,272	652,618,272
Investment in subsidiaries		1,594,225,000	1,594,225,000
Intangible Assets		22,104,164	22,104,164
Investment properties	1,265,226,470	-	1,265,226,470
Property and equipment		1,088,248,164	1,088,248,164
Right-of-Use of Assets (Leased Assets)		-	-
Statutory deposits		300,000,000	300,000,000
TOTAL ASSETS	3,720,611,843	8,679,706,385	12,400,318,228
LIABILITIES			
Insurance contract liabilities	6,706,663,170	-	6,706,663,170
Trade payable		33,472,651	33,472,651
Provision and Other payables		350,746,765	350,746,765
Retirement benefit obligations		1,181,508	1,181,508
Income tax liabilities		635,139,647	635,139,647
Deferred income tax		239,442,368	239,442,368
TOTAL LIABILITIES	6,706,663,170	1,259,982,939	7,966,646,109
SURPLUS	(2,986,051,327)	7,419,723,446	4,433,672,119

50. Fair Value Hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions.

The determination of fair value for each class of financial instruments was based on the particular characteristics of the instruments. Group's accounting policy on fair value measurements is discussed under the statement of significant accounting policies.

Level 1: Fair value measurements classified as Level 1 include exchange-traded prices of fixed maturities and equity securities unadjusted in active market for identical assets and liabilities.

Level 2: valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. Observable inputs generally used to measure the fair value of securities classified as Level 2 include benchmark yields, reported secondary trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers and reference data.

Level 3: This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

Group 31 December 2023

Asset Types	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**TOTAL**
Cash and cash equivalents	2,985,320,307	2,985,320,307			2,985,320,307
Financial assets at fair value through profit and loss	2,483,265,165	2,483,265,165	-	-	2,483,265,165
At Ammortised Cost	12,101,224,594	-	12,101,224,594	-	12,101,224,594
Fair Value Through OCI	261,532,777	-	-	261,532,777	261,532,777
Finance lease receivables	115,832,776			115,832,776	115,832,776
Trade receivables	1,183,958,654			1,183,958,654	1,183,958,654
Reinsurance assets	3,446,441,321			3,446,441,321	3,446,441,321

Group 31 December 2022

Asset Types	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Cash and cash equivalents	1,666,364,199	1,666,364,199			1,666,364,199
Financial assets at fair value through profit and loss	827,492,587	827,492,587	-	-	827,492,587
At Ammortised Cost	7,684,522,974	-	7,684,522,974	-	7,684,522,974
Fair Value Through OCI	132,167,588	-	-	132,167,588	132,167,588
Finance lease receivables	210,896,364			210,896,364	210,896,364
Trade receivables	831,493,560			831,493,560	831,493,560
Reinsurance assets	3,542,902,696			3,542,902,696	3,542,902,696

Company 31 December 2023

Asset Types	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**TOTAL**
Cash and cash equivalents	1,933,950,945	1,933,950,945			1,933,950,945
Financial assets at fair value through profit and loss	2,450,528,764	2,450,528,764	-	-	2,450,528,764
At Ammortised Cost	9,722,241,174	-	9,722,241,174	-	9,722,241,174
Fair Value Through OCI	259,307,312	-	-	259,307,312	259,307,312
Trade receivables	1,150,281,154			1,150,281,154	1,150,281,154
Reinsurance assets	3,446,441,321			3,446,441,321	3,446,441,321

Company 31 December 2022

Asset Types	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Cash and cash equivalents	1,183,948,834	1,183,948,834			1,183,948,834
Financial assets at fair value through profit and loss	805,071,520	805,071,520	-	-	805,071,520
At Ammortised Cost	5,390,944,417	-	5,390,944,417	-	5,390,944,417
Fair Value Through OCI	129,942,124	-	-	129,942,124	129,942,124
Trade receivables	773,060,783			773,060,783	773,060,783
Reinsurance assets	3,542,902,696			3,542,902,696	3,542,902,696

51. Management of Insurance and Financial risks

Risk Management Framework:

Consolidated Hallmark Insurance Plc has a robust and functional Risk Management System that is responsible for identifying and managing the inherent and residual risks facing the Group. As an insurance company, the management of risk is at the core of the operating structure of Consolidated Hallmark Insurance Plc. As a result, the best risk management practices are deployed to identify, measure, monitor, control and report every material risk prevalent in the business operation.

The Company's Risk Management System is in line with the guidelines as approved by the insurance industry regulator, National Insurance Commission (NAICOM), to identify, assess, manage and monitor the risks inherent in the operations. The risk structure includes our approach to management of risks inherent in the business and the appetite for these risk exposures. Under this approach, we continuously assess the Company's top risks and monitor the risk profile against approved limits. The main strategies for managing and mitigating risk include policies and tools that target specific broad risk categories.

The Company is guided by the following principles to ensure effective integration and to maximize value to stakeholders through an approach that balances the risk and reward in the business. The Company only accepts risks that fall within its risk acceptance criteria and have commensurate returns and continually review its activities to determine inherent risks level and adopt appropriate risk response at all times. It involves broad setting of strategy, risk appetite, performance measurement, establishment and maintenance of internal control and risk management in the business. In addition, business units have the primary responsibility for managing risks and are required to take responsibility for the identification, assessment, management, monitoring and reporting of risks arising within their respective businesses, thereby ensuring an informed risk and reward balance.

The Board sets the organization's risk appetite, approves the strategy for managing risk and is ultimately responsible for the organization's system of internal control. The Board carries out these function by setting Finance and General purpose Committee (FGPC), Board Audit and Risk Management Committee (BARM), Establishment and Governance Committee and Investment Committee. The Board Audit and Risk Management Committee performs the oversight functions of the external auditor and regulatory compliance. It also monitors the internal control process and oversight of enterprise risk management. Finance and General Purpose Committee of the Board functions on oversight of financial reporting and accounting. The Investment Committe reviews and approves the company's investment policy, and approves investment over and above managements' approval limit.

Management is responsible and accountable for ensuring that Risk management policies, framework and procedures are complied with; and Also that the risk profiled for areas under their control are refreshed and updated on a timely basis to enable the collation, analysis and reporting of risks to the Board Committees. Management also ensures that explanations are provided to the Board Committees for any major gaps in the risk profiled and any significant delays in planned treatments for high risk priority matters.

The internal audit function that provides independent and objective assurance of the effectiveness of the Company's systems of internal control is established by the organization in the management of enterprise risks across the organization.The internal audit functions evaluate the design and conceptual soundness of risk measures, accuracy of risk models, soundness of elements of the risk management information systems, adequacy and effectiveness of the procedures for monitoring risk, the progress of plans to upgrade risk management systems, the adequacy and effectiveness of application controls within the risk management information system, and the reliability of the vetting processes.

The Chief Risk Officer (a member of the Management) is responsible for the risk policies, risk methodologies and risk infrastructure. The Chief Risk Office (CRO) informs the Board, as well as the Management about the risk profile of the Company and also communicates the views of the Board and Senior Management down the Company. The CRO is also responsible for independently monitoring the broad risk limits set by the Board throughout the year.

a) Insurance Risk Management

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

Frequency and severity of claims can be affected by several factors. The most significant are the increasing level of damages suffered as a result of road accidents. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The Group has the right to reject the payment of a fraudulent claim, and is entitled to pursue third parties for paymentof some or all costs.

The above risk exposure is mitigated by diversification across a large portfolio of insurance. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Group also has special claims unit that ensures

The Group purchases reinsurance as part of its risks mitigation program. Retention limits for the excess-of-loss reinsurance vary by product line.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policy holders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements.

The Group writes insurance primarily over a twelve month duration. The most significant risks arise through high severity, low frequency events such as natural disasters or catastrophes. A concentration of risk may arise from insurance contracts issued in a specific geographic location since all insurance contracts are written in Nigeria.

The Group manages this risk via its underwriting and reinsurance strategy within an overall risk management framework. Exposures are limited by having documented underwriting limits and criteria. Pricing of property and liability policies are based on assumptions in regard to trends and past experience, in an attempt to correctly match policy revenue with exposed risk. Reinsurance is purchased to mitigate the effect of the potential loss to the Company. Reinsurance is placed with African Reinsurance Corporation, WAICA Reinsurance Corporation Plc and Continental Reinsurance Plc, these are Nigerian registered reinsurer.

a(i) Insurance risk associated with uncertainty in the estimation of future claim payments

Claims insurance contracts are payable on a claims-occurrence basis. The Company is liable for all insured events that occurred during the term of the contract. There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. Although, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. Certains reserves are held for these contracts which are provision for IBNR, a provision for reported claims not yet paid and a provision for uneared premium at the end of the reporting period.

Results summary

This report covers only the Insurance portfolios that fall under IFRS 17 reporting. Any comments made and figures provided are for the IFRS 17 insurance portfolios of Consolidated Hallmark Insurance and must be considered accordingly.

The last valuation exercise carried out by Consolidated Hallmark Insurance Plc for its IFRS 17 Insurance Portfolio was at 31 December 2022.

IFRS17 Insurance Portfolio information

1.1 Consolidated Hallmark offers comprehensive insurance coverage for the following lines of businesses:

- Engineering
- General Accident
- Motor
- Fire
- Aviation
- Marine (i.e. Marine Cargo and Marine Hull combined)
- Oil and Gas
- Bond

The total gross liability for the IFRS 17 insurance portfolio is N9,701m as at 31 December 2023. This is made up of N5,240m of liabilities for remianing coverage (LRC) and N4,461m of liabilities for incurred claims (LIC).

The LIC is made up of N3,190m of Incurred But Not Reported (IBNR) Claims, N603m of outstanding claims and N668m of Risk Adjustment.

The breakdwon of the IFRS 17 Insurance contract liabilities is shown in the table below:

Valuation Results

Insurance Contract Liabilities - December 2023					
	Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	1,928,390,951	400,213,647	76,232,568	39,110,939	2,443,948,106
Fire	799,837,570	315,537,083	109,242,852	71,777,640	1,296,395,144
General Accident	585,045,256	1,201,926,680	253,557,870	291,333,773	2,331,863,579
Marine	398,331,257	91,982,994	25,324,086	22,278,311	537,916,649
Bonds	262,667,172	26,851,323	2,836,082	2,668,882	295,023,459
Oil & Gas	692,113,690	863,706,914	40,719,811	162,987,340	1,759,527,755
Total	**5,240,058,053**	**3,189,989,763**	**603,192,922**	**667,797,063**	**9,701,037,801**
	53%	110%	-55%	56%	45%

The breakdown of the reinsurance assets is shown in the table below:

Reinsurance Contract Assets - December 2023					
	Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	49,473,035	9,392,425	11,180,733	1,688,828	71,735,020
Fire	240,097,756	194,022,388	75,151,553	45,483,952	554,755,649
General Accident	147,007,080	941,489,134	172,121,908	222,903,436	1,483,521,558
Marine	95,404,313	70,132,392	15,433,612	16,250,222	197,220,539
Bonds	69,984,646	53,163	1,063,250	100,365	71,201,424
Oil & Gas	124,325,778	244,135,412	18,698,890	47,365,544	434,525,623
Engineering	73,998,563	38,918,156	24,092,567	13,710,556	150,719,841
Aviation	127,262	64,827,570	30,394,586	17,590,292	112,939,711
Total	**800,418,434**	**1,562,970,639**	**348,137,097**	**365,093,194**	**3,076,619,364**

The breakdown of the corresponding Insurance Contract Liabilities for the December 2022 IFRS 17 comparatives is shown in the table below.

Insurance Contract Liabilities - December 2022 Comparatives					
	Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	1,022,278,126	189,451,009	174,209,322	18,183,017	1,404,121,474
Fire	523,775,134	352,311,456	168,853,860	19,330,515	1,064,270,965
General Accident	459,220,522	319,493,826	632,373,254	319,919,538	1,731,007,140
Marine	143,945,695	260,080,669	169,435,744	21,475,821	594,937,929
Bonds	156,888,742	16,569,559	5,909,416	1,123,949	180,491,666
Oil & Gas	522,396,718	179,330,860	65,001,485	12,456,143	779,185,206
Engineering	508,790,836	151,334,309	44,471,880	29,056,538	733,653,563
Aviation	88,900,375	48,140,398	75,759,462	6,194,993	218,995,228
Total	**3,426,196,149**	**1,516,712,086**	**1,336,014,423**	**427,740,512**	**6,706,663,170**

Reinsurance Contract Assets - December 2022 Comparatives					
	Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	7,403,602	25,649,642	44,098,554	3,487,410	80,639,208
Fire	210,858,452	353,340,533	390,873,987	27,603,621	982,676,593
General Accident	147,730,377	66,010,627	578,629,910	216,661,661	1,009,032,575
Marine	63,472,397	7,685,000	223,348,534	11,551,677	306,057,607
Bonds	50,556,198	-	13,487,385	674,369	64,717,952
Oil & Gas	403,720,592	115,011,302	151,486,055	13,586,122	683,804,071
Engineering	162,821,424	10,182,772	106,017,032	17,243,398	296,264,626
Aviation	77,327,750	-	54,932,441	2,746,622	135,006,813
Total	**1,123,890,791**	**577,879,876**	**1,562,873,898**	**293,554,880**	**3,558,199,445**

VALUATION METHOD

In determining the IFRS 17 Insurance Contract Liabilities of the company, the following principles have been used.

