AXA Mansard Insurance Plc and Subsidiary Companies

Annual Report
31 December 2023

Introduction

AXA Mansard Insurance is a Nigerian financial service group with interests in insurance, asset and investment management, health insurance and property development. AXA Mansard Group comprises AXA Mansard Insurance Plc. and three subsidiaries all operating in Nigeria.

AXA Mansard Insurance Plc's Financial Statements comply with the applicable legal requirements of the Companies and Allied Matters Act (CAMA), 2020 regarding financial statements and comprises Consolidated and Separate Financial Statements of the group for the year ended 31 December 2023. The consolidated and separate financial statements have been prepared in accordance with the IFRS Standards.

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AXA Mansard Insurance Plc and Subsidiary Companies

Business Review

Corporate information

Chairman	Mr. Kola Adesina	Chairman	Nigerian
Directors	Mr. Kunle Ahmed	Chief Executive Officer	Nigerian
	Mr. Tope Adeniyi	Non Executive Director	Nigerian
	Mrs. Rashidat Adebisi	Executive Director	Nigerian
	Ms. Melina Cotlar	Non Executive Director	British
	Mr. Mariano Caballero	Non Executive Director	French
	Ms. Latifa Said	Non Executive Director	Nigerian
	Chief Gbola Akinola	Non Executive Director	Nigerian
	Ms. Abiola Bada	Independent Director	Nigerian
Registered Office	Santa Clara Court Plot 1412, Ahmadu Bello Way Victoria Island Lagos www.axamansard.com		
Company Secretary	Mrs. Omowunmi Mabel Adewusi		
RC No.	133276		
FRC Reg. No.	FRC/2012/0000000000228		
Tax Identification No:	Non-Life: 24218181-0001 Life: 01429546-0001		
Auditors	KPMG Professional Services KPMG Tower Bishop Aboyade Cole Street, Victoria Island, Lagos Tel: (01) 2718955 www.kpmg.com/ng		
Bankers	Guaranty Trust Bank Plc Standard Chartered Bank Nigeria Limited First City Monument Bank Limited Stanbic IBTC Bank Plc Access Bank Plc Citibank Nigeria Limited Ecobank Nigeria Plc Fidelity Bank Plc Heritage Bank Limited Union Bank of Nigeria Plc United Bank of Africa Plc		
Re-insurers	African Reinsurance Corporation Continental Reinsurance Plc. Swiss Re Munich Reinsurance Company Limited		
Actuaries	Zamara Consulting Actuaries Nigeria Limited	Nikhil Dodhia	FRC No: FRC/2021/004/00000024023
	QED Actuaries & Cons. (Pty) Ltd	Nicolai von Rummell	FRC No: FRC/2018/NAS/00000018471
	AXA Mansard	Ganiu Shefiu	FRC No: FRC/2017/NAS00000017548
Valuers	Osas & Oseji Est. Surv. & Valuers	Osas & Oseji	FRC No: FRC/2012/000000000052
	Osas & Oseji Est. Surv. & Valuers	Hyacinth Oseji	FRC No: FRC/2019/004/000000/20162
Registrar	DataMax Registrars Limited		

Corporate Addresses

HEAD OFFICE & REGIONAL OFFICES

AXA Mansard Insurance Plc.
Santa Clara Court,
Plot 1412 Ahmadu Bello Way
Victoria Island
Lagos State
Tel: 0700-626-7273, 01-4485482
Email: insure@axamansard.com

ABUJA
Plot 1568 Muhammadu Buhari Way
Area 11,Garki, Abuja

PORT HARCOURT
Plot 12 Ezimgbu Link Road,
G.R.A. Phase IV
Port Harcourt
Rivers State, Nigeria.
Tel: (081) 13936051

AXA MANSARD WELCOME CENTRES

ALAUSA
The Heritage Place
199B Obafemi Awolowo Way
Alausa-Ikeja, Lagos.

BONNY ISLAND
First Floor, Omma Mall, Moore Jackson Street
Bonny, Rivers State

APAPA
12/14 wharf road Apapa
Lagos State

EPE
First floor, Oando Service Station
71/73 Lagos road
Epe

YABA
176, Herbert Macaulay,
Adekunle, Yaba, Lagos.

OPEBI
15/17 Opebi Road
Opebi, Ikeja, Lagos.

ABAKILIKI
Ebonyi Stadium Complex,
Abakiliki,
Ebonyi State

FESTAC
Olivia Mall, Suites B2 & B4
Plot 334, Rafiu Babatunde Tinubu Road
Amuwo-Odofin
Lagos State

ONIKAN
2 McCarthy Street, Onikan
Lagos State

OGBA
18 Ijaiye Road Ogba, Ikeja
Lagos State

IKOTA
Block K (Suites 4-6 & 15-17),
Road 5, Ikota Shopping Complex,
Ikota, Ajah, Lagos State.

NNEWI
First Floor, No 8 Oraifite Road,
Uruagu Nnewi
Anambra State

SURULERE
82 Adeniran Ogunsanya Street, Surulere
Lagos State

IBADAN I
Broking House,
1 Alh. Jimoh Odutola Road
Dugbe, Ibadan, Oyo State

IBADAN II
Diamond World House, Beside Sewa House,
Along Orita-Challenge Road, Ibadan

ABEOKUTA
Office No A002, Block A,
Providence Centre Shopping Mall & Offices
By NNPC Mega Station,, MKO Abiola Way
Abeokuta, Ogun State

ENUGU
Bethel Plaza (Suite A5),
Plot 6, Garden Avenue, Opp. Diamond Bank,
Enugu, Enugu State

KADUNA
3B Ribadu Road, Off Tafawa Balewa Way,
Doctor's Quarters - Ungwan Rimi GRA,
Kaduna State

LEKKI
5, Emma Abimbola Street
Viva Mall, Lekki Phase 1
Lagos State

BENIN
15 Sapele Road Benin City
Edo State

EBUTE METTA
Ground Florr, 87 Apapa Road
Ebute Metta
Lagos State

UYO
140 Olusegun Obasanjo Road
(Formerly Abak Road)
Akwa Ibom State

KANO
Ground Floor, Office No. 12A,
J.B.S Plaza, 375 Civic Centre,
Kano State

GBAGADA
First Floor, 32 Diya Street
Ifako Gbagada
Lagos State

ILORIN
30 Ibrahim Taiwo Road Ilorin
Kwara State

FADEYI
97, Ikorodu Road, Fadeyi
Lagos State

CALABAR
First Floor, Shop 8, Pearly Gate Plaza
Ndidem Usand Iso Road, Calabar
Cross River State.

IKEJA
Trinity Mall,
79/81 Obafemi Awolowo Way, Ikeja,
Lagos

Purpose, Mission & Values

Our purpose, vision and values outline who we are, what we want to achieve and how we want to achieve it. They provide direction for our Company and help ensure that we are all working towards the same goal.

Our Purpose

We act for human progress by protecting what matters.

Our Vision

To transform our value proposition "from payer to partner", we will deliver new services complementing the traditional insurance coverage and build models to increase the protection of our customers

Our corporate values

Our values are the foundation of our organization. They serve as our guide, inspiring our actions and our decisions. These values reflect our way of doing and thinking, for the benefit of our customers, shareholders, employees, business partners and in any community we operate in. The following core values drive everything we do at AXA Mansard Insurance Plc.

Customer first

Customer is our purpose. All our thinking starts with the customer. We consider the way they live today and tomorrow so that we continue to be relevant and impactful.

We are guided by strong moral principles, trusting our internal judgment to do the right thing for our customers, employees, stakeholders and partners.

Courage

We speak our mind and act to make things happen. We push the boundaries of what is possible and take bold actions to find new ways to be valuable.

One AXA

Being together and being different makes us better. We are stronger when collaborating and acting as one team.

Integrity

Integrity is our compass. We are guided by strong moral principles, trusting our internal judgment to do the right thing for our customers, employees, stakeholders and partners.

2023 CORPORATE SOCIAL RESONSIBILITY INITIATIVES

BACKGROUND

AXA Mansard's remains committed to positively impacting society through CSR initiatives. Our overall CSR strategy is focused on sustainability – our ability to exist and meet our present needs without compromising the ability of future generations to meet their own needs. Our CSR activities are anchored on our two (2) sustainably pillars – Climate Change and Biodiversity, and Inclusive Protection.

<u>COLLABORATIONS WITH NON-GOVERNMENTAL ORGANIZATIONS AND EMPLOYEE VOLUNTEERING</u>

WOMEN AT RISK INTERNATIONAL FOUNDATION

As part of 2023 AXA Week for Good activities, AXA Mansard collaborated with the Women At Risk Foundation (WARIF) to organize a two day training on 'Sexual and Gender Based Violence' in two (2) secondary schools - Lagos –Government Senior Secondary School, Maroko and Wahab Folawiyo Senior School , both in Ikoyi, Lagos. Additionally, we organized career talks for the students and our employees volunteered as facilitators for these sessions. A total of Two Hundred (200) secondary school girls benefitted from this initiative. We also organized an awareness walk for employees in Lagos, Abuja and Port Harcourt and a social media campaign to create awareness on the topic of 'Sexual and Gender Based Violence'.

PAD BANK AND LADIES TEA AFRICA

In collaboration with Pad bank NG and Ladies Tea Africa, we organized a sensitization session for secondary school girls on general and menstrual hygiene. We distributed hygiene items to Two Hundred (200) secondary school girls at Akande Dahunsi Memorial High School , Ikoyi, Lagos. The items include toothbrushes, toothpastes, deodorants and sanitary pads etc. Our employees volunteered to purchase, pack, and distribute these items.

SUPPORT FOR WOMEN

In celebration of 2023 International Women's Day, we organized a business pitch competition also in partnership with SME 100. The business pitch competition featured various business pitches from 28 women entrepreneurs. The winner – Nutriboom Nutrition (a brand of baby foods) went home with a business grant of One Million Naira (N1,000,000). The first and second runners up – Auto Girl and Spytrac Security also won consolation prizes of One Hundred Thousand Naira (N100,000) each. In addition, we organized a free 2-day Digital Marketing Training for young female business owners in partnership with SME 100 Africa. AXA Mansard employees volunteered as facilitators for the training sessions.

SUPPORT FOR SMALL AND MEDIUM ENTERPRISES

SME SHOWCASE INITIATIVE

In April 2023, AXA Mansard launched the SME showcase initiative via our social media platforms. Through this initiative, we invited small businesses to pitch their businesses via social media. The winner of the business pitch was selected via votes from our social media community and won a business grant of Two Hundred Thousand Naira (N200,000)

SPONSORSHIP OF FATE FOUNDATION

We collaborated with Fate Foundation – a non-governmental organization to sponsor training for Small and Medium Enterprises. The training was focused on capacity development and technological advancement for entrepreneurs.

<u>HEALTH INITIATIVES</u>

DONATION TO BREAST CANCER AWARENESS SCHOOL OUTREACH IN OCTOBER 2023

In the month of October 2023, AXA Mansard sponsored 'Wellness Africa Foundation' 's Breast Cancer Awareness Outreach in Secondary schools in Abeokuta. This conversation was geared around creating more awareness for breast cancer among young women and girls. Five schools in Abeokuta benefitted from this including – Asero High School, Nawairu-ud-Deen High School, Isabo, Lantoro High School, Lantoro, Abeokuta Girls Grammar School, Abeokuta and Baptist Girls College, Abeokuta.

Complaints and feedback

Introduction
At AXA Mansard Insurance Plc., customers are a vital part of our business. Our focus has been to deliver excellent customer service across our touch points and remain a thought leader in the industry. Bearing this in mind, we consider customers' feedback as valuable insights to enable us make better decisions, improve our business and the overall customer experience.

Complaints channels
Our goal is to be accessible whenever and wherever our customers need us and also drive engagement to foster mutual relationship. In view of this, we were available via the following multi-channel platforms to engage customers and address their requests:

1. AXA Mansard CCare and Complaint email channels,
2. AXA Mansard hotline,
3. AXA Mansard Website,
4. Correspondence from customers,
5. AXA Mansard Twitter handle, Google+, Instagram, Facebook channel and Live Chat Platform on the website

2023 Corporate social responsibility report
Customers can also pay a visit to any of our welcome centres nationwide to interact with our staff, make enquiries and provide feedback on our services. The addresses for these centres can be found on our website at https://corporate.axamansard.com/contact/#locations.

Resolution structure
We have adopted a standard process flow for complaint resolution within stipulated timelines, as well as steps to mitigate future occurrence, while taking advantage of opportunity for continuous innovation. For this purpose, we have two dedicated teams within our Customer Engagement function – the Contact Centre, which is responsible for both phone, email and online engagements, and the Branch Operations team that caters for those who prefer to physically visit any of our offices or welcome centres.

Our customer service agents within these teams liaise with other units within the company to ensure that all customers' complaints raised are satisfactorily resolved. The process flow for complaint resolution is as follows:

* The officer at the receiving point of a customer's complaint acknowledges and records the complaint.
* Complaint is reviewed and addressed at the first level (i.e. at the receiving point) and feedback is immediately provided to the custon
* If complaint requires a second level involvement, it is immediately forwarded to the team responsible for resolution and the customer is provided with updates on the progress of the resolution effort.
* Upon resolution, the customer is contacted, and the resolution is explained the customer.
* Thereafter, the complaint is closed, marked as resolved and logged for future review.

FEEDBACK PROCESS

We paid attention to various keep-in-touch activities aimed at gaining valuable insights on customers' perspectives of our products and services. This was geared towards enriching our customers' experience by the continuous improvement of our processes. Specifically, we gathered the customer feedback via the following channels:

* One-on-one conversations with select customers
* Focus group discussions with customers
* Surveys / questionnaires administered to customer
* Daily Keep-in-Touch call exercise

Consequent upon receipt of feedback, initiatives were set up internally and championed by the management team, with relevant units and groups within the business called upon to ensure that areas needing improvement were adequately addressed.