A Liability for Remaining Coverage (LRC)

The Premium Allocation Approach has been used for the calculation of the liability of the Remaining Coverage as outlined in paragragh 55 (b) of the IFRS 17 standard.

Using the premium allocation approach, the liability for remaining coverage is the carrying amount at the start of the reporting period.

i Plus the premium received in the period

ii Minus insurance acquisition cash flows: unless the entity chooses to recognise the payments as an expense applying paragraph 59 (a)

iii Plus any amounts relating to the amortisation of insurance acquisition cashflows recognised as an expense in the reporting period< unless the entity chooses to recognise insurance acquisition cashflows as an expenses.

iv Plus any adjustment to a financing component.

v Minus the amount recognised as insurance revenue for services provided in that period.

vi Minus any investment component paid or transferred to the liability for incurred claims.

The approach adopted is to recognise acquisition cashlows as expense for full year reporting , However, for reporting periods within the year, the acquisition cashflows are amortised over the reporting year.

The carrying amount of the liability for remaining coverage has not been adjusted to reflect time value of money and the effect of financial risk because the time netween providing each part of the services and the related premium due date is no more than a year as paragraph 56 of the standard.

There is no Investment component on businessess underwritten by Consolidated Hallmark Insurance Plc

B Liability for Incurred Claims (LIC)

The liability for Incurred claims is made up of the Incurred But Not Reported (IBNR) Reserve, Outstanding Claims and their corresponding Risk

4.3 Incurred But Not Reported (IBNR) Reservie

The IBNR makes allowance for the delay in reporting claims. To ensure the estimates calculated are not biased by the underlying assumptions of the model chosen, the following kdeterministic methods were considered:

a Inflation-Adjusted Basic Chain Ladder Method (IABCL)
b Inflation Adjusted Loss Development Factor Method (IABCL)
c Bornhuetter - Ferguson Method (with IABCL loss development factors)
d Bornhuetter - Ferguson Method (using the average of IABCL and IALDF loss development factors)

Under the Basic Chain Ladder method, historically paid claims were grouped into accidentg year cohorts-representing when they were paid after their accident year. These cohorts form the development triangles. For each accident year, paid claims were accumulated to the valuation date and projected into the future to attain the expected ultimate claim arising in the year. This assumes the trends observed in the historical data will continue. The gross claim reserve is the difference between the cumulated paid claims and the estimated ultimate claims. Under the inflation-adjusted variant of this method, projected claims allow for inflation and then are discounted to the valuation date's monetary terms.

The Loss Development Factor method looks at the pattern of claim development for each development yaer, for every loss year, in the data provided. This then uses the average observed development factor to project the claims into the future. The inflation-adjusted varaint(ie, IALDF) uses the pattern of inflation-adjusted claims.

Under the Bornhuetter - Ferguson (BF) methos, the reserve is based on an estimateof the ultimate claims. This uses the loss development factors derived under the basic chain ladder to project the development of the claims. The appropriate loss ratio used in estimating the BF untimate claim is the cumulative average loss ratio oberved in the data provided.

We have considered two variants of this approach based on loss development factors from the IABCL method and the average loss development factors from the IABCL and IALDF methods.

The IBNR reserves have been estimated using the variant of the Bornhuetter-Ferguson Method based on the average loss development factors from the IABCL and IALDF methods.

The minimum IBNR reserve is 10%of the outstanding claims reserve.

C OUTSTANDING CLAIMS

We adopted the outstanding claims figures as provided and reported by the company, Note that any deficiencies in these reserves are captured in the IBNR provision via projected Ultimate Claims.

D RISK ADJUSTMENT (RA)

The risk adjustment is the additional liability a company needs to hold to cover the uncertainty about the amount and timimg of the cashclows that arises from Non-Financial risk as the company fulfill its insurance contracts. The uncertainty and timing for Consolidated Hallmark Insurance arises in the estimate of the Loss Reserve, hence only the uncertainty arising from claims reserve have been allowed for in the Risk Adjustment calculation.

We haved used the Value at Risk (VAR) approach to estimate the Risk Adjustment. We have used the historical claims as per the data used in the IBNR calculation and have ranked the claims and the development factors from the claims and have applied a 70% confidence level to determine the Risk Adjustment.

The percentage of the Risk Adjustment calculated as a percentage of the sum of the IBNR and the outstanding claims is outlined in the table below:

	RISK ADJUSTMENT	
Portfolios	**RA Factor as % of IBNR and Oustanding Claims**	
Motor	8.2%	
Fire	16.9%	
General Accident	20%	
Marine	19%	
Bonds	9%	
Oil and Gas	18%	
Engineering	21%	
Aviation	18.5%	

ASSUMPTIONS

a We have allowed for inflation in our calcultions based on the following official inflation data. We have adopted 17.2% for future rates as we expect the future rates to converge to 15%.

Year	Inflation Rate	Accumulated Inflation Factor
2018	11.4%	2.33
2019	12.0%	2.08
2020	15.8%	1.80
2021	15.6%	1.56
2022	21.3%	1.28
2023	28.2%	1.00
2024+	17.2%	

b **DISCOUNT RATE**

The projected claims under the IBNR reserves have been discounted using the discount rate published by Nigeria Actuarial Society. The discount rates used are published in the appendix of this report.

Other Assumptions Underlying the Valuation Methods

i Policies are written uniformly throughout the year for each class of business

ii Claims occur uniformly throughout the year for each class of business. This implies that claims occcur on average halfway through the year.

iii Future claims follow a regression pattern from the historical data, Hence, payment patters will be broadly similar in each accident year. The proportionate increase in the known cumulative payment from one development year to the next is used to calculate the expected cumulative payments for the future develpment periods.

iv We assume the gross claim amount and unearned premium includes all related claim expenses. No additional reserve has been held for expenses.

v The Premium Allocation Approach (PAA) is calculated on the assumption that risk will occur evenly during the duration of the policy.

The table below shows the reconciliation of the insurance contract liabilities and assets from the December 2022 comparatives to December 2023.

Reconciliation of the liability for remaining coverage and the liability for incurred claims for insurance contracts

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities (ICL)
	Non-onerous	Onerous	LIC	
Opening insurance contract assets	3,999,732,042	-	3,745,724,913	**7,745,456,955**
Opening insurance contract liabilities	3,426,196,149	-	3,280,467,021	**6,706,663,170**
Net opening balance	**573,535,893**	**-**	**465,257,892**	**1,038,793,785**
Insurance revenue	(14,815,865,738)	-	-	**(14,815,865,738)**
Insurance service expenses	-	-	-	**-**
Incurred claims and other expenses	-	-	5,870,386,112	**5,870,386,112**
Acquisition expenses	3,841,647,546	-	-	**3,841,647,546**
Changes related to future service	-	-	-	**-**
Changes related to past service	**-**	**-**	**1,806,446,548**	**1,806,446,548**
Total Insurance service expenses	**3,841,647,546**	**-**	**7,676,832,660**	**11,518,480,206**
Investment components	-	-	-	**-**
Insurance service result	**(10,974,218,192)**	**-**	**7,676,832,660**	**(3,297,385,531)**
Insurance finance expenses	-	-	-	**-**
Total change in comprehensive income	**(10,974,218,192)**	**-**	**7,676,832,660**	**(3,297,385,531)**
Premiums received	16,629,727,642	-	-	**16,629,727,642**
Claims and expenses paid	-	-	(6,496,319,933)	**(6,496,319,933)**
Acquisition costs paid	(3,841,647,546)	-	-	**(3,841,647,546)**
Total cash flows	**12,788,080,096**	**-**	**(6,496,319,933)**	**6,291,760,163**
Closing insurance contract assets	6,573,748,833	-	5,275,858,306	**11,849,607,140**
Closing insurance contract liabilities	5,240,058,053	-	4,460,979,749	**9,701,037,802**
Net closing balance	**1,333,690,780**	**-**	**814,878,557**	**2,148,569,338**

CLAIMS TRIANGLES

The following tables provide additional details of the gross loss reserves for each Line of Business.

LOB	Motor

Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

	Development Year							
Loss Year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
2016	343,032	194,138	1,876	6,313	20	0	0	0
2017	403,038	119,399	1,816	74	0	0	0	0
2018	430,992	129,433	5,540	775	38	0	0	0
2019	530,967	170,125	19,615	453	0	0	0	0
2020	551,725	166,816	18,048	2,604	0	0	0	0
2021	845,002	214,455	7,749	0	0	0	0	0
2022	815,481	195,874	0	0	0	0	0	0
2023	868,535	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Projected Claims ('000)

	Development Year							
Loss Year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
2016	1,028,235	1,532,636	1,537,011	1,550,155	1,550,190	1,550,190	1,550,190	1,550,190
2017	1,047,156	1,325,528	1,329,310	1,329,442	1,329,442	1,329,442	1,329,442	
2018	1,004,832	1,274,314	1,284,280	1,285,486	1,285,535	1,285,535		
2019	1,105,480	1,411,488	1,442,000	1,442,581	1,442,581			
2020	992,397	1,251,892	1,275,030	1,277,634				
2021	1,314,467	1,589,398	1,597,147					
2022	1,045,446	1,241,320						
2023	868,535							

Cumulative Projected Claims ('000)

	Development Year							
Loss Year	**1 --> 2**	**2 --> 3**	**3 --> 4**	**4 --> 5**	**5 --> 6**	**6 --> 7**	**7 --> 8**	**8 --> 9**
2016	1.4906	1.0029	1.0086	1.0000	1.0000	1.0000	1.0000	
2017	1.2658	1.0029	1.0001	1.0000	1.0000	1.0000		
2018	1.2682	1.0078	1.0009	1.0000	1.0000			
2019	1.2768	1.0216	1.0004	1.0000				
2020	1.2615	1.0185	1.0020					
2021	1.2092	1.0049						
2022	1.1874							
2023								

IALDF Devt Factors*	1.254	1.010	1.001	1.000	1.000	1.000	1.000
Cumulative DF	1.267	1.011	1.001	1.000	1.000	1.000	1.000
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Premium ('000)	4,937,462	2,767,423	2,252,875	2,119,710	2,005,379	1,782,316	1,389,896
Est. Loss factor (1-1/(cumul DF)	21.10%	1.07%	0.12%	0.00%	0.00%	0.00%	0.00%
Ultimate claims ratio		36.84%					
Loss reserve (Attritional)		395,871	*=sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio*				
Loss reserve (Attritional) - Inflation Adjusted		415,171					

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	1,389,896	0	0	0	0.000000%	0	0	0	0	0
2018	1,782,316	0	0	0	0.000000%	0	0	0	0	0
2019	2,005,379	0	0	0	0.000000%	0	0	0	0	0
2020	2,119,710	32,400	32,400	2	0.000094%	16,200	16,200	0	32,400	0
2021	2,252,875	97,830	97,830	3	0.000133%	32,610	32,610	0	97,830	0
2022	2,767,423	129,717	129,717	6	0.000217%	21,620	21,620	0	129,717	0
2023	4,937,462	115,787	115,787	1	0.000020%	115,787	30,514	0	69,122	69,122

Large	61,275
Attritional	415,171
Total Gross Loss Reserve	**476,446**
Reported Outstanding Claim	76,233
Gross IBNR	**400,214**

**This is the average of the 75% and 25% percentile of the LDFs, which excludes extreme values from the calculation.*

LOB	Fire

Inflation-Adjusted Basic Chain Ladder Method (IABCL)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

	Development Year							
Loss Year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
2016	139,641	472,075	42,420	28,011	9,915	0	0	0
2017	349,847	233,515	46,968	27,294	0	93	21	0
2018	205,575	256,337	20,953	1,668	12	169	0	0
2019	330,364	183,418	6,076	602	0	0	0	0
2020	205,223	58,751	9,364	13,985	0	0	0	0
2021	55,730	33,562	21,690	0	0	0	0	0
2022	171,584	69,815	0	0	0	0	0	0
2023	115,468	0	0	0	0	0	0	0

Cumulative Inflation Adjusted Paid Claims ('000)