2023 Corporate social responsibility report
COMPLAINT ANALYSIS
Report of complaints received and resolved by the company between January - December 2023

Month	Number of Complaints received during the period	Number of complaints resolved	Number of complaints unresolved	Number of complaints unresolved within SLA
January	45	45	Nil	Nil
February	42	42	Nil	Nil
March	27	27	Nil	Nil
April	39	39	Nil	Nil
May	41	41	Nil	Nil
June	62	62	Nil	Nil
July	41	41	Nil	Nil
August	33	33	Nil	Nil
September	37	37	Nil	Nil
October	49	49	Nil	Nil
November	71	71	Nil	Nil
December	37	37	Nil	Nil
Total	**524**	**524**	**Nil**	**Nil**

Report of complaints received and resolved by the company between January - December 2022

Month	Number of Complaints received during the period	Number of complaints resolved	Number of complaints unresolved	Number of complaints unresolved within SLA
January	71	71	Nil	3
February	60	60	Nil	2
March	55	55	Nil	Nil
April	61	61	Nil	2
May	44	44	Nil	Nil
June	35	35	Nil	Nil
July	31	31	Nil	Nil
August	20	20	Nil	Nil
September	17	17	Nil	Nil
October	35	35	Nil	Nil
November	29	29	Nil	Nil
December	14	14	Nil	Nil
Total	**472**	**472**	**Nil**	**7**

We received a total of 524 (2022:472) complaints during the year and all of these duly resolved. As can be seen in the chart, through the year, we had an average number of complaints in some month, while we experienced spikes in certain months which spilled over into other months. The characteristics of these complaint trend as observed for each quarter and the actions taken are highlighted below.
In the first quarter of the year, we experienced cases where contributory payments made by customers were not immediately captured on their statements. Some of these delays were either a result of delayed payment remission or reversed payments by payment gateway company. Customers with multiple policies not opting for the specific policy ID but using customer numbers before proceeding with payment also contributed to the delays. Cases linked with payment gateway challenge were immediately escalated and sorted with the company while those associated with policy ID mis-matched were immediately reversed into their correct accounts. In reducing the number of complaints, customers were advised to leverage the online payment channel which offered immediate statement update along with others. These customers were closely managed and kept abreast of status until their concerns where sorted.

In quarter two, the complaint numbers were driven by customers inability to reach us for conventional requests during the downtime we had on our phone network. Our network provider experienced a major outage which affected our phone line which is a major touchpoint where we engage customers on various service and product requests. The downtime limited our regular outbound calls to customers. These calls provide real-time support to customers accessing our online services and attend to policy status requests. While the issue was being rectified, we were able to resolve the complaints by leveraging on other channels to attend to requests and enquiries.
In line with Nigerian Communications Commission (NCC) announcement regarding fixed-line numbering format, we updated our numbers this quarter to include the required prefix (02) to our Contact Centre landlines (020127773490 and 02014608420).
The third quarter reported fewer number of complaints this year. These complaints developed from customers who did not receive activation links while trying to add new accounts or reset passwords on their online profiles. These complaints came mostly from new users trying to sign up, who were unfamiliar with some website functionalities, hence requiring support. Complaints from existing were investigated and concluded to be due to network interruption at the time. Our customer service team promptly provided the necessary support.
In last quarter of the year, there was a drive to increase insurance uptake and self-service via our Transactional website. The online claims and liquidation straight-through processes were reviewed with an increase in payment threshold. Delays in the travel insurance online purchase process led to a significant number of complaints in the quarter. Here, customers that completed their purchases online, did not immediately receive the policy certificate in their registered email. Our customer service team managed these complaints, providing support and resolving all cases. To address this, a system maintenance was carried out and this successfully addressed the root cause allowing for immediate delivery of policy certificates.

SUSTAINABILITY REPORT

The Environmental and Social Management System- Our approach

As the foremost insurance company in Nigeria to pioneer and incorporate the environment and social facets of risk management, as an ancillary function to mainstream insurance risk underwriting, AXA Mansard remains passionate and dedicated to managing the potential Environmental & Social risks of our business and applying the appropriate standards in the review of our business operations and those of our clients, as well as in our relationship with the communities in which we operate.

Our Environmental and Social risk management framework constitutes an integral part of our robust corporate governance, social responsibility and enterprise risk management strategies. Our obligation to uphold environmental and social sustainability considers the occupational and community health, safety and security concerns of the businesses we underwrite and advocates social responsiveness amongst our clients in relation to these risks.

We are taking a more serious look at the environmental and social impacts and risks potentially associated with our business activities as we strive to retain our standards and the delicate balance between ensuring viable competitiveness and delivering on our corporate social responsibilities. This is evident in our constant improvement of the ESMS tools and processes we use to ensure that it continues to function efficiently and effectively, we put other identified E&S risk that emerge in the course of the year into consideration as well as ensure that changes in relevant environmental standards are reflected.

The management of E&S risks is governed by its Environmental & Social Management System (ESMS) framework- which consists of a policy, a set of procedures to identify, assess and manage environmental and social risks in our clients' operations and the assignment of administering such responsibility by the Enterprise Risk Management (ERM) unit.

In addition, through our Environmental & Social Management System processes, we evaluate our clients' current capabilities in managing identified environmental & social risks that could arise in the cause of their business operations and we offer advisory services and also assist in developing E&S framework as value- added service.

The management of E&S risks is governed by its Environmental & Social Management System (ESMS) framework-this is a policy, set of procedures to identify, assess and manage environmental and social risks in our clients' operations and the assignment of administering such responsibility to the Enterprise Risk Management (ERM) unit.

We are committed to assisting our clients develop environmental and social risk management frameworks as value-added service as this we believe is mutually beneficial to our clients and ourselves in relation to managing E&S risks as the success of our customers, clients and stakeholders guarantees future business, which strengthens our commercial sustainability.

Continuous awareness

A significant contribution we are making to socioeconomic development is in creating awareness by training and building the capacity of our employees in the subject of sustainability and enlightening our customers, clients and all other stakeholders. We seek to increase our clients' understanding of how E&S issues can impact their business, thereby reducing resistance to environmental and social risk managment requirements and developing strong partnership for sustainability.

Our commitment

We will remain focused and committed on Sustainable performance. This translates into taking measures to minimize harm in the communities we operate in, we would continually communicate our progress and create more awareness and promote such drives from other players in the industry.

It is our belief that for sustainability initiative to thrive within the Nigerian Insurance industry, a firm commitment by and robust collaboration with all industry stakeholders is necssary and we are committed to this.

AXA Mansard Insurance Plc and Subsidiary Companies

Corporate Governance

Corporate governance report

AXA Mansard Insurance Plc ("the Group") has consistently developed corporate policies and standards to encourage a good and transparent corporate governance framework to avoid potential conflicts of interest between all stakeholders whilst promoting ethical business practices. This is the foundation of our history, values, and culture as a Company for building and sustaining an endurable institution that guarantees profitability and professionalism whilst enhancing shareholders' value.

As a public quoted company, the Company strives to carry out its business operations on the principles of integrity and professionalism whilst enhancing shareholders' value through transparent conduct at all times with the adoption and application of local regulatory standards as well as international best practices in corporate governance, service delivery.

To ensure consistency in its practice of good corporate governance, the Company continuously reviews its practice to align with the various applicable Codes of Corporate Governance such as the SEC Code and the NAICOM Code with particular reference to compliance, disclosures, and structure. Furthermore, an annual board appraisal is conducted by an Independent Consultant appointed by the Company whose report is submitted to NAICOM and presented to shareholders at the Annual General Meeting of the Company in compliance with the recommendation of the NAICOM Code of Corporate Governance.

Governance structure

The Board

The governance of the Company resides with the Board of Directors who is accountable to shareholders for creating and delivering sustainable value through the effective management of the Company. The Board of Directors is responsible for the efficient operation of the Company and to ensure the Company fully discharges its legal, financial and regulatory responsibilities.

The Board also reviews corporate performance, monitors the implementation of corporate strategy and sets the Company's performance objectives. The Board monitors the effectiveness of its governance practices, manages potential conflict and provides general direction to Management. These oversight functions of the Board of Directors are exercised through its various Committees. The Board has four (4) Committees to ensure the proper management and direction of the Company via interactive dialogue.

The Board membership comprises ten (9) members, including the Chairman, who is a Non-Executive Director, one minority shareholder representative (NED), five (5) other Non-Executive Directors, one (1)Chief Executive Officer, one (1) Executive Director (Client Services and Technical), and one (1) Independent Non-Executive Director appointed based on the criteria laid down by NAICOM and the Nigerian Code of Corporate Governance for the appointment of Independent Non-Executive Director(s). The Independent Non-Executive Director has no significant shareholding interest or any special business relationship with the Company. The effectiveness of the Board derives from the appropriate balance and mix of skills and experience of Directors, both Executive and Non-Executive. The Company's Board is made up of seasoned professionals, who have excelled in their various professions and possess

Responsibilities of the Board

The Board determines the strategic objectives of the Company in delivering long-term growth and short-term goals. In fulfilling its primary responsibility, the Board is aware of the importance of achieving a balance between conformance to governance principles and economic performance.

The powers reserved for the Board include the following:

a) determination of Board structure, size and composition, including appointment and removal of Directors, succession planning for the Board and senior management and Board Committee membership;

b) approval of mergers and acquisitions, branch expansion and establishment of subsidiaries; approval of remuneration policy and packages of the Board

c) approval of policy documents on significant issues including Enterprise-wide Risk Management, Human Resources, Corporate governance and Anti – money laundering

d) approval of resolutions and corresponding documentation for shareholders in general meeting(s), shareholders circulars, prospectus and principal regulatory filings with the regulators.

e) approval of major changes to the Company's corporate structure (excluding internal reorganizations) and changes relating to the Company capital structure or its status as a public limited company

f) approval of quarterly, half-yearly and full year financial statements (whether audited or unaudited) and any significant change in accounting policies and/or practices

g) the determination and approval of the strategic objectives and policies of the Company to deliver long-term value;

h) approval of the Company's strategy, medium and short term plan and its annual operating and capital expenditure budget

Roles of key members of the Board

The positions of the Chairman of the Board and the Chief Executive Officer are separate and held by different persons. The Chairman and the Chief Executive Officer are not members of the same extended family.

The Chairman

The Chairman has the responsibility to lead and manage the Board to ensure that it operates effectively and fully discharges all its statutory responsibilities, whilst promoting effective relations and open communication within the boardroom.

The Chairman discharges his duties with prudence, integrity and professional skills at all times.

The Chief Executive Officer

The Chief Executive Officer is charged with supervisory role over the technical operations of the Company, which involves investment management, risk management, formulation of policies, and the implementation of operational decisions. The CEO is the first line of reference for issues to be discussed at the Board, and is charged with ensuring compliance with regulations and policies of both the Board and regulatory authorities.

The Independent Director

In line with the NAICOM code of corporate governance, the Board has an Independent Director who is responsible for the protection of shareholders' rights and interests in the Company. The Independent Director does not represent any particular shareholding interest, nor hold any business interest in the Company, to ensure his objective contributions to the Company's development.

Company's Secretary

The Company Secretary is a point of reference and support for all directors. It is the Company Secretary's responsibility to provide the directors with all requisite information promptly and regularly. The Board may, through the Company Secretary, obtain information from external sources, such as, consultants and other advisers, if there is a need for outside expertise, via the Company Secretary or directly.

The Company Secretary is responsible for assisting the Chairman and Chief Executive Officer in the formulation of an annual board plan, organization of board meetings, and ensuring that the minutes of board meetings clearly and properly capture the board's discussions and decisions.

Director nomination process

The Board agrees upon the criteria for the desired experience and competencies of new directors. The Board has power under the Articles of Association to appoint a director to fill a casual vacancy or as an additional director. The criteria for the desired experience and competencies of new Non-Executive Directors are agreed upon by the Board.

The balance and mix of appropriate skills and experience of Non-Executive Directors is taken into account when considering a proposed appointment. In reviewing the Board composition, the Board ensures a mix with representatives from different industry sectors.

The shareholding of an individual in the company is not considered a criterion for the nomination or appointment of a director. The appointment of directors is subject to the approval of NAICOM.

The following are considered critical in nominating a new director;

(i) Sterling reputation, and demonstrable adherence to the highest personal moral and ethical standards
(ii) Professionalism
(iii) Independence, objectivity and dedication
(iv) Impeccable corporate governance record
(iv) Ability to add value to the Organization

Induction and continuous training of Board members

On appointment to the Board, all directors receive a formal induction tailored to meet their individual requirements. The new directors are oriented about the Company and its operations through the Company Secretary via the provision of the Company's Articles of Association, relevant statutory books and regulations and adequate information on the operations.

The directors are also given a mandate and terms of reference to aid in performance of their functions. Management further strives to acquaint the new directors with the operations of the Company via trainings/seminars to the extent desired by new directors to enable them function in their position.

The training and education of directors on issues pertaining to their oversight functions is a continuous process, in order to update their knowledge and skills and keep them informed of new developments in the insurance industry and operating environment.

Changes on the Board

At the last Annual General Meeting held on Friday, 28th July 2023, the appointment of Mr.Kola Adesina, Ms. Melina Cotlar, Mr. Mariano Caballero, and Chief Gbola Akinola was presented and approved by the shareholders, having obtained requisite regulatory approvals for the new directors. Mr Hassan El-Shabrawishi, a non-executive director of the company notified the Board of his resignation effective 1st November 2023.

Mr. Kola Adesina

Mr. Kola Adesina has over two decades of experience in sales and is currently the Group Managing Director of Sahara Power Group. He is a consummate entrepreneur with experience that traverses academia, insurance, finance, energy, trade, and diplomacy. He started his career in the insurance industry, selling insurance to businesses across different sectors in Nigeria. He was also a member of the Presidential Committee on the Accelerated Expansion of the Electricity Infrastructure in Nigeria, which culminated in the unbundling of PHCN successor companies.

Mr. Akingbola Akinola

Mr. Akingbola Akinola was called to the Nigerian Bar in 1987 and admitted to practice as a solicitor and barrister of the Supreme Court of Nigeria. He is an experienced arbitrator and practicing lawyer with considerable experience in corporate and commercial law and a highly skilled advocate with extensive commercial legal advisory experience. He was appointed a Notary Public in May 1998, admitted as an Associate of the Chartered Institute of Arbitrators in November 1999 and became a Fellow of the Chartered Institute of Arbitrators in January 2000. He is proposed as a Shareholder Representative director on the Board.

Mr. Mariano Caballero

Mr. Mariano Caballero has over two decades of experience with a background in strategy and finance in the insurance industry. He is currently the Strategic Development Officer for AXA Africa. Before he joined AXA in 2011, he had 10 years of experience in Ernst & Young and Mazars providing assurance and advisory services for the life insurance industry in Spain and UK. He is a member of the Spanish Institute of Accountants and a member of the Spanish Institute of Actuaries.

Mr. Mariano Caballero

Ms. Melina Cortlar is an experienced Actuarial Scientist and Risk Manager who started her career as a Research Assistant with FIEL in 2004. She has worked with various organizations including PwC, where she worked for 6 years and 10 months and left as a Manager at the Actuarial & Risk Management Team. While with PwC, Melina oversaw the Management of PwC's Risk Management departments, both in Argentina and Israel.

She trained as an Actuarial Scientist with the University of Buenos Aires, in addition to a special Financial Risk Management at the University of Ariel in Israel and had training in Management at the University of San Andres.

She is currently a member of the Board of Directors of AXA no Brasil and the President of the Board of Directors of AXA Regional Services.