	Development Year							
Loss Year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
2016	418,573	1,645,096	1,743,995	1,802,315	1,820,149	1,820,149	1,820,149	1,820,149
2017	908,956	1,453,381	1,551,169	1,600,262	1,600,262	1,600,382	1,600,403	
2018	479,285	1,012,981	1,050,670	1,053,264	1,053,279	1,053,448		
2019	687,821	1,017,738	1,027,189	1,027,961	1,027,961			
2020	369,138	460,531	472,536	486,521				
2021	86,692	129,718	151,408					
2022	219,971	289,786						
2023	115,468							

IABCL Devt Factors	1.895	1.049	1.021	1.003	1.000	1.000	1.000

Inflation Adjusted Cumulative Projected Claims ('000)*

Development Year

Loss Year	1	2	3	4	5	6	7	8
2016	418,573	1,645,096	1,743,995	1,802,315	1,820,149	1,820,149	1,820,149	1,820,149
2017	908,956	1,453,381	1,551,169	1,600,262	1,600,262	1,600,382	1,600,403	1,600,403
2018	479,285	1,012,981	1,050,670	1,053,264	1,053,279	1,053,448	1,053,455	1,053,455
2019	687,821	1,017,738	1,027,189	1,027,961	1,027,961	1,028,028	1,028,034	1,028,034
2020	369,138	460,531	472,536	486,521	488,105	488,136	488,139	488,139
2021	86,692	129,718	151,408	154,640	155,143	155,153	155,154	155,154
2022	219,971	289,786	303,847	310,332	311,342	311,362	311,364	311,364
2023	115,468	218,857	229,476	234,374	235,137	235,152	235,154	235,154

**Inflation adjustment on paid claims only*

Inflation Adjusted Cumulative Projected Claims ('000)**

	Development Year							
Loss Year	1	2	3	4	5	6	7	8
2012	418,573	1,645,096	1,743,995	1,802,315	1,820,149	1,820,149	1,820,149	1,820,149
2013	908,956	1,453,381	1,551,169	1,600,262	1,600,262	1,600,382	**1,600,403**	**1,600,403**
2014	479,285	1,012,981	1,050,670	1,053,264	1,053,279	**1,053,448**	1,053,457	**1,053,457**
2015	687,821	1,017,738	1,027,189	1,027,961	**1,027,961**	1,028,040	1,028,048	**1,028,048**
2016	369,138	460,531	472,536	**486,521**	488,338	488,375	488,379	**488,379**
2017	86,692	129,718	**151,408**	154,973	155,550	155,562	155,564	**155,564**
2018	219,971	**289,786**	304,699	311,853	313,012	313,036	313,038	**313,038**
2019	**115,468**	220,905	232,168	237,571	238,446	238,464	238,466	**238,466**

***Inflation adjustment on paid and projected claims only*

Loss reserve (Attritional) - Inflation Adjusted 152,359

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	847,903	914,830	914,830	4	0.000472%	228,708	228,708	0	914,830	0
2018	1,008,118	126,525	126,525	1	0.000099%	126,525	126,525	0	126,525	0
2019	1,092,345	132,634	132,634	1	0.000092%	132,634	132,634	0	132,634	0
2020	1,118,386	90,000	90,000	1	0.000089%	90,000	90,000	0	90,000	0
2021	1,218,007	0	0	0	0.000000%	0	0	0	0	0
2022	1,774,306	75,765	75,765	1	0.000056%	75,765	75,765	0	75,765	0
2023	2,572,627	0	0	1	0.000039%	0	148,862	0	441,132	441,132

Large	272,421
Attritional	152,359
Total Gross Loss Reserve	**424,780**
Reported Outstanding Claim	109,243
Gross IBNR	**315,537**

LOB	General Accident

Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

	Development Year							
Loss Year	1	2	3	4	5	6	7	8
2016	124,541	168,644	87,021	6,446	3,776	13,120	33,412	2,119
2017	105,567	132,844	32,036	4,335	137,482	53,525	8,072	0
2018	114,253	112,611	76,691	57,928	32,026	2,099	0	0
2019	241,643	180,382	127,927	8,037	844	0	0	0
2020	289,193	513,541	193,816	32,766	0	0	0	0
2021	352,947	359,414	107,531	0	0	0	0	0
2022	476,627	569,785	0	0	0	0	0	0
2023	593,898	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Projected Claims ('000)

	Development Year							
Loss Year	1	2	3	4	5	6	7	8
2016	373,310	811,473	1,014,358	1,027,780	1,034,571	1,054,980	1,097,815	1,099,934
2017	274,280	583,997	650,697	658,495	872,359	940,978	949,050	
2018	266,374	500,831	638,777	728,889	769,947	772,045		
2019	503,104	827,561	1,026,562	1,036,865	1,037,709			
2020	520,176	1,319,030	1,567,502	1,600,268				
2021	549,038	1,009,807	1,117,338					
2022	611,036	1,180,821						
2023	593,898							

Cumulative Projected Claims ('000)

	Development Year							
Loss Year	1 --> 2	2 --> 3	3 --> 4	4 --> 5	5 --> 6	6 --> 7	7 --> 8	8 --> 9
2016	2.1737	1.2500	1.0132	1.0066	1.0197	1.0406	1.0019	
2017	2.1292	1.1142	1.0120	1.3248	1.0787	1.0086		
2018	1.8802	1.2754	1.1411	1.0563	1.0027			
2019	1.6449	1.2405	1.0100	1.0008				
2020	2.5357	1.1884	1.0209					
2021	1.8392	1.1065						
2022	1.9325							
2023								

IALDF Devt Factors*	2.006	1.190	1.016	1.064	1.030	1.025	1.000
Cumulative DF	2.726	1.359	1.142	1.123	1.056	1.025	1.000
	2023	2022	2021	2020	2019	2018	2017
Premium ('000)	1,795,121	1,565,664	1,292,547	1,287,197	1,105,412	859,881	787,789
Est. Loss factor (1-1/(cumul DF)	63.31%	26.42%	12.43%	10.99%	5.26%	2.40%	0.00%
Ultimate claims ratio		54.71%					
Loss reserve (Attritional)		1,056,395	=sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio				
Loss reserve (Attritional) - Inflation Adjusted		1,133,304					

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	787,789	0	0	0	0.000000%	0	0	0	0	0
2018	859,881	0	0	0	0.000000%	0	0	0	0	0
2019	1,105,412	342,811	342,811	3	0.000271%	114,270	114,270	0	342,811	0
2020	1,287,197	886,655	886,655	4	0.000311%	221,664	221,664	0	886,655	0
2021	1,292,547	187,561	187,561	2	0.000155%	93,780	93,780	0	187,561	0
2022	1,565,664	285,047	285,047	3	0.000192%	95,016	95,016	0	285,047	0
2023	1,795,121	0	0	1	0.000056%	0	130,929	0	342,188	342,188

Large	322,180
Attritional	1,133,304
Total Gross Loss Reserve	**1,455,485**
Reported Outstanding Claim	253,558

Gross IBNR	**1,201,927**

**This is the average of the 75% and 25% percentile of the LDFs, which excludes extreme values from the calculation.*

LOB	Marine

Bornhuetter-Ferguson Method (using the average of IABCL and IALDF loss development factors)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	51,185	36,398	7,932	597	0	0	754	0
2017	37,819	30,203	2,765	92	4	3,452	0	0
2018	2,226,221	37,269	1,176	7,499	2,403	4,531	0	0
2019	67,797	41,377	7,268	526	3,664	0	0	0
2020	34,386	36,316	46,812	11,071	0	0	0	0
2021	23,315	79,428	27,925	0	0	0	0	0
2022	107,058	232,981	0	0	0	0	0	0
2023	87,354	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Projected Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	153,427	247,994	266,488	267,730	267,730	267,730	268,696	268,696
2017	98,260	168,675	174,433	174,598	174,604	179,029	179,029	
2018	5,190,298	5,267,893	5,270,008	5,281,673	5,284,754	5,289,285		
2019	141,153	215,578	226,885	227,559	231,222			
2020	61,850	118,342	178,356	189,426				
2021	36,269	138,096	166,021					
2022	137,248	370,230						
2023	87,354							

IABCL Devt Factors (A)	1.122	1.020	1.004	1.001	1.002	1.002	1.000
IALDF Devt Factors (B)	1.939	1.105	1.003	1.002	1.007	1.002	1.000
Average [(A),(B)]	1.530	1.062	1.004	1.002	1.004	1.002	1.000
Cumulative DF	1.645	1.075	1.012	1.008	1.006	1.002	1.000

	2023	2022	2021	2020	2019	2018	2017
Premium ('000)	1,144,726	799,608	801,591	602,843	598,145	478,342	545,347
Est. Loss factor (1-1/(cumul DF)	39.20%	6.96%	1.15%	0.78%	0.61%	0.20%	0.00%
Ultimate claims ratio		21.22%					
Loss reserve (Attritional)		110,964	*=sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio*				
Loss reserve (Attritional) - Inflation Adjusted		117,307					

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	545,347	0	0	0	0.000000%	0	0	0	0	0
2018	478,342	0	0	0	0.000000%	0	0	0	0	0
2019	598,145	0	0	0	0.000000%	0	0	0	0	0
2020	602,843	0	0	0	0.000000%	0	0	0	0	0
2021	801,591	0	0	0	0.000000%	0	0	0	0	0
2022	799,608	0	0	0	0.000000%	0	0	0	0	0
2023	1,144,726	0	0	1	0.000087%	0	0	0	0	0

Large	0
Attritional	117,307
Total Gross Loss Reserve	**117,307**
Reported Outstanding Claim	25,324
Gross IBNR	**91,983**

LOB	Bonds

Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	0	5,443	0	0	0	0	0	0
2017	1,638	5,288	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0
2019	158	10,190	10,035	0	0	0	0	0
2020	2,347	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0
2022	2,297	0	0	0	0	0	0	0
2023	25,479	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Projected Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	0	14,142	14,142	14,142	14,142	14,142	14,142	14,142
2017	4,256	16,584	16,584	16,584	16,584	16,584	16,584	
2018	0	0	0	0	0	0		
2019	328	18,657	34,267	34,267	34,267			
2020	4,221	4,221	4,221	4,221				
2021	0	0	0					
2022	2,944	2,944						
2023	25,479							

Cumulative Projected Claims ('000)

Loss Year	Development Year 1 --> 2	2 --> 3	3 --> 4	4 --> 5	5 --> 6	6 --> 7	7 --> 8	8 --> 9
2016	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2017	3.8968	1.0000	1.0000	1.0000	1.0000	1.0000		
2018	1.0000	1.0000	1.0000	1.0000	1.0000			
2019	56.8266	1.8367	1.0000	1.0000				
2020	1.0000	1.0000	1.0000					
2021	1.0000	1.0000						
2022	1.0000							
2023								

IALDF Devt Factors*	1.724	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative DF	1.724	1.000	1.000	1.000	1.000	1.000	1.000

	2023	2022	2021	2020	2019	2018	2017
Premium ('000)	704,989	484,366	257,269	179,318	223,407	131,688	70,374
Est. Loss factor (1-1/(cumul DF)	42.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ultimate claims ratio		9.48%					
Loss reserve (Attritional)		28,079	*=sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio*				

Loss reserve (Attritional) - Inflation Adjusted 29,687

Total Gross Loss Reserve	**29,687**
Reported Outstanding Claim	2,836
Gross IBNR	**26,851**

**This is the average of the 75% and 25% percentile of the LDFs, which excludes extreme values from the calculation.*

LOB	Oil & Gas

Inflation-Adjusted Basic Chain Ladder Method (IABCL)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	19,285	121,166	8,226	30,794	43	26,037	0	48,333
2017	11,767	51,809	104,046	273,755	50,109	0	0	0
2018	344	143,877	949	23,942	17,509	0	0	0
2019	100,035	16,334	34,296	12,711	0	0	0	0
2020	8,064	417,969	598	7,129	0	0	0	0
2021	2,295	0	52,262	0	0	0	0	0
2022	0	23,974	0	0	0	0	0	0
2023	48,473	0	0	0	0	0	0	0

Cumulative Inflation Adjusted Paid Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	57,806	372,613	391,792	455,905	455,983	496,485	496,485	544,818
2017	30,573	151,363	367,989	860,397	938,345	938,345	938,345	
2018	802	300,356	302,064	339,308	361,755	361,755		
2019	208,274	237,654	291,004	307,299	307,299			
2020	14,505	664,689	665,457	672,586				
2021	3,571	3,571	55,833					
2022	0	23,974						
2023	48,473							
IABCL Devt Factors		5.560	1.199	1.306	1.051	1.023	1.000	1.097