Non-Executive Directors (NEDs) Remuneration

The company's policy on remuneration of Non-Executive directors is guided by the provisions of the NAICOM and SEC Codes which stipulate that the remuneration for Executive Directors' should be limited to Directors' fees and reimbursable travel and hotel expenses. Director's fees and sitting allowance was paid to only Non-Executive Directors as recommended by the Board Governance, Remuneration, and Establishment & General Purpose Committee.

Board Meetings

The Board of Directors' meetings are held every quarter, or as the need arises, to consider the Company's financial statements for the period or to review management accounts for the quarter. At the meetings, the directors also consider the reports and minutes of Board committees, and any other reports pertaining to issues within the scope of the Board's responsibilities.

The Board met four (4) times during the period ended December 31, 2023.

Name of Director	Composition	Meetings attended	16-Feb-23	11-May-23	28-Jul-23	16-Nov-23
Mr Kola Adesina**	Chairman	2	N/A	N/A	X	X
Mr. Kunle Ahmed	Non Executive Director	4	X	X	X	X
Ms Abiola Bada	Independent Director	4	X	X	X	X
Ms. Melina Cotlar**	Non Executive Director	3	N/A	X	X	X
Mr. Tope Adeniyi	Non Executive Director	4	X	X	X	X
Mrs. Rashidat Adebisi	Executive Director	4	X	X	X	X
Mr. Mariano Caballero**	Non Executive Director	2	N/A	N/A	X	X
Ms Latifa Said	Non Executive Director	3	X	X	0	X
Mr Thomas Hude ***	Non Executive Director	0	N/A	N/A	N/A	N/A
Mr Hassan El Shabrawishi*	Non Executive Director	1	X	N/A	N/A	N/A
Chief Gbola Akinola**	Non Executive Director	2	N/A	N/A	X	X

** Resigned from the Board effective from 14th July 2023*
*** Attendance as a member of the Board commenced following regulatory and shareholder approval*
**** Resigned from the Board effective from 16 February 2023*

X - Present
O - Absent
N/A - Not applicable

Board Committees

The Board carries out its responsibilities through its Committees, which have clearly defined terms of reference, setting out their roles, responsibilities, functions and scope of authority. The Board has four (4) Committees, namely:

a) Statutory Audit Committee,
b) Board Investment & Finance Committee,
c) Board Risk Management and Technical Committee and
d) Board Governance, Remuneration, Establishment & General Purpose Committee.

Through these Committees, the Board is able to more effectively deal with complex and specialized issues and to fully utilize its expertise to formulate strategies for the Company. The Committees make recommendations to the Board, which retains responsibility for final decision making.

All Committees in the exercise of their powers as delegated conform to the regulations laid down by the Board, with well-defined terms of reference contained in the charter of each Committee. The Committees render reports to the Board at the Board's quarterly meetings.

A summary of the roles, responsibilities, composition and frequency of meetings of each of the Committees are as stated hereunder:

(i) Statutory Audit Committee

Auditing is vital to ensuring that accounting norms for insurance businesses are effectively applied and maintained and to monitor the quality of internal control procedures; ensure compliance with all regulatory directives. The Committee shall be responsible for the review of the integrity of the data and information provided in the Audit and/or Financial Reports.

The Committee shall provide oversight functions with regard to both the company's financial statements and its internal control and risk management functions. The Committee shall ensure compliance with legal and other regulatory requirements, assessment of qualifications and independence of external auditor; and performance of the company's internal audit function as well as that of external auditors.

The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its functions and responsibilities. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

The Committee is made up of the following members:

1. Ms Abiola Bada	Independent Non-Executive Director	– Chairman
2. Mr Thomas Hude***	Non-Executive Director	– Member
3. Mr. Olusegun Adeusi*	Shareholder's Representative	– Member
4. Mrs. Asari Etuk**	Shareholder's Representative	– Member
5. Alh. Sadiq Bello**	Shareholder's Representative	– Member
6. Mrs Adebisi Bakare**	Shareholder's Representative	– Member

**Not re-elected at the Annual General Meeting held on 28th July 2023*
*** Elected at the Annual General Meeting held on 28th July 2023*
**** Resigned from the Board effective from 16 February 2023*

The Committee met four (4) times during the year under review:

Name	Composition	Meetings attended	14-Feb-23	20-Apr-23	20-Jul-23	26-Oct-23
1. Ms Abiola Bada	Chairman	4	X	X	X	X
2. Mr Thomas Hude***	Shareholder Representative	2	X	X	N/A	N/A
3. Mr. Olusegun Adeusi*	Shareholder Representative	2	N/A	N/A	X	X
4. Mrs. Asari Etuk**	Shareholder Representative	2	N/A	N/A	X	X
5. Alh. Sadiq Bello	Non-Executive Director	2	X	O	X	O
6. Mrs Adebisi Bakare	Shareholder Representative	4	X	X	X	X

**Not re-elected at the Annual General Meeting held on 28th July 2023*
*** Elected at the Annual General Meeting held on 28th July 2023*
**** Resigned from the Board effective from 16 February 2023*

X - Present
O - Absent
N/A - Not applicable

(ii) Board Investment and Finance Committee

The Committee has supervisory functions over investment and other finance-related issues such as capital & funding requirements.

The responsibilities of the Committee include the consideration and approval of all investments above management limit, the review and approval of the investment manual on a periodic basis and, in particular the financial implications of new and major investment strategies/initiatives.

The Committee is made up of the following members:

1. Mr. Mariano Caballero*	Non Executive Director	Chairman
2. Mr. Tope Adeniyi	Non Executive Director	Member
3. Mr. Kunle Ahmed	Chief Executive Officer	Member
4. Mrs Rashidat Adebisi	Executive Director (Technical/Client Services)	Member
5. Mr. Thomas Hude***	Non Executive Director	Member

**Elected as member of the Committee following regulatory and shareholder approval.*
**** Resigned from the Board effective from 16 February 2023*

The Committee met four (4) times during the year under review:

Name	Composition	Meetings attended	27-Mar-23	9-May-23	26-Jul-23	14-Nov-23
Mr. Mariano Caballero*	Chairman	2	N/A	N/A	X	X
Mr. Thomas Hude***	Member	NIL	N/A	N/A	N/A	N/A
Mrs Rashidat Adebisi	Member	4	X	X	X	X
Mr. Tope Adeniyi	Member	4	X	X	X	X
Mr. Kunle Ahmed	Member	4	X	X	X	X

**Elected as member of the Committee following regulatory and shareholder approval.*
**** Resigned from the Board effective from 16 February 2023*

X - Present
O - Absent
N/A - Not applicable

(iii) Board Risk Management and Technical Committee

The Board Risk Management and Technical Committee has supervisory functions over risk management, the risk profile, the enterprise-wide risk management framework, underwriting functions of the Company and the risk-reward strategy as determined by the Board.

The Committee is responsible for overseeing management's process for the identification of significant risks across the Company, and the adequacy of prevention, detection and reporting mechanisms. The Committee is also charged with the review of large underwritten risks in order to verify the adequacy of the reinsurance cover.

The Committee is made up of the following members:

1. Ms. Melina Cotlar*	Non-Executive Director	Chairman
2. Mr. Mariano Caballero*	Non-Executive Director	Member
3. Mr. Kunle Ahmed	Chief Executive Officer	Member
4. Mrs. Rashidat Adebisi	Executive Director (Technical / Client Services)	Member

*Elected as member of the Committee following regulatory and shareholder approval.

The Committee met four (4) times during the period under review:

Name	Composition	Meetings attended	24-Mar-23	10-May-22	25-Jul-22	24-Oct-22
Ms. Melina Cotlar*	Chairman	3	N/A	X	X	X
Mr. Kunle Ahmed	Member	4	X	X	X	X
Mr. Mariano Caballero*	Member	2	N/A	N/A	X	X
Mrs. Rashidat Adebisi	Member	4	X	X	X	X

**Elected as member of the Committee following regulatory and shareholder approval.*

X - Present
N/A - Not applicable

(iv) Board Governance, Remuneration, Establishment and General Purpose Committee

The Committee is responsible for establishing the criteria for board and board committee memberships, appointments to executive management and review of candidates' qualifications, and any potential conflicts of interest. In addition, the Committee is responsible for assessing the contribution of current directors in connection with their re-nomination and making recommendations to the Board.

The Committee ensures that a succession policy and plan exists for the positions of chairman, CEO/MD, the executive directors, and senior management.

The Committee is made up of the following members:

1. Ms Abiola Bada	Independent Non-Executive Director	Chairman
2. Chief Gbola Akinola	Non-Executive Director	Member
3. Mr Thomas Hude***	Non-Executive Director	Member
4. Ms. Latifa Said	Non-Executive Director	Member

The Committee met once during the period under review:

Name	Composition	Meetings attended	15-Feb-23	10-May-23	25-Jul-23	14-Nov-23
Ms Abiola Bada	Chairman	4	X	X	X	X
Mr Thomas Hude**	Member	0	N/A	N/A	N/A	N/A
Chief Gbola Akinola (SAN)*	Member	2	N/A	N/A	X	X
Ms Latifa Said	Member	3	X	X	O	X

**Elected as member of the Committee following regulatory and shareholder approval.*
*** Resigned from the Board effective from 16 February 2023*

X - Present
O - Absent
N/A - Not applicable

Annual Board Appraisal

The Code of Corporate Governance for insurance institutions recognizes that a good corporate governance framework must be anchored on an effective and accountable Board of Directors whose performance is assessed periodically. The annual appraisal would be conducted at the end of the financial year, as well as the Company's compliance status with the provisions of NAICOM.

Shareholders

The Company recognizes the rights of its shareholders and other stakeholders, and is driven to deliver desired value to these shareholders and stakeholders. The shareholders are provided with detailed information on the Company's activities and financial results via the annual accounts. They are also provided with the opportunity to make enquiries, obtain information, share ideas, and express their concerns and opinions on all issues. These are communicated to Management and the Board and, on a broader scale, at the Annual General Meeting of the Company.

Protection of Shareholders' Rights

The Board ensures the protection of the statutory and general rights of shareholders at all times, particularly their right to attend and vote at general meetings. All shareholders are treated equally, regardless of volume of shareholding or social status.

Communication policy

It is the responsibility of the executive management under the direction of the Board, to ensure that the Board receives adequate information on a timely basis, about the Company's businesses and operations at appropriate intervals and in an appropriate manner, to enable the Board to carry out its responsibilities.
Furthermore, the Board and management of the Company ensures that communication and dissemination of information regarding the operations and management of the company to shareholders, stakeholders and the general public is timely, accurate and continuous, to give a balanced and fair view of the Company's financial and non-financial matters. Such information, which is in plain language, readable and understandable, is available on the Company's website, *www.axamansard.com.*

The website also has an Investors Relations portal where the company's annual reports and other relevant information about the company is published and made accessible to its shareholders, stakeholders and the general public.

Corporate governance report

In order to reach its overall goal on information dissemination, the Company is guided by the following Principles, legislation and codes of corporate governance of the jurisdictions within which it operates. These include the Insurance Act, the NAICOM Operational Guidelines, the Companies and Allied Matters Act (CAMA) and the codes of Corporate Governance issued by NAICOM and SEC.
The principles that guide the Company's information dissemination include the following;

· Efficiency: The Company uses modern communication technologies in a timely manner to convey its messages to its target groups. The Company responds without unnecessary delay to information requests by the media and the public

· Transparency: The Company strives in its communication to be as transparent and open as possible while taking into account the concept of confidentiality between the Company and its customers, and company secretary. This contributes to maintaining a high level of accountability

· Clarity: The Company aims at clarity, i.e. to send uniform and clear messages on key issues

· Cultural awareness: The Company operates in a multicultural environment and accordingly recognizes the need to be sensitive to the cultural peculiarities of its operating environmentultural awareness: The Company operates in a multicultural environment and accordingly recognizes the need to be sensitive to the cultural peculiarities of its operating environment

· Feedback: The Company actively and regularly seeks feedback on its image and communication activities both from the media as well as from its key target groups. This feedback is used in future activities.

Independent advice
The Board of Directors are at their own discretion and at the Company's expense required to seek Independent professional advice when required to enable a Member of the Board effectively perform certain responsibilities.

Insider trading and price sensitive information
The Company is clear in its prohibition of insider trading by its Board, management, Officers and related persons who are privy to confidential price sensitive information. Such persons are further prohibited from trading in the Company's securities where such transactions would amount to insider trading.

Directors, insiders and related parties are prohibited from disposing, selling, buying or transferring their shares in the Company for a period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.

Securities Trading Policy
The Company adopted and implemented a Securities Trading Policy which is applicable to all Directors and Employees. The policy has been circulated to all Directors and employees and can be found on the Company's Website, *www.axamansard.com*

Management committees
The Company has 4 Committees which comprises of management staff.

The Management Committee (MC) is the Committee set up to identify and make recommendations on strategies that will aid the long term objectives of the Company. The IT Steering committee (IT Steerco) provises advice and guidance on proposed technology initiatives for the Company that embodies the overall objectives of the company. Audit, Risk and Complaince Committee (ARCC) is a committee Committee tasked with the purpose of reviewing all material risks faced by the Company and ensuring alignment amongst AXA Mansard control functions and Management on transversal topics. Whilst the Management Underwriting and Investment Committee (MUIC) was initiated to analyze the risks the Company is underwriting at any given period.

The MUIC also ensures that risk investment limits as contained in the Board Investment and Finance manual are complied with at all times. They provide inputs from the Board Committee and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. Both Committees meet frequently as necessary to immediately take action and decisions within the confines of their powers.

The Secretary to the Committees is the Company Secretary.

Monitoring compliance with corporate governance

i) Chief Compliance Officer

The Chief Compliance Officer monitors compliance with money laundering requirements and the implementation of the Corporate Governance Code of the Company. The Chief Compliance Officer together with the Chief Executive Officer certifies each year to NAICOM/SEC that they are not aware of any other violation of the Corporate Governance Code, other than as disclosed during the course of the year.

ii) Whistle blowing procedures

In line with the Group's commitment to instill the best corporate governance practices, a whistle blowing procedure was established that ensures anonymity on any reported incidence(s). The Group has a dedicated e-mail address for whistle-blowing procedures.

Code of professional conduct for employees

The Group has an internal Code of Professional Conduct, which all members of staff are expected to subscribe to upon assumption of duties. Staff is also required to reaffirm their commitment to the Code annually. All members of staff are expected to strive to maintain the highest standards of ethical conduct and integrity in all aspects of their professional life as contained in the Code of Professional Conduct which prescribes the common ethical standards, culture and policies of the Group relating to employee values.

Complaints Management Policy

In accordance with the rules and regulations of The Securities & Exchange Commission, the Company adopted and implemented a Complaints Management Policy which is a platform that addresses complaints arising out of issues that are covered under the Investments and Securities Act, 2007 (ISA) by the Company's shareholders.