Inflation Adjusted Cumulative Projected Claims ('000)*

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	57,806	372,613	391,792	455,905	455,983	496,485	496,485	544,818
2017	30,573	151,363	367,989	860,397	938,345	938,345	938,345	1,029,694
2018	802	300,356	302,064	339,308	361,755	361,755	361,755	396,972
2019	208,274	237,654	291,004	307,299	307,299	314,386	314,386	344,992
2020	14,505	664,689	665,457	672,586	707,013	723,319	723,319	793,734
2021	3,571	3,571	55,833	72,907	76,639	78,406	78,406	86,039
2022	0	23,974	28,739	37,527	39,448	40,358	40,358	44,287
2023	48,473	269,489	323,051	421,839	443,431	453,658	453,658	497,822

**Inflation adjustment on paid claims only*

Inflation Adjusted Cumulative Projected Claims ('000)**

Loss Year	Development Year 1	2	3	4	5	6	7	8
2012	57,806	372,613	391,792	455,905	455,983	496,485	496,485	544,818
2013	30,573	151,363	367,989	860,397	938,345	938,345	**938,345**	**1,056,231**
2014	802	300,356	302,064	339,308	361,755	**361,755**	361,755	**407,203**
2015	208,274	237,654	291,004	307,299	**307,299**	315,755	315,755	**355,252**
2016	14,505	664,689	665,457	**672,586**	712,080	731,536	731,536	**822,407**
2017	3,571	3,571	**55,833**	74,666	78,947	81,056	81,056	**90,907**
2018	0	**23,974**	29,028	38,722	40,925	42,011	42,011	**47,081**
2019	**48,473**	273,868	330,677	439,646	464,416	476,618	476,618	**533,612**

***Inflation adjustment on paid and projected claims only*

Loss reserve (Attritional) - Inflation Adjusted 904,427

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	1,304,287	0	0	0	0.000000%	0	0	0	0	0
2018	1,861,221	0	0	0	0.000000%	0	0	0	0	0
2019	2,129,277	0	0	0	0.000000%	0	0	0	0	0
2020	2,627,092	0	0	0	0.000000%	0	0	0	0	0
2021	2,601,348	0	0	0	0.000000%	0	0	0	0	0
2022	2,647,699	0	0	0	0.000000%	0	0	0	0	0
2023	3,393,213	0	0	1	0.000029%	0	0	0	0	0

Large	0
Attritional	904,427
Total Gross Loss Reserve	**904,427**
Reported Outstanding Claim	40,720
Gross IBNR	**863,707**

LOB	Engineering

Bornhuetter-Ferguson Method (using the average of IABCL and IALDF loss development factors)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	11,042	16,531	1,846	1,330	2,408	365	0	0
2017	8,132	19,072	4,241	17,145	359	0	0	0
2018	19,085	14,553	230	1,583	111	0	0	0
2019	55,522	8,048	1,488	664	440	0	0	0
2020	25,581	21,991	10,042	246	0	0	0	0
2021	33,313	25,641	18,886	0	0	0	0	0
2022	23,263	63,112	0	0	0	0	0	0
2023	36,261	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Projected Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	33,100	76,049	80,353	83,122	87,453	88,021	88,021	88,021
2017	21,128	65,594	74,424	105,264	105,822	105,822	105,822	
2018	44,495	74,795	75,208	77,670	77,813	77,813		
2019	115,598	130,075	132,389	133,240	133,680			
2020	46,012	80,221	93,096	93,342				

Loss Year	1	2	3
2021	51,821	84,693	103,579
2022	29,823	92,935	
2023	36,261		

IABCL Devt Factors (A)	1.767	1.093	1.082	1.014	1.002	1.000	1.000
IALDF Devt Factors (B)	2.179	1.091	1.020	1.010	1.002	1.000	1.000
Average [(A),(B)]	1.973	1.092	1.051	1.012	1.002	1.000	1.000
Cumulative DF	2.296	1.163	1.065	1.014	1.002	1.000	1.000

	2023	2022	2021	2020	2019	2018	2017
Premium ('000)	769,906	929,864	473,752	514,273	419,871	348,826	163,664
Est. Loss factor (1-1/(cumul DF)	56.44%	14.04%	6.14%	1.35%	0.19%	0.00%	0.00%
Ultimate claims ratio		19.65%					
Loss reserve (Attritional)		118,304	*=sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio*				
Loss reserve (Attritional) - Inflation Adjusted		126,164					

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	163,664	0	0	0	0.000000%	0	0	0	0	0
2018	348,826	0	0	0	0.000000%	0	0	0	0	0
2019	419,871	94,097	94,097	3	0.000715%	31,366	31,366	0	94,097	0
2020	514,273	10,965	10,965	1	0.000194%	10,965	10,965	0	10,965	0
2021	473,752	141,589	141,589	3	0.000633%	47,196	47,196	0	141,589	0
2022	929,864	51,343	51,343	3	0.000323%	17,114	17,114	0	51,343	0
2023	769,906	0	0	1	0.000130%	0	24,533	0	91,548	91,548

Large	71,942
Attritional	126,164
Total Gross Loss Reserve	**198,106**
Reported Outstanding Claim	37,111
Gross IBNR	**160,995**

LOB	Aviation

Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations

Attritional Claims

Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	157,092	97,289	23,939	7,793	0	0	142	0
2017	68,663	20,553	158,772	0	0	0	0	0
2018	349,776	64,802	126,759	7,395	0	0	0	0
2019	179,243	9,511	821	38,083	0	0	0	0
2020	32,544	7,914	813	0	0	0	0	0
2021	0	8,127	0	0	0	0	0	0
2022	28,092	48,683	0	0	0	0	0	0
2023	25,859	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Projected Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8
2016	470,881	723,654	779,466	795,690	795,690	795,690	795,872	795,872
2017	178,398	226,316	556,881	556,881	556,881	556,881	556,881	
2018	815,481	950,400	1,178,404	1,189,907	1,189,907	1,189,907		
2019	373,187	390,295	391,572	440,395	440,395			
2020	58,538	70,849	71,892	71,892				
2021	0	10,418	10,418					
2022	36,014	84,697						
2023	25,859							

Cumulative Projected Claims ('000)

Loss Year	Development Year 1 --> 2	2 --> 3	3 --> 4	4 --> 5	5 --> 6	6 --> 7	7 --> 8	8 --> 9
2016	1.5368	1.0771	1.0208	1.0000	1.0000	1.0002	1.0000	
2017	1.2686	2.4606	1.0000	1.0000	1.0000	1.0000		
2018	1.1654	1.2399	1.0098	1.0000	1.0000			
2019	1.0458	1.0033	1.1247	1.0000				
2020	1.2103	1.0147	1.0000					
2021	1.0000	1.0000						
2022	2.3518							
2023								

IALDF Devt Factors*	1.254	1.103	1.010	1.000	1.000	1.000	1.000
Cumulative DF	1.397	1.114	1.011	1.000	1.000	1.000	1.000

	2023	2022	2021	2020	2019	2018	2017
Premium ('000)	1,311,683	1,093,006	1,126,657	928,595	812,112	305,404	571,293
Est. Loss factor (1-1/(cumul DF)	28.44%	10.26%	1.04%	0.01%	0.01%	0.01%	0.00%
Ultimate claims ratio		35.73%					
Loss reserve (Attritional)		177,605	*=sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio*				
Loss reserve (Attritional) - Inflation Adjusted		186,944					

Large Claims

Loss Year	Exposure / Earned premium N'000	Total Paid Amounts N'000	Total Paid Amounts (Inf adj) N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	571,293	0	0	0	0.000000%	0	0	0	0	0
2018	305,404	0	0	0	0.000000%	0	0	0	0	0
2019	812,112	0	0	0	0.000000%	0	0	0	0	0
2020	928,595	0	0	0	0.000000%	0	0	0	0	0
2021	1,126,657	0	0	0	0.000000%	0	0	0	0	0
2022	1,093,006	0	0	0	0.000000%	0	0	0	0	0
2023	1,311,683	0	0	1	0.000076%	0	0	0	0	0

Large	0
Attritional	186,944
Total Gross Loss Reserve	**186,944**
Reported Outstanding Claim	58,168
Gross IBNR	**128,776**

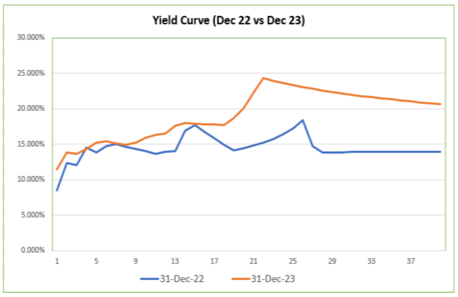
**This is the average of the 75% and 25% percentile of the LDFs, which excludes extreme values from the calculation.*

DISCOUNT RATES

The discount rates applied have been based on the yield curve at 31 December 2023, as published by the Nigerian Actuarial Society (NAS). The table and chart below present this, alongside the yield curve as at 31 December, 2022.

Term	Spot Rate (Annual) 31-Dec-22	31-Dec-23

(annual)	31-Dec-22	31-Dec-23
0		
1	8.4614%	11.5092%
2	12.3921%	13.7947%
3	12.0812%	13.6021%
4	14.5519%	14.3614%
5	13.8183%	15.2478%
6	14.7387%	15.3810%
7	15.0025%	15.1418%
8	14.6557%	14.9153%
9	14.3253%	15.2359%
10	14.0022%	15.8931%
11	13.6821%	16.3600%
12	13.8942%	16.5188%
13	14.0620%	17.5555%
14	16.9022%	17.9572%
15	17.7443%	17.8762%
16	16.7188%	17.8151%
17	15.7850%	17.7716%
18	14.9293%	17.7453%
19	14.1433%	18.6901%
20	14.4068%	20.0784%
21	14.7809%	22.2644%
22	15.2129%	24.2879%
23	15.7267%	23.9388%
24	16.3610%	23.6220%
25	17.1859%	23.3312%
26	18.3395%	23.0634%
27	14.7552%	22.8160%
28	13.8566%	22.5867%
29	13.8790%	22.3736%
30	13.8839%	22.1750%
31	13.8876%	21.9795%
32	13.8912%	21.7962%
33	13.8945%	21.6243%
34	13.8976%	21.4628%
35	13.9005%	21.3106%
36	13.9033%	21.1671%
37	13.9059%	21.0315%
38	13.9084%	20.9032%
39	13.9107%	20.7816%
40	13.9130%	20.6662%
…	…	…
120	13.9712%	17.7038%



CONSOLIDATED HALLMARK INSURANCE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st December 2023

a(ii) **Expected Loss Ratio Method:** This model was adopted because the volume of data available is too small to be relied upon when using a statistical approach. The reserve for oil & Gas, Bond, Aviation and Engineering was estimated based on this method. Under this method, we obtained the ultimate claims by assuming loss ratio. Paid claims already emerged is then allowed for from the estimated Ultimate claim.

b) **Sensitivity analysis:- LIC**
Sensitivity analysis attempts to estimate likely amount of reserves at rare/worst case scenarios. The estimated claim amounts can never be an exact forecast of future claim amounts and therefore looking at how these claim amounts vary could provide valuable information for business planning and risk appetite considerations. Results of sensitivity testing based on expected loss ratios are as follows, shown gross and net of reinsurance as impact on pre-tax income:

Sensitivity Analysis - LIC:		
	2023(M)	**2022(M)**
Insurance Revenue	14,816	11,048
Reinsurance cost	6,339	4,894
Gross Claim incurred	5,093	3,931
Claims ratio	**34%**	**36%**
5% increase in claims	5,348	4,128
Claims ratio	**36%**	**37%**
5% reduction in claims	4,839	3,735
Claims ratio	**33%**	**34%**
PBT	**4,122**	**1,461**
5% increase in claims	**(255)**	**(197)**
PBT	**3,868**	**1,265**
SHF	**12,138**	**9,454**
5% increase in claims	**(255)**	**(197)**
SHF	**11,883**	**9,257**

A 5% increase or decrease in general Liability for incured claims experience translates to less than 10% impact on the operating performance of the group. The possibility of a 5% decline in claims experience is considered a rare occurence.