The Complaints Management policy was designed to handle and resolve complaints from all shareholders of the Company. The policy was endorsed by the Company's senior management, who would also be responsible for its implementation and monitoring of compliance.

A copy of the Complaints Management Policy shall be made available for inspection to shareholders of the Company at the Annual General Meeting of the Company. The policy can found on the Company's Website, *www.axamansard.com* .

Internal management structure

The Group operates an internal management structure where all officers are accountable for duties and responsibilities attached to their respective offices and there are clearly defined and acceptable lines of authority and responsibility.

An annual appraisal of the duties assigned and dedicated to each person is done by the first quarter of the preceding year.

Share capital history

As at 31 December 2023, the Company's Issued capital was N18,000,000,000 divided into 9,000,000,000 Ordinary shares of N2.00k each. The initial share capital upon incorporation and subsequent changes therein are as follows:

Date	Authorized (no. of shares)	Cumulative (no. of shares)	Issued (N) Increase	Cumulative (N)
1989	-	34,300,000	-	17,150,000
1998	6,346,000	40,646,000	3,173,000	20,323,000
1999	5,978,000	46,624,000	2,989,000	23,312,000
2000	706,000	47,330,000	353,000	23,665,000
2002	152,798,000	200,128,000	76,399,000	100,064,000
2004	799,872,000	1,000,000,000	399,936,000	500,000,000
2006	4,746,440,954	5,746,440,954	2,373,220,477	2,873,220,477
2006	3,938,744,509	9,685,185,463	1,969,372,254	4,842,592,731
2007	314,814,537	10,000,000,000	157,407,269	5,000,000,000
*2007	(5,000,000,000)	5,000,000,000	(2,500,000,000)	2,500,000,000
2008	3,750,000,000	8,750,000,000	1,875,000,000	4,375,000,000
2009	1,250,000,000	10,000,000,000	625,000,000	5,000,000,000
2010	-	10,000,000,000	-	5,000,000,000
2011	-	10,000,000,000	-	5,000,000,000
2012	-	10,000,000,000	-	5,000,000,000
2013	500,000,000	10,500,000,000	-	5,000,000,000
2014	-	10,500,000,000	250,000,000	5,250,000,000
2015	-	10,500,000,000	-	5,250,000,000
2016	-	10,500,000,000	-	5,250,000,000
2017	-	10,500,000,000	-	5,250,000,000
2018	-	10,000,000,000	-	5,250,000,000
2019	-	10,500,000,000	-	5,250,000,000
**2020	25,500,000,000	36,000,000,000	12,750,000,000	18,000,000,000
2021	-	18,000,000,000	-	9,000,000,000
2022	-	18,000,000,000	-	9,000,000,000
2023	-	18,000,000,000	-	9,000,000,000

*The Company's issued and fully paid share capital was reconstructed by a special resolution of the Board at its meeting on the 18th of October, 2007, to achieve a reduction of 50% with the result that the issued and fully paid share capital will stand at N2,500,000,000 divided into 5,000,000,000 Ordinary shares at 50k each with the surplus nominal value arising from the reconstruction being transferred to the Company's capital reserve account. The reconstruction was sanctioned by the Federal High Court of Nigeria, Lagos on 31st October 2007 and registered by the Corporate Affairs Commission on the 18th of December 2007.

**Pursuant to an Extra Ordinary General Meeting held on the 7th of December 2020, a resolution was passed to increase the Share Capital of the Company from N5,250,000,000 to N18,000,000,000 and accordingly and an increase in shares outstanding from 10.5 billion to 36.0 billion shares. Following this, the company received shareholder and regulatory approval to effect a redenomination of the nominal value of its shares from N0.50 to N2.00. This redenomination reconstructs the shares outstanding from 36.0bn shares to 18.0bn shares without altering the shareholding structure of the company.

Disclosure: Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) AXA Mansard Insurance Plc maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement.

Risk Management

Our Guiding Principles

We have incorporated an approach aimed at creating and maximizing sustainable /superior value to our stakeholders that strategically balances the risk and reward in our business.

AXA Mansard's Risk philosophy is guided by the following principles:

- The Company will not take any action that will compromise its integrity. It shall identify, measure, manage, control and report as practical as possible all risks.
- The Company will at all times comply with all government regulations and uphold corporate standards in accordance with international best practice.
- The Company will institute a sustainable risk culture enterprise-wide.
- The Company will only accept risks within its risk acceptance criteria and have commensurate returns and continually review its activities to determine inherent risks level and adopt appropriate risk response to residual risk levels at all times.
- The Company continually reviews its activities to determine inherent risks level and adopt appropriate risk response at all times.
- The Company will make decisions based on resilient analysis of the implications of such risk to its strategic goals and operating environment.

Risk Management Framework

Our risk management framework was fashioned to uphold a resilient risk management culture and integrate risk considerations into management and decision-making processes, through a risk governance structure across the entire enterprise.

We operate and maintain the 'three lines of defense model' for the oversight and management of risk to create and promote a culture that emphasizes effective management and adherence to operating controls as illustrated below:

1st line – Risk Owners

The Board, management and line managers: 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 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.

2nd line – Risk Control

The Company's risk management function provides oversight and independent reporting to executive management, implements the Group's risks management policy in the business units, approve risk specific mandates and provide an independent overview of the effectiveness of risk management by the first line of defense. Other internal stakeholders in the role include our legal services, Compliance and Quality Assurance (AML/CFT policy, Data Privacy Policy, Sanctions Policy, Anti – Bribery & Corruption Policy and Cross Border Policy), Financial Control, Internal Financial Control, Internal Control and Security.

3rd line – Risk assurance

The last line of defense comprise of the internal audit function that provides independent and objective assurance of the effectiveness of the Group's systems of internal control established by the first and second lines of defense in management of enterprise risks across the organization.

Risk Management

The remit of setting the organization's risk appetite and approving the strategy for managing risk and organization's system of internal control in the overall directly lies with the Board of Directors. The implementation of this principal function is carried out via its Board Committees as enumerated below:

COMMITTEES	FUNCTIONS
Statutory Audit Committee	- Oversight of financial reporting and accounting - Oversight of the external auditor - Oversight of regulatory compliance - Monitoring the internal control process - Oversight of risk management activities
Board Risk Management and Technical Committee	- Assist in the oversight of the review and approval of the companies risk management policies including risk appetite and risk strategy. - Review the adequacy and effectiveness of risk management and controls - Oversee management's process for the identification of significant risks across the company and the adequacy of prevention, detection and reporting mechanisms - Review of the company's compliance level with applicable laws and regulatory requirements that may impact the company's risk profile - Review changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile - Review large underwritten risks for adequacy of reinsurance and other risk management - Review and recommend for approval of the Board risk management procedures and controls for new products and services
Board Investment and Finance Committee	- Reviews and approves the company's investment policy - Approves investments over and above managements' approval limit - Ensures that optimum risk return is achieved through asset and liability matching
Board Governance, Remuneration, Establishment and General Purpose Committee	- Establish the criteria for board and board committee memberships - Appoint executive management and review of candidates' qualifications, and any potential conflicts of interest - Assess the contribution of current directors in connection with their re-nomination and make recommendations to the Board

Integration of Risk Management Functions: Our Approach

The Risk Management function of the company is primarily responsible for coordinating the Group's cross functional response to risks.

Other functions include:

a) Drive an enterprise wide process to aggregate risk exposures, produce risk reports and institute mitigation strategies;

b) Utilize risk control to ensure risk guidelines and policies approved by the board are adhered to;

c) Champion the growth of risk culture and awareness ; and

d) Lead an enterprise wide risk dialogue by instigating risk discussions in a variety of fora.

The Risk Managment Committee (RMC) of the Company provides recommendation to the Board Risk Management and Technical Committee on risk issues for the latter to assess and possibly approve in accordance with the company's objectives of aligning risk appetite and strategy.

The Board Risk Management and Technical Committee approves the Company's risk appetite annually on the basis of robust assessment of risks that incorporates the prudent decision making of risk and reward trade-offs. The Board is also responsible for evaluating strategic alternatives, setting related objectives, and developing mechanisms to manage related risks establishing, documenting, and enforcing all policies that involve risk. The Chief Risk Officer (a member of this Committee) is responsible for implementing these strategies.

The role of the Chief Risk Officer (CRO) includes informing the Board as well as the Management Committee about the risk profile of the Company and also communicate the views of the Board and Senior Management to the entire Company.

Risk Management

Risk appetite

The Group recognizes that its continual sustainability initiative is largely contingent upon brand protection and enhancement of stakeholder value. Our ethos therefore mandates that the Group is averse to risks that essentially erode corporate value.
The Group's risk appetite is primarily characterized by a clear risk strategy, monitoring and reporting procedure that provides the foundation to identify potential deviations from our risk tolerances in a timely manner across the enterprise, which is underpinned by our top-down risk management approach.

The Risk Management policies and procedures instituted are strategically aimed at managing potential, inherent and residual risk categories inherent in our operations.
The Board recognizes that the practice of risk management is critical to the achievement of corporate objectives and has actively encouraged a risk culture that embraces innovation and opportunity, primed risk-taking and acceptance of risk as inherent in all our activities, whilst reducing barriers to successful implementation.

Our structured approach to managing risks is evident in the integration of the risk management function; which is charged with the responsibility of undertaking risk-based audit on all business units using outputs of the annual company-wide risk assessment to guide its annual audit program. A quarterly assessment exercise is conducted by this unit and a rated score expressed in percentage is applied to measure the level of compliance.

Risk categorization

The Group is exposed to a myriad of risks in the conduct of its business some of which are Insurance Risks, Financial (Market, Credit, Liquidity) Risk, Operational Risk, Reputational Risk, Emerging Risks, Environmental & Social Risk amongst others including Business continuity and Crisis management.

Insurance Risk

This is the main risk occuring from our underwriting. The risk in any insurance contract is the possibility that the event insured against occurs, resulting in a claim.This risk is very random and unforeseeable. The fundamental risks the Group faces under its insurance contracts are:
- reserving risk: underestimation/overestimation of the provision (reserves) for insurance liabilities which would lead to:
    - Deviations in Budget (expected income)
    - Undervaluation of overall premium (too competitive and then making losses on policies)/Loss of competitiveness for good risks
    - Risk Appetite limits based on misleading KPI's
- pricing risk: This occurs if the frequency or severity of claims and benefits are greater than estimated. Insurance events are random hence; the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques. and amount of claims and benefits will vary from year to year from the level established using statistical.
- Underwriting risks: this could happen if:
    - the launch of new products or the product re-pricing/restyling don't respect an appropriate governance and decision -making process weighing Risk, Profitability, Legal, Marketing, Compliance and Regulatory aspects.
    - businesses are underwritten without the validation of the necessary levels of authorizations and without sufficient technical appreciation of the risks (size, geolocation, etc.).

Insurance risks covers 2 main businesses namely: Non life business and Life business.

Risk Management

Underwriting risk

Underwriting risks relates to risks that premiums charged are inadequate to cover the claims the company is legally obliged to pay. Furthermore, it is essential that those premiums match to the return on the company's capital. Underwriting risk may either arise from an inaccurate assessment of the risks entailed in writing an insurance policy, or from factors wholly out of the underwriter's control.

Underwriting risks form an integral part of our business. While we recognize that it is not practicable to eliminate all risks underwritten completely, we continually strive to leverage on managing this type of risks as a mitigation strategy because we believe that the continual profitability of our underwriting competencies, is a reflection of strategies employed in risk decision making which is in conformity with our risk appetite.

Underwriting risks may arise through the following ways:

- Inadequate premium pricing vis a vis the risk insured against;
- Inappropriate reinsurance arrangements;
- Inadequate claims reserves- the number of claims that occur may be higher than expected claims.
- Moral hazard of policyholders which may result in adverse claims experience.

Non life business

These include the non-life contracts namely; Aviation, Oil & Gas (Energy), Engineering, Fire, General Accident, Motor, Marine Cargo & Hull.

a) Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The most significant are the increasing level of reimbursment for the damages suffered as a result of road accidents, the rising levels of inflation and its corresponding effect on claims cost. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling and investigations. Underwriting limits are in place to enforce appropriate risk selection criteria.The reinsurance arrangements include treaty and excess of loss coverage, it helps to mitigate the Group's risk of total net insurance losses, increases our underwriting capacity,reduces our exposures to catastrophic risk and gives us an opportunity of benefit from the reinsurers' expertise.

b) Sources of uncertainty in the estimation of future claim payments

Claims on non-life insurance contracts are payable on a claims-occurrence basis. The Group 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 adopted. The reserves held for these contracts comprises a provision for Incured but not Reported (IBNR), a provision for reported claims not yet paid and a provision for unearned premiums at the end of the reporting period. Other applicable additonal reserves have also been held for prudence.

c) Process used to decide on assumptions

Depending on the volume of data in the reserving classes, the appropriate methodologies were used. Two methods were used for the projection of claims. The Basic Chain Ladder Method (BCL) and a Loss ratio method, adjusted for assumed experience to date. In more recent years and where the claim development seems slower than in the past, the Bornheutter – Ferguson Method was used based on expected loss ratios. Claims data was grouped into triangles by accident year, half-year or quarter and payment year, half-year or quarter. The choice between quarters, half-years or years was based on the volume of data in each segment. Payment development patterns were used instead of the reporting year patterns to allow for the longer tail development that would be seen in payment/settlement delays as well as to allow for the movement of partial payments in the data.

Risk Management

Basic Chain Ladder method (BCL)

Development factors were calculated using the last 3 to 12 years' of data by accident period. Ultimate development factors are calculated for each of the permutations and judgment is applied in the selection of these factors. Ultimate development factors are applied to the paid data per accident period and an ultimate claim amount is calculated. The future claims (the ultimate claim amount less paid claims to date) are allocated to future payment periods in line with the development patterns calculated above. The outstanding claims reported to date are then subtracted from the total future claims to give the resulting IBNR figure per period.

For cases where there were extreme large losses that had been reported but not paid, and therefore would not have influenced the development patterns, the total case reserves were excluded from the calculation for IBNR.

I.e. IBNR = Ultimate claim amount (excl. extreme large losses)
minus paid claims to date (excl. extreme large losses)
minus claims outstanding (excl. extreme large losses)

Loss Ratio method

Where there was limited data, a BCL method was therefore inappropriate. We allowed for expected experience to date and the average assumed ultimate loss ratio in carrying out the calculation.

The IBNR is then calculated as:

Expected average ultimate annual loss ratio
Multiplied by earned premium for the past 12 months
Minus experience to date over the past 12 accident months

An estimate of the average ultimate loss ratio needed to be assumed. We based the loss ratios off of experience that has been seen to date in previous accident years.