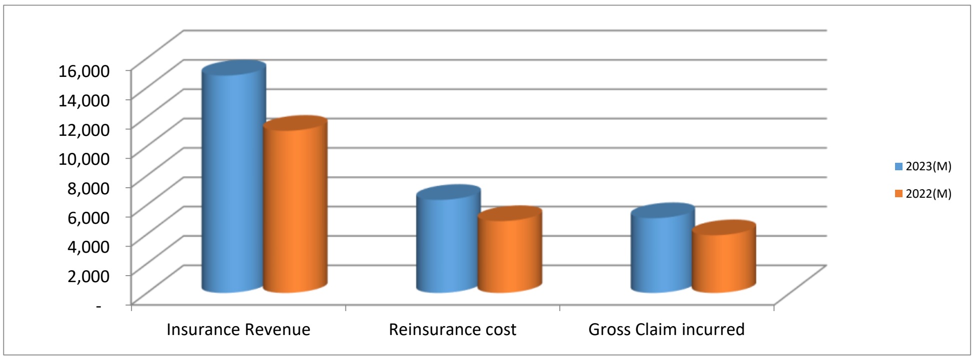
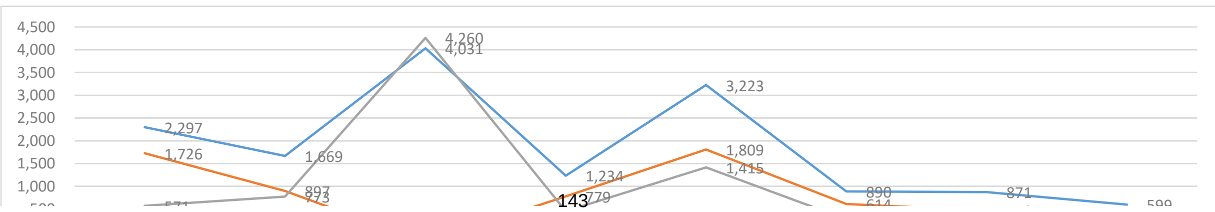


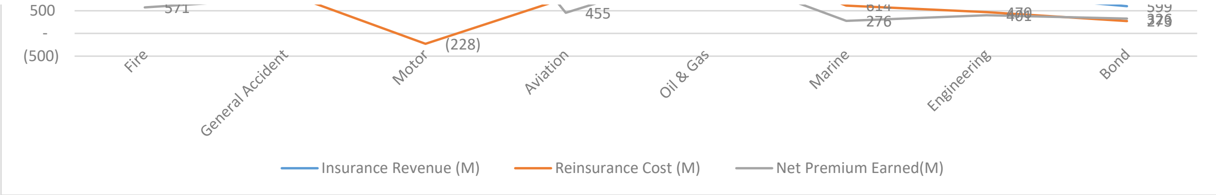
Figure 1 : Gross Premium earned vs Reinsurance Cost vs Gross Claim incured. (2023 & 2022)

c) ***Risk Concentration***
Management assesses risk concentration per class of business. The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the amount of gross and net premium earned before and after reinsurance respectively:

Year ended 31st December, 2023

Product	**Insurance Revenue (M)**	**Reinsurance Cost (M)**	**Net Premium Earned(M)**
Fire	2,297	1,726	571
General Accident	1,669	897	773
Motor	4,031	(228)	4,260
Aviation	1,234	779	455
Oil & Gas	3,223	1,809	1,415
Marine	890	614	276
Engineering	871	470	401
Bond	599	273	326
	14,816	6,339	**8,477**





. Figure 2 : Gross premium earned vs Reinsurance Cost per class . (2023)

Year ended 31st December, 2022

Product	Gross Premium Earned	Reinsurance Cost	Net Premium Earned
Fire	1,007	531	477
General Accident	1,211	595	616
Motor	2,135	21	2,115
Aviation	951	421	530
Oil & Gas	2,646	1,532	1,114
Marine	585	230	355
Engineering	604	285	319
Bond	203	78	125
	9,344	**3,692**	**5,652**

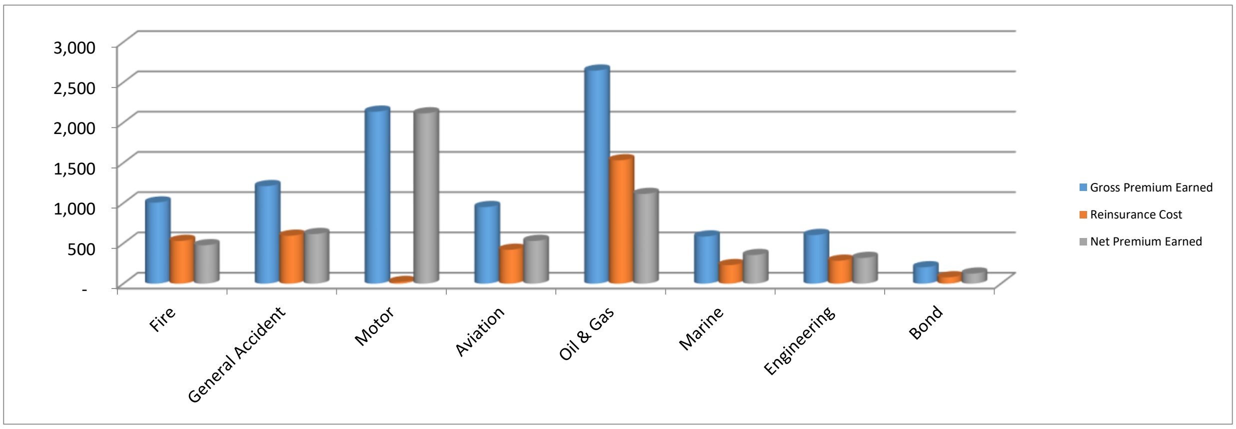
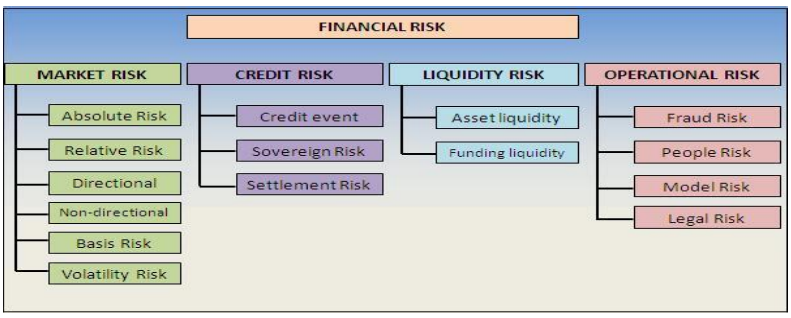


Figure 3 : Gross premium earned vs Reinsurance Cost per class. (2021)

d. Financial Risks Management (FRM)

Risk Classification: Most financial risk can be categorized as either systematic or non-systematic. **Systematic risk** affects an entire economy and all of the businesses within it; an example of systematic risk would be losses due to a recession. **Non-systematic risks** are those that vary between companies or industries; these risks can be avoided completely through careful planning. There are several types of systematic risk. Interest risk is the risk that changing interest rates will make your current investment's rate look unfavorable. Inflation risk is the risk that inflation will increase, making your current investment's return smaller in relation. Liquidity risk is associated with "tying up" your money in long-term assets that cannot be sold easily. There are also different types of non-systematic risk. Management risk is the risk that bad management decisions will hurt a company in which you're invested. Credit risk is the risk that a debt instrument issuer (such as a bond issuer) will default on their repayments to you. Consolidated Hallmark Insurance Plc is exposed to an array of risks through its operations. the Company has identified and categorized its exposure to these broad risks listed below: Market Risk, Credit Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Reputaional Risk, Foreign Currency Risk, Equity risk.

d(i) ***Financial risk*** is an umbrella term for multiple types of risk associated with financing, including financial transactions that include group loans in risk of default. Financial risk is one of the high-priority risk types for every business. Financial risk is caused due to market movements and market movements can include host of factors. Based on this, financial risk can be classified into various types such as Market Risk, Credit Risk, Liquidity Risk, Operational Risk and Legal Risk.The Group has exposure to the following risks and their management approach are disclosed in the accompanying explanatory notes:



d(ii) Operational risks

Operational risks are the risks of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations.

The Company's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including independent authorisation of transactions.
- requirements for the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements.
- documentation of controls and procedures.
- training and professional development.
- ethical and business standards.
- adequate insurance and reinsurance protection purchased

Reinsurance is placed with African Reinsurance Corporation, WAICA Reinsurance Corporation Plc and Continental Reinsurance Plc, these are Nigerian registered reinsurer. Management monitors the creditworthiness of the Reinsurers by reviewing their annual financial statements and through ongoing communications. Reinsurance treaties are reviewed annually by management prior to renewal of the reinsurance contract.

d(iii) Credit risks

Credit risk is the risk of financial loss to the Group if a debtor fails to make payments of interest and principal when due. The Group is exposed to this risk relating to its debt holdings in its investment portfolio and the reliance on reinsurers to make payment when certain loss conditions are met.

Sources of credit risk identified are Direct Default Risk that the Group will not receive the cash flows or assets to which it is entitled because a party with which the firm has a bilateral contract defaults on one or more obligations. Downgrade Risk that changes the possibility of future default by an obligor will adversely present value of the contract with the obligor today and Settlement risk arising from lag between the value and settlement dates of transactions. All these risks are closely monitored and measures are put in place to minimise the Groups exposure to them.

On insurance receivables, the Group has a credit control policy which is enforced by a credit control unit and which forms part of the underwriting process. In addition, the Maximum exposure to credit risk before collateral held or other credit enhancements:

	Group		Company	
Overall credit risk	**2023**	2022	**2023**	2022
Reinsurance contracts asset	**3,446,441,321**	3,552,376,954	**3,446,441,321**	3,552,376,954
Amortised cost	**12,101,224,594**	7,684,522,974	**9,722,241,174**	-
Trade receivables	**1,182,794,434**	831,493,560	**1,150,281,154**	773,060,783
Short-term funds treated as investment	**1,696,223,987**	605,016,570	**833,495,262**	618,734,570
Treasury bills	**-**	-	**-**	-
Equity investment	**2,483,265,165**	827,492,588	**2,450,528,764**	805,071,520
Cash and bank	**1,292,504,647**	1,156,318,788	**1,101,286,491**	658,845,402

The table below analyses end of the year values of the above exposures:

	Fair value as at 2023	Fair value as at 2022	**Fair value as at 2023**	Fair value as at 2022
Reinsurance contracts	**3,446,441,321**	3,552,376,954	**3,446,441,321**	3,552,376,954
Amortised cost	**12,101,224,594**	7,684,522,974	**9,722,241,174**	-
Trade receivables	**1,182,794,434**	831,493,560	**1,150,281,154**	773,060,783
Short-term funds treated as investment	**1,696,223,987**	605,016,570	**833,495,262**	618,734,570
Treasury bills	**-**	-	**-**	-
Equity investment	**2,483,265,165**	827,492,588	**2,450,528,764**	805,071,520
Cash and bank	**1,292,504,647**	1,156,318,788	**1,101,286,491**	658,845,402
	22,202,454,147	14,657,221,433	**18,704,274,166**	6,408,089,230

For credit risk purpose, the trade debtors are grouped into three categories:
Group A – the maximum trade credits allowed per participant under this group is N10m.
Group B – the maximum trade credits allowed per participant under this group is N7m.
Group C – the maximum trade credits allowed per participant under this group is N5m.
Past experience is used in grouping the debtors since most of the clients are not rated.
The profit before tax of the Group will be reduced by N389m if the overall credit is impaired by 5%

Loan issued to corporate / individuals				
Balance as at 31st December	**3,306,928,774**	2,622,061,024	**-**	5,188,038
Impairment on loans issued to corporate and individuals (Note 3.2.3b)	**(381,978,303)**	(328,482,467)	**-**	-
	2,924,950,471	2,293,578,557	**-**	5,188,038

Maximum exposure to credit risk before collateral held or other credit enhancements:

	Group		**Company**	
	2023	2022	**2023**	2022
	=N='000	=N='000	**=N='000**	=N='000
Neither past due nor impaired	14,080,226	9,141,153	11,776,171	1,337,170
Past due but not impaired	-	10,500	-	88,509
Impaired	381,978	328,482	-	-
Gross	14,462,204	9,480,135	11,776,171	1,425,679

Impairment allowance - collective	(723,110)	(474,007)	(588,809)	(71,284)
Net	13,739,094	9,006,129	11,187,362	1,354,395

Credit quality of financial assets per asset class-Group

31-Dec-22	**Cash and cash equivalents**	**Trade receivables**	**Amortised cost**
Neither past due nor impaired	**2,987,311,205**	**1,183,958,654**	**12,634,734,508**
Past due but not impaired		**-**	**-**
Impaired	**3,408,326**	**-**	**381,978,303**
Gross	**2,990,719,532**	**1,183,958,654**	**13,016,712,811**
Impairment allowance - collective	**(149,535,977)**	**(59,197,933)**	**(650,835,641)**
Net	**2,841,183,555**	**1,124,760,721**	**12,365,877,170**

Credit quality of financial assets per asset class-Group

31-Dec-21	Cash and cash equivalents	Trade receivables	Amortised cost
Neither past due nor impaired	2,857,075,239	601,620,155	4,554,896,468
Past due but not impaired		-	-
Impaired	98,688,515	-	201,525,275
Gross	2,955,763,754	601,620,155	4,756,421,743
Impairment allowance - collective	(147,788,188)	(30,081,008)	(237,821,087)
Net	2,807,975,566	571,539,147	4,518,600,656

Credit quality of financial assets per asset class-Company

31-Dec-22	**Cash and cash equivalents**	**Trade receivables**	**Amortised Cost**
Neither past due nor impaired	**1,933,950,945**	**1,150,281,154**	**10,216,581,667**
Past due but not impaired		**-**	**150,000,500**
Impaired		**-**	**-**
Gross	**1,933,950,945**	**1,150,281,154**	**10,366,582,167**
Impairment allowance - collective	**-**	**(57,514,058)**	**(518,329,108)**
Net	**1,933,950,945**	**1,092,767,096**	**9,848,253,059**

Credit quality of financial assets per asset class-Company

31-Dec-21	Cash and cash equivalents	Trade receivables	Amortised Cost
Neither past due nor impaired	2,044,305,295	543,897,328	3,229,518,948
Past due but not impaired		-	150,000,500
Impaired		-	-
Gross	2,044,305,295	543,897,328	3,379,519,448
Impairment allowance - collective	-	(27,194,866)	(168,975,972)
Net	2,044,305,295	516,702,462	3,210,543,476

(a) Financial assets neither past due nor impaired

The credit quality of the portfolio of insurance receivables and other loans and receivables, debt securities and other financial asset exposed to credit risk that were neither past due nor impaired can be assessed by reference to the capacity of the business to pay on written businesses. The Group does not rate any of its financial assets measured at amortised cost.

The assets above are analysed in the table below either using Standard & Poors or GCR rating agencies. Government securities are rated using soveregn rate.

Group	**A+**	**AA-**	**BBB-**	**Below BBB**	**Not rated**
31-Dec-22					
Cash and cash equivalents	**1,058,075,553**	**41,240,984**	**931,929,162**	**932,591,148**	**23,474,359**
Trade receivables					**1,183,958,654**
Amortised cost		**3,597,577,237**	**237,215,479**		**8,266,431,878**
Other assets		**-**			**417,677,138**
Reinsurance assets				**3,446,441,321**	**-**
Debt securities				**-**	
	1,058,075,553	**3,638,818,221**	**1,169,144,641**	**4,379,032,468**	**9,891,542,029**

Group	A+	A	BBB-	Below BBB	Not rated
31-Dec-21					
Cash and cash equivalents	833,298,552	761,604,573	931,929,162	306,768,594	23,474,359

Trade receivables					601,620,155
Loans and other receivables		2,217,065,778	282,437,371		1,683,959,375
Other assets		-			222,692,503
Reinsurance assets				3,410,440,180	-
Debt securities				-	
	833,298,552	2,978,670,351	1,214,366,533	3,717,208,774	2,531,746,392

Company	**A+**	**A**	**BBB-**	**Below BBB**	**Not rated**
31-Dec-22					
Cash and cash equivalents	**1,058,075,553**	**41,240,984**	**331,929,162**	**479,230,888**	**23,474,359**
Trade receivables					**1,150,281,154**
Amortised cost		**3,597,577,237**	**237,215,479**		**5,887,448,458**
Other assets		**-**			**644,340,993**
Reinsurance assets				**3,446,441,321**	**-**
Debt securities				**-**	
	1,058,075,553	**3,638,818,221**	**569,144,641**	**3,925,672,209**	**7,705,544,963**

Company	A+	A	BBB-	Below BBB	Not rated
31-Dec-21					
Cash and cash equivalents	833,298,552	761,604,573	331,929,162	93,998,649	23,474,359
Trade receivables					543,897,328
Loans and other receivables					2,832,142,512
Other assets		-			547,376,936
Reinsurance assets				3,410,440,180	-
Debt securities				-	
	833,298,552	761,604,573	331,929,162	3,504,438,829	3,946,891,135

(b) Age Analysis financial assets past due but not impaired

Group **31-Dec-22**	**< 90 days**	**91-180 days**	**181-270 days**	**271-365 days**	**Above 365days**
Trade receivables	**1,182,794,434**	**0**			
Total	**1,182,794,434**	**0**	**0**	**-**	**-**
Profile	**100%**	**0%**	**0%**	**0%**	**0%**

Group 31-Dec-21	< 90 days	91-180 days	181-270 days	271-365 days	1-2 yr
Trade receivables	606,706,217	-			
Total	606,706,217	-	-	-	-
Profile	101%	0%	0%	0%	0%

Company **31-Dec-22**	**< 90 days**	**91-180 days**	**181-270 days**	**271-365 days**	**Above 365days**
Trade receivables	**1,150,281,154**	**0**			
Total	**1,150,281,154**	**-**	**-**	**-**	**-**
Profile	**100%**	**0%**	**0%**	**0%**	**0%**

Company 31-Dec-21	< 90 days	91-180 days	181-270 days	271-365 days	1-2 yr
Trade receivables	543,897,328	-			
Total	543,897,328	-	-	-	-
Profile	100%	0%	0%	0%	0%

IMPAIRMENT MODEL

Premium debtors are measured at amortised cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. IAS 39 favours the use of the incurred loss model in estimating the impairment of its receivables. However, with the inception of IFRS 9, which became effective for annual periods beginning on/after 1 January 2018, the Expected Credit Losses (ECL) method of impairment calculation will be in force.

Based on NAICOM's "No Premium No Cover" guidelines which state that "all insurance covers shall be provided on a strict 'no premium no cover' basis", only cover for which payment has been received shall be booked. However, brokers have a 30 day period to make payments from the date of the credit notes.

After analysing this financial instrument based on NAICOM "No Premium No Cover" guidelines, a nil impairment standpoint was taken.

The impairment requirements of IFRS 9 apply to all debt instruments that are measured at amortised cost or FVOCI, and to off-balance sheet lending commitments such as loan commitments and financial guarantees (hereafter collectively referred to as financial assets). This contrast to the IAS 39 impairment model which was not applicable to loan commitments and financial guarantee contracts, as there were instead covered by International Accounting standards 37: "Provisions, contingent liabilities and contingent assets (IAS 37)".

The determination of impairment loss and allowance moves from the incurred credit loss model whereby credit losses are recognised when a defined loss event occurs under IAS 39, to expected credit loss model under IFRS 9, where provisions are recognised upon initial recognition of the financial asset based on expectation of potential credit losses at the time of initial recognition. Under IFRS 9, The Company first evaluates individually whether objective evidence of impairment exists for loans that are individually significant and then collectively assess the loan and other receivables that are not significant and those which are significant but for which there is no objective evidence of impairment available under the individual assessment

Expected Credit Loss Impairment Model

The Group's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group adopts a three-stage approach for impairment assesment based on changes in credit quality since initial recognition.

• Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

• Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

• Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

Impairment Methodology

Calculation of Expected Credit Losses

Calculation of the expected credit loss is based on the key risk parameters of PD, LGD and ED. The calculation of ECL incorporates forward-looking information in all the ECL components. This forward-looking information will impact the various ECL components as follows:

Probability of default – The PDs will vary during various stages of an economic cycle. It is based on the likelihood that a borrower will default within one year (PD), assessment of the creditworthiness of the counterparty and transformation of 1 Year horizon into lifetime of the asset.

Loss Given Default – Collateral values will vary based on the stage of an economic cycle.

Exposure at default – Change in interest rates may affect the EAD, e.g. higher interest rates may result in longer terms for loans causing a change in the EAD.

Loss Given Default

The Company applies historical experience to determine the expected loss given default ratios for each class of financial instruments. Where internal historical experience is not available, other sources, e.g. data available from rating companies as well as professional judgements are used to determine the LGD ratios that will apply. Collateral that is held against the financial assets is also considered in determining the LGD

The Company Management has resolved to use the recovery rates as published by Moodys credit analytics for all credit exposures to sovereign denominated in foreign currencies and all corporate exposures.

For sovereign exposures denominated in Naira which are assessed as low credit risk exposures, we have resolved to use LGDs within the rage of 5-10% based on the Central Banks of Nigeria's Revised Guidance Notes on Credit risk. Section 3.1 of the document addresses exposure to sovereigns and Central banks and states that financial institutions should assign a risk weight of 0% to the following:

Exposures to Federal Government of Nigeria (FGN) and Central Bank of Nigeria (CBN);

Instruments issued by other entities backed by express guarantee of the FGN;

Inter-bank transactions guaranteed by the FGN or CBN; and

Inter-bank transactions among supervised institutions collateralized by FGN Bonds, Treasury Bills or other similar sovereign bills.

Macroeconomic factors

The Group relies on a broad range of forward looking information as economic inputs, such as: GDP growth,unemployment rates, central bank base rates, crude oil prices,inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

Multiple forward-looking scenarios

The Group determines allowance for credit losses using probability-weighted forward looking scenarios. The Group considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI),International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Financial Markets Dealers Quotation (FMDQ) and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn are used in the estimation of the multiple scenario ECLs. The normal case' represents the most likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes.The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers specific quantitative and qualitative information about the issuer without consideration of collateral, and the impact of forward-looking macroeconomic factors.The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the issuer and the geographical region.

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the Group's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A backstop is typically used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cashflows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

(i) Significant financial difficulty of the borrower or issuer;

(ii) A breach of contract such as a default or past due event;

(iii) It is becoming probable that the issuer will enter bankruptcy or other financial reorganisation; or

(iv)The disappearance of an active market for a security because of financial difficulties.

(v)The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

An asset that has been renegotiated due to a deterioration in the issuer's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets:

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

Concentration of credit risk

Concentration risk (including geographical risk) includes identification of the concentration of risks insured by Consolidated Hallmark Insurance Plc utilize data analysis, software and market knowledge to determine the concentration of its risks by insurance class, geographic location, exposure to a client or business. The assessment of the concentration risk are consistent with the overall risk appetite as established by the Group.

Consolidated Hallmark Insurance Plc monitors concentration of credit risk by geographical and nature of business. An analysis of concentrations of credit risk for trade receivables are set out below:

(a) Geographical sectors

At 31 December	Group		Company	
	2022	2021	2022	2021
Lagos & Western region (Nigeria)	**183,040,500**	183,040,500	**454,367,890**	454,367,890
Eastern region (Nigeria)	**25,086,030**	31,050,230	**24,506,030**	23,879,028
Northern region (Nigeria)	**623,367,030**	393,597,586	**671,407,234**	65,650,410
Total	**831,493,560**	607,688,316	**1,150,281,154**	543,897,328

d(iv) Liquidity risks

Liquidity risk is the risk that the Group will not be able to meet all cash outflow obligations as they come due. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made. The Group does not have material liabilities that can be called unexpectedly at the demand of a lender or client. It has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claim payments are funded by current operating cash flow including investment income. Short-term investments include treasury bills, commercial paper and term deposits with an original maturity of less than one year. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

FINANCIAL ASSETS MATURITY PROFILE

The maturity profile Group's financial assets is as listed below:

	Group		Company	
Loans And Receivables				
	2022	2021	**2022**	2021
Analysis by Performance:				
Performing	**12,080,403,241**	947,576,589	**9,722,241,174**	211,045,461
Non - Performing	**381,978,303**	123,253,249	**-**	-
Total	**12,462,381,544**	1,070,829,838	**9,722,241,174**	211,045,461
Analysis by Maturity:				
0 - 30 days	**373,055,200**	50,258,181	**360,000,200**	103,313,181
1 - 3 months	**620,050,500**	101,227,169	**530,000,000**	11,176,669
3 - 6 months	**476,840,838**	150,333,246	**340,000,000**	13,492,409
6 - 12 months	**555,000,000**	327,585,740	**240,000,000**	12,585,740
Beyond 12 Months	**10,437,435,006**	441,425,503	**8,252,240,974**	70,477,463
Total	**12,462,381,544**	1,070,829,839	**9,722,241,174**	211,045,462

	Group		Company	
Fixed deposits with banks				
Analysis by maturity	**2022**	2021	**2022**	2021
0 - 30 days	**1,277,063,171**	837,274,946	**1,086,260,983**	253,328,670
30 - 90 days	**1,696,223,987**	2,418,414,019	**833,495,262**	2,003,757,758
Above 90 days	-	-	-	-
Grand Total	**2,973,287,157**	3,255,688,965	**1,919,756,245**	2,257,086,428

d(v) Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Group is exposed to this risk through its equity holdings within its investment portfolio. The Group's management of equity price risk is guided by Investment Quality and Limit Analysis, Stop Loss Limit Analysis and Stock to Total Loss Limit Analysis.

d(vi) Currency risks

Currency risks are the risks that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk (also known as exchange rate risk or currency risk) is a financial risk posed by an exposure to unanticipated changes in the exchange rate between two currencies. Investors and multinational businesses exporting or importing goods and services or making foreign investments throughout the global economy are faced with an exchange rate risk which can have severe financial consequences if not managed appropriately.