Life & Savings

This includes the Group Life, Annuities, Credit Life and Individual Life policies

(a) Frequency and severity of claims

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are terminal diseases or widespread changes in lifestyle, such as eating, smoking and exercise habits as well as adverse changes in the socio-political climate resulting in earlier or more claims than ideally expected. For contracts where survival is the insured risk, the most significant risk management factors are continued improvement in medical science, human behaviour and social conditions that would increase

(b) Sources of uncertainty in the estimation of future benefits payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for life insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract-holder behavior. The Group uses appropriate and acceptable base tables of standard mortality according to the type of contract being written.

(c) Valuation methods

Our management team establishes structures, reporting lines and appropriate authorities and responsibilities in the pursuit of the company's strategic objectives. The internal audit function reports on development and performance of internal control to the Board Audit Committee on a quarterly basis which demonstrates Board oversight and independence of management.

Annuities will be reserved for using a discounted cash flow approach. Here reserves are set equal to the present value of future annuity payments plus expenses, with allowance being made for any guaranteed periods as required.

Risk Management

Reinsurance Agreements

Reinsurance is allowed for in the valuation by having gross and reinsurance ceded records in the policy files. For IFRS compliance purposes all reserves were reported gross of reinsurance, with the value of the reinsurance asset calculated and reported separately.

Market Risk

This is the risk that the value of financial instrument in general will change due to movements in market factors. Such movements may be occasioned by market factors (volatilities) that are directly related to an individual investment and/or systemic risks.

The four (4) risk exposures to Market risks arise through the following:

• Interest rate risk: the potential risk that the value of fixed income assets will plummet owing to movements in market interest rates.

• Equity price risk: represents the potential risk of loss in our investment in stocks, occasioned by volatility in prices

• Foreign exchange risk: potential risk of loss of an asset value held in foreign currency due to adverse changes in currency exchange properties.

Credit risk

This risk arises from the default of a counterparty to fulfill its contractual obligation.

Three (3) notable areas of exposure to credit risks include:

1) *Direct Default Risk:* is the risk of exposure a company may experience due to non-payment of investment receipts or cash flow on assets at an agreed time by an obligor following a contractual agreement to do so. This type of risk could also arise from failure of registered Insurance Broker's to remit premiums to the company after the permissible thirty days (30) grace period, as mandated by

2) *Downgrade Risk:* risk that changes in the possibility of a future default by an obligor will adversely affect the present value of the contract with the obligor today.

3) *Settlement Risk:* risk arising from the lag between the value and settlement dates of securities' transactions.

Liquidity risk

The characteristic nature of our business requires adequate cash flow to meet our contractual obligations in the event of claim settlement. This is the risk of loss arising due to insufficient liquid assets to meet cash flow requirements or to fulfill its financial obligation once claims crystallize. Our exposure to liquidity risk comprises of:

1) *Funding (Cash-flow) Liquidity Risk* : These risks arise from investment-linked products especially in circumstances where there are liquidity constraints to meet financial obligations to customers.

2) *Market (Asset) Liquidity Risk* : risk of loss which is occasioned by the incapacity to sell assets at or near their carrying value at the time needed.

Operational risk

This is risk of loss resulting from inadequate or failed processes, people (human factors) and systems or from external events.

Health and Safety Management

A Health and Safety Management system has been institutionalized to provide and maintain safe and healthy working environment and conditions for all staff. This responsibility also extends to visitors, contractors and others who may potentially be affected by our activities or present within our business premises .The Health and Safety Policy framework underpins the policy statements, roles and responsibilities of HSE officer, First Aid services, Safety Marshalls/Deputies and emergency procedures, etc.

Reputational risk

The risk that an event will negatively influence stakeholders' perception or threaten to violate public trust in our brand. We firmly appreciate that Stakeholders are crucial to the success of our business and we are committed to continually conduct our business in an affirmative manner that facilitates building sustainable relationships with our stakeholders.

Risk Management

Reputational Risk Management

The Group recognizes that in extreme cases, *black swan* events could result in significant reputational damage. It is to this end, that the Group maintains a top-down approach to managing its potential and actual corporate culture and values against untoward events that may erode its brand value. Our reputation management objectives are two-fold; to proactively manage and reactively protect and leverages on a strong internal stakeholders collaboration between Legal, Compliance and Quality Assurance, Risk Management and Brand Management & Corporate Communications.

Operational Resilience:
The Operational Resilience Framework covers Business Continuity Management (BCM), Crisis Management (CM) and IT Service Continuity Management (ITSCM) frameworks.
The Business Continuity Framework has been designed to ensure continous availability of processess and delivery of products and services at acceptable predefined levels in the event of a disaster or disruption to critical operations.
The Crisis Management Plan (CMP) ensures that AXA Mansard has the capacity to prepare for, anticipate, respond to and recover from crisis as a result of a serious incident that immediately prevents, or threatens the continuity of business operations and the delivery of our key products and services.
The IT Service Continuity Management ensures the availability of IT resources needed to sustain critical services to customers at acceptable predefined levels during disruptive incidents.
The Operational Resilience policy's objective is to protect our people, customers and brand by sustaining critical customer services at acceptable levels while responding to expected and unexpected disruptions and adapting to changes in our operation environment.

Legal risks include but not limited to exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements.

Emerging Risks are newly developing or changing risks that are generally characterized by major uncertainty. This includes but is not limited to Pandemic and infectious diseases, Climate change, Cybersecurity risks and Geopolitical Instability. We appreciate the considerable uncertainty posed by these risks and we are fully committed to identifying, monitoring and continually implementing mitigating actions to address the risks.

Information Risk is the likelihood that an unauthorized user will negatively impact the confidentiality, integrity, and availability of data that has been collected, transmitted, or stored. It also includes hardware and software failure, human error, spam, viruses, and malicious attacks, as well as natural disasters such as fires, cyclones, or floods.
The purpose of information risk management is to identify, access, report and manage information risk, to support the achievement of AXA Mansard’s planned objectives and to align with the overall risk management framework and approach.
The Information Risk (IR) Framework and its methodology are fully embedded within the Operational Risk (OR) Framework.

Management's Discussion and Analysis

This "Management discussion and analysis" (MD&A) has been prepared as at 31 December 2023 and should be read in conjunction with the consolidated financial statements of AXA Mansard Insurance Plc and subsidiary companies.

Forward looking statements
The MD&A contains forward looking statements related to AXA Mansard Insurance Plc financial and other projections, expected future plans, event, financial and operating results, objectives and performance as well as underlying assumptions all of which involve risk and uncertainties. When used in this MD&A the words "believe", "anticipate", "intended" "estimate" and similar expression are used to identify forward looking statements, although not all forward-looking statements contain such words. These statements reflect management's current belief and are based on information available to AXA Mansard Insurance Plc. and are subject to certain risk, uncertainties and assumptions. As a member of the AXA Group, consequent upon the acquisition of 100% stake in Assur Africa Holdings Limited in 2015, AXA Mansard Insurance Plc is poised to extending its corporate and retail coverage within the Nigerian insurance space and the wider Africa region.

Business strategy of the Company and overall performance
The Company is registered and incorporated in Nigeria and is engaged in providing insurance and investment solutions to both the corporate and retail sectors of Nigeria. It also aims to establish itself as the apex insurance company in Nigeria and the West African region.
The Company's strategy is to use technology and international best practice to provide it's customers with tailored solutions, superior services and specially designed programs to assist its patrons through a network of regional and agency offices spread over Nigeria.

Operating results
(in thousands of Nigerian Naira)

	Group			Parent		
	31-Dec-2023	31-Dec-2022 *Restated	%Chg	31-Dec-2023	31-Dec-2022 *Restated	%Chg
Insurance service results	11,269,553	8,045,507	40%	6,613,318	6,421,089	3%
Investment return	17,258,367	4,730,117	265%	11,662,860	7,252,301	61%
Profit before taxation	15,772,679	3,476,922	354%	7,693,498	5,108,011	51%
Taxation	(3,724,015)	(942,123)	295%	(1,033,659)	(557,030)	86%
Profit after taxation	12,048,664	2,534,799	375%	6,659,839	4,550,981	46%
Transfer to contingency reserve	1,397,848	302,153	363%	1,397,848	302,153	363%
Earnings per share- Basic (kobo)	128	31		74	51	
Earnings per share- Diluted (kobo)	128	31		74	51	

Directors' Report

The Directors have the pleasure of presenting the Annual Report on the affairs of AXA Mansard Insurance Plc ("the Company") and its subsidiaries (together referred to as, "the Group"), together with the Group audited financial statements and the auditor's report for the year ended December 31, 2023.

Legal form and principal activity

The Company was incorporated on 23 June 1989 as a private limited liability company called "Heritage Assurance Limited" and issued with a composite insurance license by the National Insurance Commission in March 2004. The Company's name was changed to Guaranty Trust Assurance Limited in September 2004 following the acquisition of a majority share holding by Guaranty Trust Bank Plc, and changed again to Guaranty Trust Assurance Plc in March 2006 following the increase in number of members beyond the maximum required for a private company. In November 2009, the Company became listed on the floor of the Nigerian Exchange Limited (formerly Nigerian Stock Exchange).

The beneficial ownership of the Company changed to Societe Beaujon S.A.S (AXA S.A) in December 2014 by the acquisition of 100% of Assur Africa Holding (AAH). The Company modified its name and corporate identity to AXA Mansard Insurance Plc in July 2015.

The principal activity continues to be the provision of life and general business risk management solutions and financial services to corporate and retail customers in Nigeria.

The Company has two wholly-owned: AXA Mansard Investments Limited and AXA Mansard Health Limited.

AXA Mansard Investments Limited was incorporated as a private limited liability company on 9 January 2008 and its principal activity involves provision of portfolio management services to both individual and corporate clients. AXA Mansard Health Limited was incorporated as a private limited liability company on the 7th of August 2003 and its principal activities is to manage the provision of health care services through health care providers and for that purpose accredited with the National Health Insurance Scheme.

Operating results

The following is a summary of the Group and Company's operating results:
(in thousands of Nigerian Naira)

	Note	**Group 31-Dec-2023**	**Group 31-Dec-2022 *Restated**	**Parent 31-Dec-2023**	**Parent 31-Dec-2022 *Restated**
Profit before tax		15,772,679	3,476,922	7,693,498	5,108,011
Taxation	43	(3,724,015)	(942,123)	(1,033,659)	(557,030)
Profit after tax		12,048,664	2,534,799	6,659,839	2,490,693
Non Controlling Interest	28	564,013	(213,942)	-	-
Transfer to contingency reserve	27.3	(1,397,848)	(302,153)	(1,397,848)	(302,153)
Dividend paid		3,240,000	2,790,000	3,240,000	2,790,000
Earnings per share – Basic (in kobo)	44	128	31	74	51
Earnings per share –Diluted	44	128	31	74	51

Directors' Report
Directors and their interests

The Directors who held office during the year, together with their direct and indirect interests in the issued share capital of the Company as recorded in the register of Directors shareholding and/or as notified by the Directors for the purposes of sections 301 and 302 of the Companies and Allied Matters Act (CAMA), 2020 and the listing requirements of the Nigerian Stock Exchange are noted below:

		Direct / Indirect Holdings 31-Dec-2023	Direct / Indirect Holdings 31-Dec-2022
Mr Kola Adesina*	Chairman	Nil	Nil
Mr. Olusola Adeeyo***	Non Executive Director	Nil	Nil
Mr. Kunle Ahmed	Chief Executive Officer	26,656,627	26,656,627
Mr. Hassan El-Shabrawishi***	Non Executive Director	Nil	Nil
Mr. Tope Adeniyi	Non Executive Director	6,144,052	6,144,052
Mrs. Rashidat Adebisi	Executive Director	26,955,815	26,955,815
Ms Melina Cotlar*	Non Executive Director	Nil	Nil
Mr. Thomas Hude	Non Executive Director	Nil	Nil
Ms. Latifa Said	Non Executive Director	Nil	Nil
Mr Mariano Caballero*	Non Executive Director	Nil	Nil
Ms. Abiola Bada	Independent Non-Executive Director	Nil	Nil
Chief Gbola Akinola (SAN)*	Non Executive Director	20,617,834	Nil

** Kola Adesina; Chief Gbola Akinola (SAN); Ms Melina Cotlar and Mr. Mariano Caballero were not Directors as at 31st December 2022*
**** Resigned from the Board effective from 14th July 2023*

Change In directorship
Mr. Ohis Ohiwerei and Mr. Kuldeep Kauchik resigned from the Board of the Company during the year under review.

Directors' remuneration

The remuneration of the Company's Directors is disclosed pursuant to Section 14 of the code of corporate governance for public companies as issued by Securities and Exchange Commission as follows:

Remuneration	Description	Timing
Basic salary	Part of gross salary package for Executive Directors only. Reflects the insurance industry competitive salary package and the extent to which the Company's objectives have been met for the financial year	Paid monthly during the financial year
13th month salary	Part of gross salary package for Executive Directors only	Paid last month of the financial year
Share based payments	The amount of this remuneration to Executive directors is subject to achieving specific quantifiable targets, aligned directly with shareholders' interests.	Based on vesting conditions as stipulated in the scheme documents
Director fees	Allowances paid to Non-Executive Directors	Paid during the year
Travelling allowances	Allowances paid to Non-Executive Directors that reside outside Nigeria	Paid during the year
Sitting allowances	Allowances paid to Non-Executive Directors only for sitting at board meetings and other business meetings	Paid during the year

Directors' Report

Directors' interests in contracts

In compliance with Section 303 of the Companies and Allied Matters Act of Nigeria (CAMA) 2020, none of the directors has notified the Company of any declarable interest in contracts deliberated by the Company during the year under review.

Major shareholdings

According to the Register of Members, no shareholder other than the undermentioned held more than 5% of the issued share capital of the Company as at 31 December 2023:

	31-Dec-23		31-Dec-22	
	No. of shareholding	**% shareholding**	**No. of shareholding**	**% shareholding**
Assur Africa Holdings Limited	6,883,328,897	76.48%	6,883,328,897	76.48%

Analysis of shareholding

The analysis of the distribution of the shares of the Company as at 31 December, 2023 is as follows:

Share Range	No. of Shareholders	% Shareholders	No. of Holdings	% of Holdings
1 - 1,000	2,753	37.49%	915,171	0.01%
1001 - 5,000	1,256	17.10%	3,399,448	0.04%
5,001 - 10,000	577	7.86%	4,539,005	0.05%
10,001 - 50,000	1,173	15.97%	29,984,342	0.33%
50,001 - 100,000	441	6.01%	33,808,185	0.38%
100,001 - 500,000	679	9.25%	155,046,224	1.72%
500,001 - 1,000,000	184	2.51%	137,347,121	1.53%
1,000,001 - 9,000,000,000	280	3.81%	8,634,960,504	95.94%
Total	7,343	100%	9,000,000,000	100%

The analysis of the distribution of the shares of the Company as at 31 December, 2022 is as follows:

Share Range	No. of Shareholders	% Shareholders	No. of Holdings	% of Holdings
1 - 1,000	1,852	25.22%	755,470	0.01%
1001 - 5,000	1,049	14.29%	2,798,276	0.03%
5,001 - 10,000	491	6.69%	3,776,102	0.04%
10,001 - 50,000	962	13.10%	23,789,942	0.26%
50,001 - 100,000	338	4.60%	25,269,089	0.28%
100,001 - 500,000	524	7.14%	119,698,423	1.33%
500,001 - 1,000,000	157	2.14%	115,694,216	1.29%
1,000,001 - 9,000,000,000	236	3.21%	8,708,218,482	96.76%
Total	**5,609**	**76%**	**9,000,000,000**	**100%**

Property and equipment

Information relating to changes in property and equipment during the year is given in Note 17 to the financial statements.