The Group's principal transactions are carried out in Naira and its financial assets are primarily denominated in the Naira and its exposure to foreign exchange risk is minimal.

d(vii) Business Risks

Business risk relates to the potential erosion of our market position or revenue shortfall compared to the cost base due to strategic and/or reputational reasons. The corporate governacnce structure of the group is effective. Each level of leadership has limits of authority and approval to ensure business decisions are properly considered, relevant risks exposures evaluated and necessary measures implemented to mitigate such risks.

The Group holds regular strategic sessions both at the Board, Management and Operational Unit basis to review the corporate and the unit strategies and ensure the group market share is effectively defended against competition.

d(viii) Reputational Risks

Reputational risk, often called reputation risk, is a type of risk related to the trustworthiness of business. Damage to a firm's reputation can result in lost revenue or destruction of shareholder value, even if the company is not found guilty of a crime. Reputational risk can be a matter of corporate trust, but serves also as a tool in crisis prevention. This type of risk can be informational in nature or even financial. Extreme cases may even lead to bankruptcy.

The composition of the Board and leadership of the group are made up of reputable and experienced practitioners. The group also holds it core values of Professionalism, Relationship, Integrity, Zeal and Excellence (PRIZE) which is regularly communicated to every member and compliance monitored on an ongoing basis.

CONSOLIDATED HALLMARK INSURANCE PLC

STATEMENT OF VALUE ADDED - COMPANY
For the year ended 31st December 2023

	2023 N	%	2022 N	%
Insurance Revenue	**14,815,865,738**		11,142,727,902	
Reinsurance, claims and Commissions & Others - local	**(9,493,574,142)**		(8,342,708,568)	
Reinsurance, claims and Commissions & Others - foreign	**-**		-	
Value added	**5,322,291,595**	**100**	2,800,019,334	100
Applied as follows:				
To pay employees				
Salaries, pension and welfare	**251,960,032**	**4**	570,018,832	43
To pay government				
Company income taxation	**759,953,357**	**14**	122,060,185	6
To pay providers of capital				
Shareholders as dividend	**325,200,100**	**6**	216,800,050	24
Retained for future maintenance of assets and future expansion of business				
Contingency reserve	**670,613,296**	**13**	300,721,425	20
Depreciation of property and equipment	**35,401,250**	**1**	100,318,021	7
Retained earnings for the year	**2,366,727,343**	**44**	124,633,863	(0)
Value added	**4,409,855,378**	**82**	1,434,552,376	100

Value added represents the wealth created by the Company during the reporting period. This statement shows the allocation of that wealth among employees, shareholders, government, and that retained for future creation of more wealth.

CONSOLIDATED HALLMARK INSURANCE PLC

STATEMENT OF VALUE ADDED - GROUP
For the year ended 31st December 2023

	2023		2022	
	N	%	N	%
Insurance Revenue	**15,710,848,992**		11,880,010,802	
Reinsurance, claims and Commissions & Others - local	**(9,099,918,336)**		(8,350,822,017)	
Reinsurance, claims and Commissions & Others - foreign	**-**		-	
Value added	**6,610,930,656**	**100**	3,529,188,785	100
Applied as follows:				
To pay employees				
Salaries, pension and welfare	**683,841,232**	**10**	847,930,814	46
To pay government				
Company income taxation	**882,704,996**	**13**	181,036,783	6
To pay providers of capital				
Shareholders as dividend	**325,200,100**	**5**	216,800,050	21
Retained for future maintenance of assets and future expansion of business:				
- Contingency & Statutory reserve	**730,337,909**	**11**	327,092,159	18
- Depreciation of fixed assets	**72,817,812**	**1**	118,196,881	6
'- Retained earnings for the year	**2,713,611,571**	**41**	246,745,807	3
Value added	**5,408,513,620**	**82**	1,937,802,494	100

Value added represents the wealth created by the Group during the reporting period. This statement shows the allocation of that wealth among employees, shareholders, government, and that retained for future creation of more wealth.

CONSOLIDATED HALLMARK INSURANCE PLC

FIVE YEAR FINANCIAL SUMMARY - GROUP
STATEMENT OF FINANCIAL POSITION

	31 December 2023 N	31 December 2022 N	31 December 2021 N	31 December 2020 N	31 December 2019 N
Assets					
Cash and cash equivalent	**2,985,320,307**	1,666,364,199	2,857,075,240	3,173,916,076	1,717,868,438
Financial assets:	**14,822,533,183**	8,644,183,149	5,290,556,582	4,428,386,704	4,197,638,009
Finance lease receivables	**115,832,776**	210,896,364	148,741,442	86,247,031	109,998,499
Trade receivables	**1,182,794,434**	831,493,560	601,620,155	607,688,316	293,747,996
Reinsurance contract assets	**3,446,441,321**	3,552,376,954	4,086,694,213	3,018,080,617	2,688,545,807
Deferred acquisition cost	**-**	-	-	355,066,148	360,563,251
Other receivables and prepayments	**478,478,481**	295,685,133	222,692,504	129,353,111	209,056,966
Intangible Assets	**49,681,219**	64,109,632	76,702,921	36,574,657	26,087,026
Investment properties	**1,474,449,524**	1,405,226,470	1,098,676,470	1,042,487,470	843,766,470
Deffered Tax	**-**	-	-		
Property and equipment	**1,279,747,102**	1,168,945,157	1,163,471,059	1,021,572,225	981,010,704
Right-of-Use of Assets (Leased Assets)	23,035,044	2,844,702	6,406,591	9,968,479	13,540,124
Statutory deposits	**320,000,000**	400,000,000	400,000,000	402,000,000	300,000,000
Total assets	**26,178,313,391**	18,242,125,320	15,952,637,177	14,311,340,834	11,741,823,290
Liabilities					
Insurance contract liabilities	**9,979,029,160**	6,927,748,770	5,828,566,433	5,208,233,152	4,105,083,759
Investment contract liabilities	**10,437,775**	13,723,775	17,660,923		
Trade payables	**330,749,570**	33,472,651	46,805,158	13,972,733	54,241,112
Borowing	**597,302,864**	680,107,895	55,800,013	5,013,052	10,448,536
Other payables and provision	**515,543,558**	324,165,837	274,735,366	221,056,870	384,049,650
Deposit for shares	**-**	-	-	-	-
Retirement benefit obligations	**15,709,020**	2,925,282	2,075,682	4,129,526	7,290,620
Current income tax liabilities	**1,554,577,043**	651,220,778	462,785,845	359,459,121	436,426,812
Deferred tax liabilities	**279,460,225**	253,908,071	259,663,907	177,878,284	130,587,188
Total liabilities	**13,282,809,214**	8,887,273,058	6,948,093,327	5,989,742,738	5,128,127,676
Equity & reserves					
Issued and paid up share capital	**5,420,000,000**	5,420,000,000	5,420,000,000	5,420,000,000	4,065,000,000
Share Premium	**168,933,834**	168,933,834	168,933,834	168,933,834	155,264,167
Contingency reserves	**3,473,337,958**	2,800,339,728	2,437,638,438	2,136,621,663	1,855,299,252
Fair Value Through OCI Reserve	**126,393,794**	39,180,406	30,615,727		
Statutory reserves	**133,136,812**	91,262,839	72,039,763	45,964,378	36,863,982
Requlatory risk reserve	**17,293,896**	1,828,189	1,354,214		
Revaluation reserve	**138,165,551**	128,676,506	115,793,288		
Retained earnings	**3,418,242,332**	704,630,761	758,168,587	550,078,221	501,268,212
Total equity	**12,895,504,177**	9,354,852,263	9,004,543,851	8,321,598,096	6,613,695,613
Total liabilities and equity & reserves	**26,178,313,391**	18,242,125,320	15,952,637,178	14,311,340,834	11,741,823,290

CONSOLIDATED HALLMARK INSURANCE PLC

FIVE YEAR FINANCIAL SUMMARY - GROUP
STATEMENT OF COMPREHENSIVE INCOME

	2023	2022
Insurance revenue	**15,710,848,992**	**11,880,010,802**
Insurance service expenses	**(12,099,491,055)**	**(8,963,514,992)**
Net expenses from reinsurance contracts h	**(3,727,209,643)**	**(2,745,106,417)**
Insurance service result	**(115,851,705)**	**171,389,393**
Interest revenue calculated using the effective interest method	**1,903,202,041**	**1,439,608,085**
Net fair value gains/(losses) on financial assets at fair value through profi or loss	**1,539,014,618**	**72,297,226**
Net fair value gains on derecognition of fonancial assets measured at fair value through other comprehensive income		
Net foreign exchange income/(expense)	**2,958,598,009**	**590,678,251**
Net credit impairment losses	**(26,849,335)**	**(197,713,788)**
Net change in investment contract liabilities		
Net investment income	**6,373,965,333**	**1,904,869,773**
Finance expenses from insurance contracts issued		
Finance income from reinsurance contracs issued		
Net insurance finance expenses		
Net insurance and investment result	**6,258,113,628**	**2,076,259,166**
Asset management services revenue		
Other finance costs		
Other expenses	**(1,692,470,183)**	**(1,159,454,003)**
Other income	**86,211,132**	**66,439,274**
Share of profit of associates and joint ventures accounted for using the equity method		
Profit before income tax	**4,651,854,576**	**983,244,436**
Tax expense	**(882,704,996)**	**(436,229,655)**
Profit for the year	**3,769,149,580**	**547,014,781**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net finance expenses from insurance contr	**96,702,433**	**21,394,404**
Net finance income from reinsurance contracts		
Income tax relating to these items		
Items that may not be reclassified subsequ	**3,865,852,013**	**568,409,185**
Changes in the fair value on equity instruments at fair value through other comprehensive income		
Profit attributable to Equity holders	**3,865,852,013**	**568,409,185**
Other comprehensive income for the year. Net of tax	**3,865,852,013**	**568,409,185**
Total comprehensive income for the year		
EPS	**35**	**5**

	31 December 2023 N	31 December 2022 N	31 December 2021 N	31 December 2020 N	31 December 2019 N
Gross premium written	**17,524,710,893**	12,826,865,218	9,775,797,397	8,691,234,590	6,864,879,525
Gross premium income	**14,865,820,629**	11,853,013,856	9,698,993,709	8,302,808,423	6,512,335,014
Reinsurance premium expenses	**(6,453,185,756)**	(4,899,470,920)	(3,691,859,703)	(3,357,536,001)	(2,239,421,340)
				-	-
Net premium income	**8,412,634,873**	6,953,542,936	6,007,134,005	4,945,272,421	4,272,913,674
Fee and commission income	**1,074,410,088**	714,526,206	493,373,753	519,638,029	356,385,052
				-	-
Net underwriting income	**9,487,044,961**	7,668,069,141	6,500,507,758	5,464,910,450	4,629,298,727
				-	-
Claims expenses	**(5,097,038,215)**	(4,468,789,653)	(4,173,175,310)	(3,448,090,659)	(4,787,135,023)
Claims recoveries from reinsurers	**1,649,813,219**	1,869,608,166	1,607,269,895	1,768,819,617	2,987,313,881
Claims incurred	**(3,447,224,996)**	(2,599,181,487)	(2,565,905,415)	(1,679,271,042)	(1,799,821,142)
				-	-
Underwriting expenses	**(3,838,788,027)**	(2,606,949,503)	(2,073,847,971)	(1,957,228,763)	(1,622,040,692)
				-	-
Underwriting profit	**2,201,031,938**	2,461,938,151	1,860,754,372	1,828,410,645	1,207,436,893
Investment income	**1,866,824,620**	1,377,674,302	940,350,767	1,080,354,125	939,953,832
Other operating income	**86,211,132**	657,121,706	91,162,556	29,560,781	25,923,716
Impairment charge	**(26,849,334)**	(200,333,486)	(45,399,531)	(147,122,129)	(11,745,127)
Net fair value gains/(loss) on financial assets at fair value through profit or loss	**4,497,612,627**	72,297,226	72,321,055	(11,848,771)	151,362,024
Management expenses	**(4,275,940,935)**	(2,866,164,717)	(2,146,624,937)	(2,067,880,186)	(1,778,493,631)
				-	-
Profit/(loss) before taxation	**4,348,890,048**	1,502,533,181	772,564,282	711,474,464	534,437,706
Income tax (expense)/credit	**(882,704,996)**	(411,719,745)	(94,581,467)	(111,159,875)	(127,726,964)
				-	-
Profit/(loss) after taxation	**3,466,185,052**	1,090,813,436	677,982,816	600,314,589	406,710,742
				-	-
Other comprehensive income net of tax	**-**	-	-	-	-
				-	-
Total comprehensive income/(loss) for the year	**3,466,185,052**	1,090,813,436	677,982,816	600,314,589	406,710,742
Profit/(loss) attributable to:				-	-
Equity holders of the parent	**3,466,185,052**	1,090,813,436	677,982,816	600,314,589	406,710,742
Non-controlling interest	**-**	-	-	-	-
				-	-
	3,466,185,052	1,090,813,436	677,982,816	600,314,589	406,710,742
				-	-
				-	-
Basic and diluted earnings/(loss) per share (kobo)	**34.77**	5.05	6.90	7.38	5.79
	-	-	-	-	-