Directors' Report

Donations and charitable gifts

There was no donation during the year

Dividends

The Directors declared the sum of N3,600,000,000 (Three Billion, Sixty Million Naira) only to be paid as final dividend to shareholders at the rate of 40 kobo per N2 share out of which 6k per N2.00k share had been paid as interim dividends to shareholders in December 2023 and the final dividend of 34k per N2.00k share, would be distributed to shareholders subject to the deduction of withholding tax in respect of the full-year accounts for the period ended 31 December 2023, subject to the deduction of withholding tax and the approval of the appropriate authorities

Employment of disabled persons

The Group operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Group policy is that the most qualified and experienced persons are recruited for appropriate job levels, irrespective of an applicant's state of origin, ethnicity, religion or physical condition. In the event of any employee becoming disabled in the course of employment, the Group is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development.

During the year, there were no disabled persons under the employment of the Group (2022: Nil)

Health, safety and welfare of employees

The Group maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. In addition, the Group provides medical facilities to its employees and their immediate families at its expense. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises. It also operates a contributory pension plan in line with the Pension Reform Act.

Employee involvement and training

The Group encourages participation of employees in arriving at decisions in respect of matters affecting their well being. Towards this end, the Company provides opportunities for employees to deliberate on issues affecting the Company and employees' interests, with a view to making inputs to decisions thereon. The company places a high premium on the development of its manpower. Consequently, the Company sponsored its employees for various training courses both in Nigeria and abroad in the year under review. The Company also provides its employees with on-the-job training in the Company and at various AXA Mansard locations.

Gender analysis

The number and percentage of women employed during the financial period vis-a-vis total workforce is as follows:

31 December 2023	**Male Number**	**Female Number**	**Male %**	**Female %**
Employees	150	116	56%	44%
Gender analysis of Board and top management is as	15	13	6%	5%
Board	6	3	67%	33%
Top Management	9	10	47%	53%

Detailed analysis of the Board and top management is as follows:

	Male Number	**Female Number**	**Male %**	**Female %**
Non-Executive Director	5	3	167%	100%
Chief Executive Officer	1	0	33%	0%
Executive Director	0	1	0%	33%
Executive Committee	1	2	33%	67%
Senior Executives	8	7	267%	233%

Directors' Report

31 December 2022	**Male Number**	**Female Number**	**Male %**	**Female %**
Employees	143	119	54%	45%
Gender analysis of Board and top management is as foll	17	11	6%	4%
Board	6	3	67%	33%
Top Management	11	8	58%	42%

Detailed analysis of the Board and top management is as

	Male Number	**Female Number**	**Male %**	**Female %**
Non-Executive Director	5	2	167%	67%
Chief Executive Officer	1	0	33%	0%
Executive Director	0	1	0%	33%
Executive Committee	1	2	33%	67%
Senior Executives	9	6	300%	200%

Acquisition of own shares

The Company did not acquire any of its own shares during the year under review.

Auditor

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditor to the Company. In accordance with Section 401 (2) of the Companies and Allied Matters Act of Nigeria (CAMA) 2020 therefore, the auditor will be re-appointed at the next annual general meeting of the Company.

BY ORDER OF THE BOARD

Mrs. Omowunmi Mabel Adewusi
Company Secretary
FRC/2013/NBA/00000000967
Plot 1412, Ahmadu Bello Way,
Victoria Island, Lagos.

16-Feb-24

Statement of directors' responsibilities in relation to the consolidated and separate financial statements for the year ended 31 December 2023

The directors accept responsibility for the preparation of the consolidated and separate financial statements that give a true and fair view of the statement of financial position of the Group and Company at the reporting date and of its comprehensive income in the manner required by the Companies and Allied Matters Act (CAMA) 2020 of Nigeria and the Nigerian Insurance Act. The responsibilities include ensuring that the Company and the Group:

i. keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and the Group and with the requirements of the Companies and Allied Matters Act (CAMA), 2020 and the Insurance Act;
ii. establish adequate internal controls to safeguard assets and to prevent and detect fraud and other irregularities; and
iii. prepare financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, that are consistently applied.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in compliance with,

- International Financial Reporting Standards (IFRS)
- the requirements of the Nigerian Insurance Act;
- relevant guidelines and circulars issued by the National Insurance Commission (NAICOM);
- the requirements of the Companies and Allied Matters Act (CAMA), 2020; and
- Financial Reporting Council of Nigeria Act

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The directors have made an assessment of the Company's and Group's ability to continue as a going concern and have no reason to believe that the Company and Group will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Mr. Adekunle Ahmed
FRC/2017/CIIN/00000017019
16-Feb-24

Mr. Kola Adesina
FRC/2016/CIIN/00000014687
16-Feb-24

Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements for the Year Ended 31 December 2023

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Chief Executive Officer and Chief Financial Officer, hereby certify the consolidated and separate financial statements of the AXA Mansard Insurance Plc for the year ended 31 December 2023 as follows:

a) That we have reviewed the audited consolidated and separate financial statements of the Company for the year ended 31 December 2023.

b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

c) That the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2023.

d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company and its subsidiary is made known to the officer by other officers of the companies, during the period end 31 December 2023.

e) That we have evaluated the effectiveness of the Company’s internal controls within 90 days prior to the date of audited consolidated and separate financial statements, and certify that the Company’s internal controls are effective as of that date

f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses

g) That we have disclosed the following information to the Company’s Auditors and Audit Committee:

(i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company’s ability to record, process, summarize and report financial data, and have identified for the Company’s auditors any material weaknesses in internal controls, and

(ii) there is no fraud that involves management or other employees who have a significant role in the Company’s internal control

Mr. Adekunle Ahmed	**Mrs. Ngozi Ola-Israel**
Chief Executive Officer	**Chief Financial Officer**
FRC/2017/CIIN/00000017019	**FRC/2017/ANAN/00000017349**
16-Feb-24	**16-Feb-24**

Report of the Statutory Audit Committee

To the members of AXA Mansard Insurance Plc:

In compliance with the provisions of Section 404(7) of the Companies and Allied Matters Act of Nigeria (CAMA) 2020, the members of the Audit Committee of AXA Mansard Insurance Plc hereby report as follows:

We have exercised our statutory functions under Section 404(7) of the Companies and Allied Matters Act of Nigeria (CAMA) 2020 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

We are of the opinion that the accounting and reporting policies of the Group are in compliance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 December 2023 were satisfactory and reinforce the Group's internal control systems.

We have deliberated with the external auditors, who have confirmed that necessary cooperation was received from Management in the course of their statutory audit and we are satisfied with Management’s responses to their recommendations for improvement and with the effectiveness of the Group's system of accounting and internal control.

Ms. Abiola Bada
FRC/2012/ICAN/00000000399

16 February 2024

Members of the Statutory Audit Committee are:

1. Ms Abiola Bada	Chairman
2. Alh. Sadiq Bello	Member
3. Mrs Adebisi Bakare	Member
4. Mr Olusegun Adeusi	Member

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AXA Mansard Insurance Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of AXA Mansard Insurance Plc ("the Company") and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Insurance Contract Liabilities

The Group has significant life and non-life insurance contract liabilities. The valuation of insurance contract liabilities involves high estimation uncertainties and significant judgment over uncertain future outcomes. The measurement of insurance liabilities consists of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) including both reported but not settled claims as well as incurred but not reported claims (IBNR).

The Group adopted IFRS 17 Insurance Contracts from 1 January 2023 and comparative figures have been restated. The Group uses both the Premium Allocation Approach (PAA) and General Measurement Model (GMM) under IFRS 17. The PAA is applied for the measurement of the groups of insurance contracts in the non-life and group life segment while the GMM is applied for the measurement of the groups of insurance contracts in the individual life segment.

The result of management's assessments regarding the calculation of the liability for incurred claims depends on inputs, the choice of actuarial methods and the precision of management judgment in determining actuarial assumptions. Key assumptions with the greatest impact on the carrying amount in respect of non-life insurance contracts involve economic assumptions about inputs such as inflation rate, discount rates as well estimated future payments for claims, hence the eventual outcome is uncertain.
The key actuarial assumptions used in the valuation of life insurance contract liabilities are judgmental, particularly with respect to the discount rates.

The level of complexity, the assumptions and judgment involved in estimating these amounts make insurance contract liabilities a matter of significance to our audit.

How the matter was addressed in our audit

Our audit procedures included the following:

- We evaluated the design, implementation and operating effectiveness of key controls implemented by the Group and the Company which includes management review of data used for the valuation of insurance contract liabilities.
- We evaluated the Group's methodology to determine and allocate expected premium receipts to periods.
- We tested the completeness and accuracy of the databases used in determining the assumptions, as well as on actuarial calculations.
- We considered the Group's valuation methodology and assumptions for consistency between reporting periods, as well as for indicators of possible bias.
- Assisted by our actuarial specialists, we performed the following procedures:
    - We evaluated management's PAA eligibility assessment.
    - We evaluated the appropriateness of methods/models and assumptions to determine ultimate expected claims including ultimate claims ratios, frequency and severity of claims, payment patterns and estimate discount rate curves.
    - We performed walkthroughs on the computation of insurance revenue for selected portfolios for each cohort under PAA and the GMM.
    - We assessed the assumptions used in estimating risk adjustments to evaluate whether it is in line with the requirements of the relevant accounting standard and industry practices.
    - We assessed whether the method/ model for determining future cash flows is in line with the requirements of the relevant accounting standard and standard industry practices.
- We assessed the appropriateness of the disclosures in the consolidated and separate financial statements with regard to the liability for incurred claims associated with the premium allocation approach and the general measurement model, considering the requirements of IFRS 17.

The Group's accounting policy on valuation of insurance contract liabilities and related disclosures are shown in note 2.2 (accounting policy), note 2.3 (critical accounting estimates and judgments) and note 10a (insurance liabilities).

Other Information

The Directors are responsible for the other information. The other information comprises the corporate information, corporate addresses, purpose, vision and values, corporate social responsibility report, complaints and feedback, sustainability report, corporate governance report, risk management report, management discussion and analysis, directors' report, statement of director's responsibilities, statement of corporate responsibility, report of the audit committee and other national disclosures which we obtained prior to the date of the auditor's report, but does not include the consolidated and separate financial statements and our auditor's report thereon.
Other information also includes Results at a Glance, Notice of the Annual General Meeting, Chairman's Statement, CEO's Statement: From the Executive Suite, Board of Directors, and Management Team (together, "the outstanding reports"), which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible

for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020.

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.
iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

Penalties

The Group paid penalties in respect of contravention of the requirements of the National Insurance Commission Guidelines and Circulars during the year ended 31 December 2023. Details of penalties paid are disclosed in note 49 to the consolidated and separate financial statements.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2023. The work performed was done in accordance with ISAE 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 29 May 2024.

A. A. Oyelami

Oyelami Adegoke, FCA
FRC/2012/ICAN/00000444
For: KPMG Professional Services
Chartered Accountants
29 May 2024
Lagos, Nigeria

AXA Mansard Insurance Plc and Subsidiary Companies

Consolidated and Separate Financial Statements

31 December 2023

Consolidated and Separate Statement of Financial Position
as at 31 December 2023
(All amounts in thousands of Naira)

	Notes	Group 31-Dec-23	Group 31-Dec-22 *Restated	Group 1-Jan-22 *Restated	Parent 31-Dec-23	Parent 31-Dec-22 *Restated	Parent 1-Jan-22 *Restated
ASSETS							
Cash and cash equivalents	8	26,173,322	13,469,877	17,343,344	19,020,869	11,107,664	14,227,012
Investment securities:							
– Fair value through profit or loss	9.1	11,056,259	8,700,392	8,942,514	8,489,840	7,394,124	6,593,983
– Fair value through OCI	9.2	42,132,258	34,764,986	29,818,546	37,610,027	33,932,595	27,521,404
Financial assets designated at fair value	9.3	2,496,669	2,505,441	4,374,805	2,496,669	2,505,441	4,374,805
Reinsurance contract assets	10a (i)	17,512,872	11,941,456	11,057,052	16,770,221	11,765,518	10,756,752
Trade receivable	11	5,528,269	7,791,783	7,013,359	375,945	454,081	1,196,453
Other receivables	12	4,515,984	3,507,639	3,929,886	1,786,882	2,945,247	2,981,536
Loans and receivables	13	4,369,661	3,773,985	1,655,085	5,264,846	4,229,583	2,666,458
Investment property	14	20,874,577	14,009,209	14,560,934	-	-	-
Investment in subsidiaries	15	-	-	-	1,652,000	1,652,000	1,652,000
Intangible assets	16	955,750	445,595	400,647	898,846	391,201	354,896
Property and equipment	17	3,827,521	3,099,565	2,802,458	3,232,481	2,717,465	2,404,365
Right-of-use asset	18	1,185,740	783,504	797,757	1,106,768	672,176	654,074
Statutory deposit	19	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL ASSETS		**141,128,882**	**105,293,431**	**103,196,387**	**99,205,394**	**80,267,095**	**75,883,738**
LIABILITIES							
Insurance contract liabilities	10a (i)	50,656,633	39,083,226	35,607,257	33,036,927	25,354,893	24,367,495
Reinsurance contract liabilities	10a (i)	1,972,354	1,524,507	1,020,603	1,504,706	1,449,183	666,863
Investment contract liabilities:							
– At amortised cost	20	9,713,052	9,065,180	6,868,168	9,713,052	9,065,180	6,868,168
– Liabilities designated at fair value	20	2,496,669	2,505,441	4,374,805	2,496,669	2,505,441	4,374,805
Trade payable	21	10,773,177	6,617,307	5,636,130	10,773,177	6,542,121	5,284,031
Other liabilities	22	5,587,185	3,604,878	4,513,365	3,604,162	2,740,547	3,141,233
Other technical liabilities	23	8,813,122	5,617,958	4,877,788	8,813,122	5,617,958	4,877,788
Current income tax liabilities	24	1,858,041	1,129,928	1,962,020	1,039,866	674,215	645,958
Borrowings	25	5,257,670	2,180,878	2,454,143	-	-	-
Deferred tax liability	26	2,581,346	855,631	932,573	-	-	-
TOTAL LIABILITIES		**99,709,249**	**72,184,934**	**68,246,852**	**70,981,681**	**53,949,538**	**50,226,341**
EQUITY							
Share capital	27.1	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
Share premium	27.2	78,255	78,255	78,255	78,255	78,255	78,255
Contingency reserve	27.3	6,516,717	5,118,869	4,816,716	6,516,717	5,118,869	4,816,716
Treasury shares	27.4	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)
Fair value reserves	27.5	(1,922,537)	(1,193,180)	168,981	(2,593,218)	(535,144)	292,629
Insurance finance reserve	27.6	(725)	50,072	57,180	(11,430)	47,430	45,743
Retained earnings	27.7	14,188,436	7,059,009	7,618,988	6,344,864	3,719,624	2,535,530
SHAREHOLDERS' FUNDS		**36,748,670**	**29,001,549**	**30,628,644**	**28,223,712**	**26,317,558**	**25,657,397**
Total equity attributable to the owners of the parent		36,748,670	29,001,549	30,628,644	28,223,712	26,317,558	25,657,397
Non-controlling interest in equity	28	4,670,962	4,106,949	4,320,891	-	-	-
TOTAL EQUITY		**41,419,632**	**33,108,498**	**34,949,535**	**28,223,712**	**26,317,558**	**25,657,397**
TOTAL LIABILITIES AND EQUITY		**141,128,882**	**105,293,431**	**103,196,387**	**99,205,394**	**80,267,095**	**75,883,738**

Signed on behalf of the Board of Directors on 16 February 2024

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

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

Mr. Kola Adesina
FRC/2016/CIIN/00000014687
Chairman

The accompanying notes are an integral part of these financial statements

Consolidated and Separate Statement of Comprehensive Income

(All amounts in thousands of Naira unless otherwise stated)

	Notes	Group	Group	Parent	Parent
		31-Dec-23	**31-Dec-22**	**31-Dec-23**	**31-Dec-22**
			***Restated**		***Restated**
Continuing operations					
Insurance revenue	30	82,753,433	69,219,194	50,304,582	42,947,277
Insurance service expenses	31	(52,048,993)	(45,252,650)	(24,203,707)	(20,712,177)
Net expense from reinsurance contracts held	32	(19,434,887)	(15,921,036)	(19,487,557)	(15,814,011)
Insurance service results		**11,269,553**	**8,045,507**	**6,613,318**	**6,421,089**
Interest revenue calculated using the effective interest method	33	4,160,804	3,423,251	3,707,379	3,104,793
Other investment revenue	34	14,298,153	1,578,589	8,171,691	4,212,035
Net (impairment loss)/writeback on financial assets	39	(855,453)	(13,873)	(231,535)	91,223
(Impairment loss)/writeback of premium receivables	11	(345,137)	(257,850)	15,325	(155,750)
Investment return		**17,258,367**	**4,730,117**	**11,662,860**	**7,252,301**
Net finance income/(expense) from reinsurance contracts	41	21,317	(55,415)	23,098	(39,334)
Net financial result		**17,279,684**	**4,674,702**	**11,685,958**	**7,212,967**
Other income	35	2,200,610	1,792,157	59,083	26,574
Expenses for marketing and administration	36	(2,642,450)	(1,656,757)	(2,389,623)	(1,896,221)
Employee benefit expense	37	(5,585,029)	(4,899,730)	(3,169,740)	(2,573,635)
Finance cost	42	(1,126,882)	(275,308)	(154,735)	(132,117)
Other operating expenses	38	(5,622,807)	(4,203,650)	(4,950,763)	(3,950,646)
Profit before tax		15,772,679	3,476,922	7,693,498	5,108,011
Income tax expense	43	(3,724,015)	(942,123)	(1,033,659)	(557,030)
Profit for the year		12,048,664	2,534,799	6,659,839	4,550,981
Profit attributable to:					
Owners of the parent		11,484,651	2,748,741	6,659,839	4,550,981
Non-controlling interest	28	564,013	(213,942)	-	-
		12,048,664	2,534,799	6,659,839	4,550,981
Other comprehensive income:					
Items that may be subsequently reclassified to the profit or loss account:					
Changes in financial assets at FVTOCI (net of taxes)	27.5	(1,012,765)	(1,278,381)	(2,289,609)	(736,551)
Impairment reversal/(charges) on FVTOCI	39	855,453	13,873	231,535	(91,223)
Net finance expense from insurance contracts	40	(213,695)	306,946	(221,766)	332,915
Net finance expense from reinsurance contracts	41	134,028	(244,391)	134,036	(247,487)
Other comprehensive loss for the year		(236,979)	(1,201,953)	(2,145,804)	(742,346)
Total comprehensive income for the year		11,811,685	1,332,846	4,514,035	3,808,635
Attributable to:					
Owners of the parent		11,247,672	1,546,788	4,514,035	3,808,635
Non-controlling interests	28	564,013	(213,942)	-	-
Total comprehensive income for the year		11,811,685	1,332,846	4,514,035	3,808,635
Earnings per share:					
Basic (kobo)	44	128	31	74	51
Diluted (kobo)	44	128	31	74	51

The accompanying notes are an integral part of these financial statements

Consolidated Statement of Changes in Equity

(All amounts in thousands of Naira unless otherwise stated)
Year ended 31 December 2023
Group

	Share Capital	Share Premium	Contingency reserve	Treasury shares	Fair value reserves	Insurance finance reserve	Retained earnings	Total	Non Controlling interest	Total equity
Balance at 1 January 2022, as previously reported	18,000,000	78,255	4,816,716	(111,476)	(62,329)	-	7,351,131	30,072,297	4,320,891	34,393,188
Adjustment on initial application of IFRS 17 (net of tax)	-	-	-	-	-	57,180	499,167	556,347	-	556,347
Adjustment on initial application of IFRS 9 (net of tax)	-	-	-	-	231,310	-	(231,310)	-	-	-
Restated balance as at 1 January 2022	**18,000,000**	**78,255**	**4,816,716**	**(111,476)**	**168,981**	**57,180**	**7,618,988**	**30,628,644**	**4,320,891**	**34,949,535**
Total comprehensive income for the year (restated)										
Profit for the year	-	-	-	-	-	-	2,534,799	2,534,799	(213,942)	2,320,857
Transfer to contingency reserves	-	-	302,153	-	-	-	(302,153)	-	-	-
Other comprehensive income	-	-	-	-	(83,780)	(7,108)	(2,625)	(93,513)	-	(93,513)
Changes in financial assets at FVTOCI	-	-	-	-	(1,278,381)	-	-	(1,278,381)	-	(1,278,381)
Total comprehensive income for the year (restated)	**-**	**-**	**302,153**	**-**	**(1,362,161)**	**(7,108)**	**2,230,021**	**1,162,905**	**(213,942)**	**948,963**
Transactions with owners, recorded directly in equity										
2021 final dividends to equity holders	-	-	-	-	-	-	(2,250,000)	(2,250,000)	-	(2,250,000)
2022 interim dividends to equity holders	-	-	-	-	-	-	(540,000)	(540,000)	-	(540,000)
Impact of vesting of shares in the equity settled share based payment	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of equity	**-**	**-**	**-**	**-**	**-**	**-**	**(2,790,000)**	**(2,790,000)**	**-**	**(2,790,000)**
Restated Balance at 31 December 2022	**18,000,000**	**78,255**	**5,118,869**	**(111,476)**	**(1,193,180)**	**50,072**	**7,059,009**	**29,001,549**	**4,106,949**	**33,108,498**
Balance at 1 January 2023	18,000,000	78,255	5,118,869	(111,476)	(1,193,180)	50,072	7,059,009	29,001,549	4,106,949	33,108,498
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	12,048,664	12,048,664	564,013	12,612,677
Transfer to contingency reserves	-	-	1,397,848	-	-		(1,397,848)	-	-	-
Other comprehensive income	-	-	-	-	283,408	(50,797)	(855,453)	(622,842)	-	(622,842)
Changes in financial assets at FVTOCI	-	-	-	-	(1,012,765)	-	574,064	(438,701)	-	(438,701)
Total comprehensive income for the year	-	-	1,397,848	-	(729,357)	(50,797)	10,369,427	10,987,121	564,013	11,551,134
Transactions with owners, recorded directly in equity	-									
Dividends to equity holders	-	-	-	-	-		(3,240,000)	(3,240,000)	-	(3,240,000)
Total transactions with owners of equity	-	-	-	-	-	-	(3,240,000)	(3,240,000)	-	(3,240,000)
Balance at 31 December 2023	**18,000,000**	**78,255**	**6,516,717**	**(111,476)**	**(1,922,537)**	**(725)**	**14,188,436**	**36,748,670**	**4,670,962**	**41,419,632**

Separate Statement of Changes in Equity

(All amounts in thousands of Naira unless otherwise stated)

Year ended 31 December 2023

Parent

	Share Capital	Share Premium	Contingency reserve	Treasury shares	Fair value reserves	Insurance finance reserve	Retained earnings	Total
Balance at 1 January 2022, as previously reported	18,000,000	78,255	4,816,716	(111,476)	(8,764)	-	2,335,682	25,110,413
Adjustment on initial application of IFRS 17 (net of tax)	-	-	-	-	-	45,743	506,854	552,597
Adjustment on initial application of IFRS 9 (net of tax)	-	-	-	-	301,393	-	(307,006)	(5,613)
Restated balance as at 1 January 2022	**18,000,000**	**78,255**	**4,816,716**	**(111,476)**	**292,629**	**45,743**	**2,535,530**	**25,657,397**
Total comprehensive income for the year (restated)								
Profit for the year	-	-	-	-	-	-	4,550,981	4,550,981
Transfer to contingency reserves	-	-	302,153	-	-	-	(302,153)	-
IFRS 17 adjustments (net of tax)							(365,957)	(365,957)
Other comprehensive income	-	-	-	-	(91,223)	1,687	91,223	1,687
Changes in fair value of financial assets at FVTOCI	-	-	-	-	(736,551)	-	-	(736,551)
Total comprehensive income for the year (restated)	-	-	**302,153**	-	**(827,774)**	**1,687**	**3,974,094**	**3,450,160**
Transactions with owners, recorded directly in equity								
2021 final dividends to equity holders	-	-	-	-	-	-	(2,250,000)	(2,250,000)
2022 interim dividends to equity holders	-	-	-	-	-	-	(540,000)	(540,000)
Total transactions with owners of equity	-	-	-	-	-	-	**(2,790,000)**	**(2,790,000)**
Restated Balance at 31 December 2022	**18,000,000**	**78,255**	**5,118,869**	**(111,476)**	**(535,144)**	**47,430**	**3,719,624**	**26,317,558**
Balance at 1 January 2023	18,000,000	78,255	5,118,869	(111,476)	(535,144)	47,430	3,719,624	26,317,558
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	6,659,839	6,659,839
Transfer to contingency reserves	-	-	1,397,848	-	-	-	(1,397,848)	-
Other comprehensive income	-	-	-	-	231,535	(58,860)	-	172,675
Changes in fair value of financial assets at FVTOCI	-	-	-	-	(2,289,609)	-	603,249	(1,686,360)
Total comprehensive income for the year	-	-	**1,397,848**	-	**(2,058,074)**	**(58,860)**	**5,865,240**	**5,146,154**
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
2022 final dividends to equity holders	-	-	-	-	-	-	(3,240,000)	(3,240,000)
Total transactions with owners	-	-	-	-	-	-	**(3,240,000)**	**(3,240,000)**
Balance at 31 December 2023	**18,000,000**	**78,255**	**6,516,717**	**(111,476)**	**(2,593,218)**	**(11,430)**	**6,344,864**	**28,223,712**

Consolidated and Separate Statement of Cashflows

(All amounts in thousands of Naira unless otherwise stated)

	Notes	**Group 31-Dec-2023**	**Group 31-Dec-2022 *Restated**	**Parent 31-Dec-2023**	**Parent 31-Dec-2022 *Restated**
Cash flows from operating activities					
Cash premium received	48a	86,269,600	64,879,139	49,412,905	38,752,009
Cash paid as reinsurance premium	48b	(24,026,779)	(22,747,731)	(24,161,979)	(22,124,767)
Fee income received	48c	3,152,316	2,267,503	2,964,671	2,374,092
Cash received on investment contract liabilities	20.3	459,250	410,886	459,250	410,886
Cash paid to investment contract holders	20.3	(580,515)	(5,080,798)	(580,515)	(5,080,798)
Claims paid	10b	(39,696,635)	(31,423,250)	(14,925,980)	(8,746,902)
Cash received from reinsurers on recoveries for claims paid	48d	1,750,951	5,205,437	1,512,898	4,996,174
Cash received from coinsurers on recoveries and claims paid	11.2	39,992	794,311	39,992	794,311
Underwriting expenses paid	48e	(4,218,193)	(3,833,208)	(2,441,504)	(2,719,452)
Employee benefits paid	48f	(5,146,901)	(4,950,054)	(2,905,466)	(2,518,203)
Rent received	48k	843,901	951,994	-	-
Lease payments made	22.1	(120,570)	(171,670)	(66,980)	(164,834)
Other operating expenses paid	48h	(12,492,283)	(9,429,021)	(9,000,233)	(8,042,062)
Premium received in advance	23	5,795,866	2,812,408	5,795,866	2,812,408
Changes in working capital		12,029,999	(314,053)	6,102,925	742,862
Income tax paid	24	(1,128,016)	(1,851,156)	(668,009)	(528,773)
Net cash generated from/(used in) operating activities		10,901,983	(2,165,209)	5,434,916	214,089
Cash flows from investing activities					
Purchases of property, plant and equipment	17	(1,440,378)	(1,119,463)	(1,192,236)	(997,306)
Dividend received	47i	490,364	1,615,883	1,138,797	2,157,473
Investment income received	48j	4,239,155	3,856,336	3,788,683	3,809,532
Purchase of intangible assets	16	(646,939)	(149,137)	(632,015)	(126,458)
Proceeds from the disposal of property and equipment	35	14,843	5,744	14,831	5,579
Purchase of fair value through profit or loss financial assets	9.1(a)	(3,171,599)	(6,024,474)	(1,965,000)	(2,780,117)
Sale of fair value through profit or loss financial assets	9.1(a)	2,403,366	7,337,703	2,900,000	3,497,416
Sale of fair value through other comprehensive income financial assets	9.2(a)	14,613,853	6,479,696	11,950,014	3,220,262
Purchase of available-for-sale financial assets	9.2(a)	(12,228,427)	(12,762,146)	(11,966,266)	(11,339,142)
Increase in loans and receivables to related parties	13a	906,756	1,866,025	1,559,474	2,766,464
Increase in staff loans and receivables	13b	(224,280)	329,621	68,314	28,845
Repayment of loans and receivables to related parties	13a	-	-	(501,803)	(1,155,480)
Repayment of staff loan and advances	13b	105,322	95,322	101,030	95,030
Net cash generated from/(used in) investing activities		5,062,036	1,531,110	5,263,823	(817,903)
Cash flows from financing activities					
Final dividend paid	48L	(3,240,000)	(2,250,000)	(3,240,000)	(2,250,000)
Interim dividend paid	48L	-	(540,000)	-	(540,000)
Interest & principal repayment on borrowings	25(b)	(501,803)	(915,538)	-	-
Net cash used in financing activities		(3,741,803)	(3,705,538)	(3,240,000)	(2,790,000)
Net increase/(decrease) in cash and cash equivalents		12,222,216	(4,339,638)	7,458,739	(3,393,813)
Cash and cash equivalent at beginning of year	8	13,469,877	17,343,344	11,107,664	14,227,012
Effect of exchange rate changes on cash and cash equivalent		481,229	466,171	454,466	274,465
Cash and cash equivalent at end of year	8	**26,173,322**	**13,469,877**	**19,020,869**	**11,107,664**

The accompanying notes are an integral part of these financial statements

Notes to the consolidated and separate financial stataments

1 General information

Reporting entity

AXA Mansard Insurance Plc (‘the Company’ or 'the parent') and its subsidiaries (together ‘the Group’) underwrite life and non-life insurance contracts. The Group also issues a diversified portfolio of investment contracts to provide its customers with asset management solutions for their savings and retirement needs. All these products are offered to both domestic and foreign markets. The Group does business in Nigeria and employs about 343 people.