CONSOLIDATED HALLMARK INSURANCE PLC

FIVE YEAR FINANCIAL SUMMARY

FINANCIAL SUMMARY - COMPANY

	2023	2022	2021	2020	2019
	N	N	**N**	**N**	**N**
Assets					
Cash and cash equivalent	**1,933,950,945**	1,183,948,834	2,044,305,295	2,175,313,539	1,062,065,613
Financial assets	**12,432,077,250**	6,325,958,061	3,926,828,203	3,683,146,676	3,632,940,136
Deposit for shares	**-**	-	-	-	-
Trade receivables	**1,150,281,154**	773,060,783	543,897,328	481,030,540	199,899,308
Reinsurance assets	**3,446,441,321**	3,552,376,954	4,086,694,213	3,018,080,617	2,688,545,807
Deferred acquisition cost	**-**	-	-	344,817,850	349,815,691
Other receivables and prepayments	**644,340,993**	652,618,272	547,376,936	388,249,870	313,691,585
Investment in subsidiaries	**1,594,225,000**	1,594,225,000	1,594,225,000	1,494,225,000	1,030,000,000
Intangible Assets	**14,767,281**	22,104,164	29,482,173	30,480,413	24,620,360
Investment properties	**1,271,781,524**	1,265,226,470	1,008,676,470	948,826,470	750,105,470
Property and equipment	**1,199,375,172**	1,088,248,164	1,089,355,653	963,585,844	939,322,976
Statutory deposits	**300,000,000**	300,000,000	300,000,000	300,000,000	300,000,000
Total assets	**23,987,240,641**	16,757,766,702	15,170,841,271	13,827,756,819	11,291,009,944
Liabilities					
Insurance contract liabilities	**9,701,037,803**	6,706,663,170	5,648,280,708	5,014,339,773	3,923,826,888
Trade payables	**330,749,570**	33,472,651	46,805,158	13,972,733	54,241,112
Other payables and provision	**224,024,963**	240,152,189	206,315,888	208,764,373	343,406,713
Deposit for share	**-**	-	-	-	-
Retirement benefit obligations	**13,677,328**	1,181,508	1,367,928	2,253,607	6,690,086
Current income tax liabilities	**1,316,060,787**	524,545,069	340,135,901	289,145,971	355,578,462
Deferred tax liabilities	**264,056,690**	239,442,368	247,979,804	173,040,130	125,749,035
Total liabilities	**11,849,607,141**	7,745,456,955	6,490,885,387	5,701,516,587	4,809,492,295
Equity & reserves					
Issued and paid share capital	**5,420,000,000**	5,420,000,000	5,420,000,000	5,420,000,000	4,065,000,000
Share Premium	**168,933,834**	168,933,834	168,933,834	168,933,834	155,264,167
Contingency reserves	**3,469,814,488**	2,799,201,192	2,437,343,087	2,136,621,663	1,855,299,252
Fair Value Through OCI Reserve	**127,131,418**	39,163,090	30,669,220		
Revaluation reserve	**138,165,551**	128,676,506	30,669,220		
Statutory reserves	**-**	-	-	-	-
Retained earnings	**2,813,588,208**	456,335,125	507,216,455	400,684,735	405,951,229
Shareholders' fund	**12,137,633,500**	9,012,309,747	8,594,831,816	8,126,240,232	6,481,514,648
Total liabilities and equity & reserves	**23,987,240,640**	16,757,766,702	15,170,841,271	13,827,756,819	11,291,006,943

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
December 31, 2023

	2023	2022
Insurance revenue	14,815,865,738	11,142,727,902
Insurance service expenses	(11,518,480,207)	(8,300,193,584)
Net expenses from reinsurance contracts	(3,710,381,308)	(2,741,454,939)
Insurance service result	(412,995,777)	101,079,379
Interest revenue calculated using the effective interest method	1,072,526,533	752,385,146
Net fair value gains/(losses) on financial assets at fair value through profi or loss	1,468,699,284	10,163,192
Net fair value gains on derecognition of fonancial assets measured at fair value through other comprehensive income		
Net foreign exchange income/(expense)	2,958,598,009	590,678,251
Net credit impairment losses	(11,838,371)	(20,066,075)
Net change in investment contract liabilities		
Net investment income	5,487,985,455	1,333,160,515
Finance expenses from insurance contracts issued		
Finance income from reinsurance contracs issued		
Net insurance finance expenses		
Net insurance and investment result	5,074,989,678	1,434,239,894
Asset management services revenue		
Other finance costs		
Other expenses	(967,086,841)	(500,371,852)
Other income	5,117,000	4,676,938
Share of profit of associates and joint ventures accounted for using the equity method		
Profit before income tax	4,113,019,837	938,544,979
Tax expense	(759,953,356)	(410,768,155)
Profit for the year	3,353,066,481	527,776,824
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net finance expenses from insurance con	97,457,373	21,377,088
Net finance income from reinsurance contracts		
Income tax relating to these items		
Items that may not be reclassified subseq	3,450,523,854	549,153,913
Changes in the fair value on equity instruments at fair value through other comprehensive income		
Profit attributable to Equity holders	3,450,523,854	549,153,913
Other comprehensive income for the year. Net of tax	3,450,523,854	549,153,913
Total comprehensive income for the year		
EPS	32	5

	2021	2020	2019
	N	N	**N**
Gross premium written	9,377,413,707	8,385,947,285	6,775,797,496
	-	-	-
Gross premium income	9,343,768,010	8,077,895,958	6,481,636,218
Reinsurance premium expenses	(3,691,859,703)	(3,357,536,001)	(2,239,421,340)
Net premium income	5,651,908,307	4,720,359,957	4,242,214,878
Fee and commission income	493,373,753	519,638,029	356,385,052
Net underwriting income	6,145,282,060	5,239,997,985	4,598,599,931
Claims expenses	(3,951,755,823)	(3,316,118,494)	(4,770,447,651)
Claims recoveries from reinsurers	1,607,269,895	1,768,819,617	2,987,313,881
Claims incurred	(2,344,485,928)	(1,547,298,877)	(1,783,133,770)
Underwriting expenses	(2,043,917,985)	(1,939,548,370)	(1,620,609,007)
Underwriting profit	1,756,878,147	1,753,150,739	1,194,857,154
Investment income	608,376,462	696,105,599	617,407,797
Other operating income	61,797,712	18,176,973	25,487,990
Impairment charge	-	(72,636,175)	-
Net fair value gains/(loss) on financial assets at fair value through profit or loss	73,530,975	(10,942,516)	151,362,024
Management expenses	(1,794,138,119)	(1,716,472,888)	(1,529,426,707)
Profit/(loss) before taxation	706,445,177	667,381,732	459,688,259
Income tax (expenses)/credit	(91,639,259)	(81,307,778)	(83,663,738)
Profit/(loss) after taxation	614,805,918	586,073,954	376,024,521
Other comprehensive income net of tax	-	-	-
Total comprehensive (loss)/income for the year	614,805,918	586,073,954	376,024,521
Profit/(loss) attributable to:			
Equity holders of the parent	614,805,918	586,073,954	376,024,521
Contingency reserve	(281,322,411)	(251,578,419)	(203,273,925)
	333,483,506	334,495,535	172,750,596
		-	-
Basic and diluted earnings/(loss) per share (kobo)	**10.25**	**9.77**	**6.27**

CONSOLIDATED HALLMARK INSURANCE PLC

APPENDIX 1
REVENUE ACCOUNT
For the year ended 31st December 2023

	Motor	Fire	Bond	Gen. Accident	Marine	Aviation	Oil & Gas	Engineering	2023 Total	2022 Total
	N	N	N	N	N	N	N	N	N	N
Income										
Direct premium	4,873,941,384	2,570,590,203	704,988,748	1,784,269,028	1,128,701,089	1,311,682,566	3,310,417,571	755,858,389	16,440,448,977	11,758,249,081
Inward reinsurance premium	63,520,957	2,037,005	-	10,852,167	16,025,406	-	82,795,086	14,048,042	189,278,662	303,687,738
										-
Gross written premium	4,937,462,341	2,572,627,207	704,988,748	1,795,121,195	1,144,726,495	1,311,682,566	3,393,212,657	769,906,431	16,629,727,640	12,061,936,819
(Increase)/decrease in unexpired premium reserve	(906,112,825)	(276,062,436)	(105,778,431)	(125,824,734)	(254,385,562)	(77,313,238)	(169,716,972)	101,332,292	(1,813,861,906)	(1,014,037,305)
Gross premium earned	4,031,349,516	2,296,564,772	599,210,316	1,669,296,461	890,340,933	1,234,369,328	3,223,495,685	871,238,723	14,815,865,733	11,047,899,513
Deduct:										
Outward reinsurance premiums	(350,330,610)	(1,221,026,977)	(292,417,623)	(892,290,486)	(644,446,939)	(701,523,167)	(1,526,148,669)	(379,732,380)	(6,007,916,851)	(4,986,931,692)
(Increase)/decrease in prepaid reinsurance	578,803,226	(505,000,598)	19,133,362	(4,396,411)	30,560,176	(77,810,955)	(282,481,643)	(90,197,094)	(331,389,936)	92,958,917
Reinsurance cost	228,472,617	(1,726,027,575)	(273,284,261)	(896,686,897)	(613,886,763)	(779,334,122)	(1,808,630,312)	(469,929,474)	(6,339,306,787)	(4,893,972,775)
Net premium earned	4,259,822,132	570,537,198	325,926,056	772,609,564	276,454,170	455,035,205	1,414,865,373	401,309,249	8,476,558,947	6,153,926,739
Commission received	10,913,339	391,413,813	87,725,287	245,188,700	218,472,653	-	-	120,696,295	1,074,410,088	756,315,554
(Increase)/decrease in unearned commission	-	-	-	-	-	-	-	-	-	(41,789,348)
Total Income	4,270,735,472	961,951,011	413,651,342	1,017,798,264	494,926,823	455,035,205	1,414,865,373	522,005,544	9,550,969,034	6,868,452,945
										-
Gross Claims Paid	(1,264,720,440)	(298,011,601)	(34,221,715)	(1,413,959,672)	(386,653,086)	(74,542,773)	(180,171,723)	(260,568,170)	(3,912,849,180)	(3,915,938,942)
(Increase)/decrease in outstanding claims provision	(174,196,012)	43,938,256	(8,753,363)	(475,031,707)	351,889,046	(91,383,711)	(810,625,576)	(16,349,661)	(1,180,512,728)	(15,439,435)
Gross claims incurred	(1,438,916,452)	(254,073,346)	(42,975,078)	(1,888,991,378)	(34,764,041)	(165,926,484)	(990,797,299)	(276,917,831)	(5,093,361,908)	(3,931,378,377)
Reinsurance claims recovery	14,387,750	736,906,755	-	400,621,304	169,250,161	-	-	185,996,155	1,507,162,125	2,082,996,900
(Increase)/decrease in reinsurance recoveries	(51,640,145)	(432,983,556)	(12,944,977)	657,151,501	(83,219,395)	55,133,386	30,116,365	(18,962,086)	142,651,094	(213,388,734)
										-
Net claims incurred	(1,476,168,848)	49,849,853	(55,920,055)	(831,218,573)	51,266,726	(110,793,099)	(960,680,933)	(109,883,762)	(3,443,548,689)	(2,061,770,211)
Acquisition expenses	(573,199,412)	(477,812,744)	(119,741,174)	(344,687,253)	(225,067,764)	(235,458,306)	(406,005,457)	(151,587,372)	(2,533,559,482)	(1,876,957,619)
(Increase)/decrease in commission expenses	-	-	-	-	-	(0)	-	-	(0)	166,438,693
Maintenance/operating expenses	(427,172,110)	(52,370,611)	(29,054,335)	(79,608,395)	(26,795,836)	(531,418,963)	(125,793,025)	(35,874,789)	(1,308,088,064)	(837,009,198)
Total expenses	(2,476,540,369)	(480,333,502)	(204,715,564)	(1,255,514,221)	(200,596,874)	(877,670,368)	(1,492,479,415)	(297,345,923)	(7,285,196,235)	(4,609,298,336)
										-
Underwriting profit/(loss)	1,794,195,103	481,617,509	208,935,778	(237,715,957)	294,329,949	(422,635,162)	(77,614,042)	224,659,620	2,265,772,799	2,259,154,609