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

2 Summary of significant accounting policies

2.1 Basis of presentation and compliance with IFRS Accounting Standards

These financial statements have been prepared in accordance with IFRS Accounting Standards. These financial statements are also in compliance with the Financial Reporting Council (FRC) of Nigeria (Amendment) Act, 2023, the Companies and Allied Matters Act (CAMA) 2020, the Insurance Act of Nigeria 2003 and relevant National Insurance Commission (NAICOM) guidelines and circulars.

Details of the Group's material accounting policies are included in Note 2.2

This is the first set of the Group's annual financial statements in which IFRS 17 *Insurance Contracts* and IFRS 9 *Financial Instruments* have been applied. The related changes to material accounting policies are described in note 2.1.2

(a) Basis of measurement

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

- non-derivative financial instruments designated at fair value through profit or loss.
- Financial assets are measured at fair value in line with IFRS 9
- investment property is measured at fair value.
- insurance liabilities measured at present value of future cashflows.
- lease liabilities measured at present value of future cashflows.
- share based payment at fair value or an approximation of fair value allowed by the relevant standards
- investment contract liabilities at fair value.

(b) Use of estimates and judgements

In preparing these financial statements, management has made judgments and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 2.3

(c) Functional and presentation currency

These consolidated and separate financial statements are presented in naira, which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Standards not yet effective

A number of new IFRS Accounting Standards, Amendments to IFRS Accounting Standards, and Interpretations are effective for annual periods beginning after 1 January 2024 and have not been applied in preparing these consolidated financial statements. Those IFRS Accounting Standards, Amendments to IFRS Accounting Standards and Interpretations which may be relevant to the Group are set out below:

- Classification of Liabilities are Current or Non-Current Liabilities with Covenants (Amendments to IAS 1)
- Lack of Exchangeability (Amendments to IAS 21)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

Notes to the consolidated and separate financial statements

Changes in accounting policies

The effective interpretations and standards that needs to be considered for financial year ended 31 December 2023 are listed below:

The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 2.1.2 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

a

IFRS 17 including amendments Initial application of IFRS 17 and IFRS 9 –Comparative Information

IFRS 17 Insurance Contracts - Recognition, measurement and presentation of insurance contracts

'The Group has applied IFRS 17 and IFRS 9, including any consequential amendments to other standards, from 1 January 2023.These standards have brought significant changes to the accounting for insurance and reinsurance contracts and financial instruments. As a result, the Group has restated certain comparative amounts and presented a third statement of financial position as at 1 January 2022. Except for the changes below, the Group has consistently applied the accounting policies as set out in the notes to all periods presented in these consolidated financial statements.

The nature and effects of key changes in the Group's accounting policies resulting from its adoption of IFRS 17 and IFRS 9 are summarized below:

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Group’s estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and contractual service margin.

Insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition,the Group no longer includes investment components as part of insurance revenue and insurance service expenses. Insurance finance income and expenses are presented in the profit or loss separately from insurance revenue and insurance service expenses.

Insurance finance income and expenses, disaggregated between profit or loss and OCI for individual life (including annuities), group life, non-life contracts (including Health), are presented separately from insurance revenue and insurance service expenses.

The Group applies the PAA to simplify the measurement of contracts in the non-life segment and group life. When measuring liabilities for remaining coverage, the PAA is similar to the Group’s previous accounting treatment. However, when measuring liabilities for incurred claims, the Group now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts ('deferred acquisition costs') until those costs were included in profit or loss and OCI. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

-Transition

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach to the extent practicable. Under the full retrospective approach, at 1 January 2022, the Group:

- identified, recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;
- identified, recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied, except that the recoverability assessment was not applied before 1 January 2022;
- derecognised previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts, intangible assets related to insurance contracts (previously referred to as 'value of business acquired'), insurance receivables and payables, and provisions for levies that are attributable to existing insurance contracts. Under IFRS 17, they are included in the measurement of the insurance contracts;

The effects of adopting IFRS 17 on the consolidated financial statements at 1 January 2022 are presented in the statement of changes in equity.

Contract Classification

Insurance Contracts

The Group identifies insurance contracts as arrangements where it accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder or beneficiary of the contract for specified uncertain future events that adversely affect the policyholder and whose amount and timing may be unknown.

The Group determines whether a contract contains significant insurance risk by assessing if an insured event could give cause 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. In making this assessment, all its substantive rights and obligations are considered, whether they arise from contract, law or regulation.

When insurance contracts are issued to compensate another entity for claims arising from one or more insurance contracts issued by that other entity, the associated contracts are reinsurance contracts issued which is part of insurance contracts issued.

Reinsurance Contracts Held

The Group enters into arrangements to transfer insurance risk, along with the respective premiums, to one or more reinsurers who will share the risks. To the extent that assuming reinsurers are unable to meet their obligations, the Group remains liable to its policyholders for the portion reinsured. Contracts of this nature are defined as reinsurance contracts held.

Investment Contracts

In the absence of significant insurance risk, the Company classifies contracts as investment contracts or service contracts. Investment contracts with discretionary participating features are accounted for in accordance with IFRS 17 and investment contracts without discretionary participating features are accounted for in accordance with IFRS 9. The Company has not classified any contracts as investment contracts with discretionary participating features.

Investment contracts may be reclassified as insurance contracts after inception if insurance risk becomes significant. A contract that is classified as an insurance contract at contract inception remains as such until all rights and obligations under the contract are extinguished or expire. Investment contracts are contracts that carry financial risk, which is the risk of a possible future change in one or more of the following: interest rate, commodity price, foreign exchange rate, or credit rating. Investment contracts are measured at FVTPL in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring the assets that back the contract on different bases.

Notes to the consolidated and separate financial stataments

Insurance and reinsurance contracts

For the individual life, the Group applied the modified retrospective approach in IFRS 17 to identify, recognise and measure certain groups of contracts at 1 January 2022 because it was impracticable to apply the full retrospective approach.

The Group applied the modified retrospective approach in IFRS 17 to identify, recognise and measure certain groups of contracts at 1 January 2022, because it was impracticable to apply the full retrospective approach. The Group considered the full retrospective approach impracticable for contracts in these segments under any of the following circumstances.

-The effects of retrospective application were not determinable because the information required had not been collected (or had not been collected with sufficient granularity) and was unavailable because of system migrations, data retention requirements or other reasons. Such information included for certain contracts:
- expectations about a contract's profitability and risks of becoming onerous required for identifying groups of contracts;
- information about historical cash flows and discount rates required for determining the estimates of cash flows on initial recognition and subsequent changes on a retrospective basis;
- information required to allocate fixed and variable overheads to groups of contracts, because the Group's previous accounting policies did not require such information; and - information about changes in assumptions and estimates, which might not have been documented on an ongoing basis.

Assets for insurance acquisition cash flows

For individual life (including annuities), the Group applied the modified retrospective approach or the fair value approach in IFRS 17 to identify, recognise and measure certain groups of contracts at 1 January 2022 because it was impracticable to apply the full retrospective approach.

Reconciliation of Financial Statements from IFRS 4 to IFRS 17

The following table and accompanying notes below explain the original measurement categories under IFRS 4 the new measurement under IFRS 17 as at 1 January 2022 and 31 December 2022 respectively

Notes to the consolidated and separate financial stataments

Statement of Financial Position 01- Jan 2022	**Balance under IFRS 4**	**Reclassification**	**IFRS 9 measurement**	**IFRS 17 measurement**	**Balance under IFRS 17**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Assets					
Cash and cash equivalents	14,227,012	-	-	-	14,227,012
Investment securities					
- Fair value through profit or loss	3,653,526	2,940,457	-	-	6,593,983
- Available for sale	30,864,575	(30,864,575)	-	-	-
- Fair value through OCI	-	27,924,118	(402,714)	-	27,521,404
Financial assets designated at fair	4,374,805	-	-	-	4,374,805
Trade receivables	1,196,453	-	-	-	1,196,453
Reinsurance assets	10,870,972	(10,870,972)	-	-	-
Reinsurance contract assets	-	10,870,972	-	(114,220)	10,756,752
Deferred acquisition cost	620,749	(620,749)	-	-	-
Other receivables	2,981,536	-	-	-	2,981,536
Loans and receivables	2,666,458	-	-	-	2,666,458
Investment in subsidiaries	1,652,000	-	-	-	1,652,000
Intangible assets	354,896	-	-	-	354,896
Property and equipment	2,404,365	-	-	-	2,404,365
Right-of-use asset	654,074	-	-	-	654,074
Statutory deposit	500,000	-	-	-	500,000
Total Assets	**77,021,421**	**(620,749)**	**(402,714)**	**(114,220)**	**75,883,738**
Liabilities					
Insurance contract liabilities	25,594,713	(272,937)	-	(954,281)	24,367,495
Reinsurance contract liabilities	-	555,502	-	111,361	666,863
Investment contract liabilities			-		
- At amortised costs	6,868,168	-	-	-	6,868,168
- Liabilities designated at fair value	4,374,805	-	-	-	4,374,805
Trade payables	11,286,130	(6,002,099)	-	-	5,284,031
Other Liabilities	3,141,233	-	-	-	3,141,233
Other technical liabilities	-	4,877,788	-	-	4,877,788
Current income tax liabilities	645,958	-	-	-	645,958
Total Liabilities	**51,911,007**	**(841,746)**	**-**	**(842,920)**	**50,226,341**
Equity					
Share capital	18,000,000	-	-	-	18,000,000
Share premium	78,255	-	-	-	78,255
Contingency reserve	4,816,716	-	-	-	4,816,716
Treasury shares	(111,476)	-	-	-	(111,476)
Fair value reserves	(8,764)	-	301,393	-	292,629
Insurance finance reserve	-	-	-	45,743	45,743
Retained earnings	2,335,683	-	(307,006)	506,853	2,535,530
Total Equities	**25,110,414**	**-**	**(5,613)**	**552,596**	**25,657,397**
Total Liabilities and Equity	**77,021,421**	**(841,746)**	**(5,613)**	**(290,324)**	**75,883,738**

Notes to the consolidated and separate financial stataments

The adoption of IFRS 17 and IFRS 9 resulted in an overall reduction the total assets of N1.14billion, total liabilities of N1.68billion and an increase in total equities of N0.55billion on the transition balance sheet of 01 Janaury 2022.

Assets and liabilities reclassification were driven by changes to the groupings of certain assets and liabilities. Significant reclassifications included N10.8billion from reinsurance assets to reinsurance contract assets and N27.92billion from Available for Sale assets to Financial assets at OCI. Also the reclassification of N555.5million from trade payables to reinsurance contract liabilities.

IFRS 9 adjustments resulted in the reclassification of N30.86billion previously recognised as available for sale under IAS 39 to financial assets at fair value through OCI. Also ECL allowance of N301.39million was recognised on financial assets at fair value through OCI.

IFRS 17 adjustments mainly resulted in the reduction of Insurance contract liabilities of N1.25billion, which is primarily as a result of discounting on liabilities for incurred claims (LIC).

Total equities increased by N0.55billion significantly due to IFRS 17 adjustments on retained earnings. A reconciliation of the movement in retained earnings is shown below

Reconciliation of Retained Earnings from IFRS 4 and IAS 39 to IFRS 17 and IFRS 9	**For the year ended 01 Janaury 2022**
	N'000
Net earnings under IFRS 4 and IAS 39, previously reported	**2,335,682**
Impact of Initial application of IFRS 17 and IFRS 9	
ECL allowance on financial assets at fair value through OCI	(307,006)
Reclassification of fair value changes in financial assets previously recognised in available for sale now recognised as fair value through profit or loss	(12,147)
Changes due to risk adjustments and discounting	519,001
Restated net earnings under IFRS 17 and IFRS 9 overlay	**2,535,530**

Notes to the consolidated and separate financial statements

Statement of Comprehensive Income 01- Jan 2022	Balance under IFRS 4	Reclassification	IFRS 9 measurement	IFRS 17 measurement	Balance under IFRS 17
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Gross premium	34,054,988	(34,054,988)			-
Insurance revenue	-	34,054,988			34,054,988
Reinsurance expense	(18,318,198)	18,318,198			
Fee and commission on insurance	1,860,567	(1,860,567)			
Claims expense	(11,930,407)	11,930,407		-	
Claims expenses recovered from	4,436,812	(4,436,812)			-
Underwriting expense	(4,002,736)	4,002,736			-
Changes in individual life reserves	(1,580,635)	1,580,635			-
Changes in annuity reserves	899,102	(899,102)			-
Insurance service expenses	-	(15,445,320)		(560,531)	(16,005,851)
Net expenses from reinsurance contracts held	-	(12,311,075)		145,929	(12,165,146)
Insurance service result	**5,419,493**	**879,100**	**-**	**(414,602)**	**5,883,991**
Investment Income	5,439,214	(5,439,214)	-	-	-
Net (losses)/gains on financial instruments	(905,070)	905,070	-	-	-
Profit on investment contracts	230,156	(230,156)	-	-	-
Interest revenue calculated using the effective interest method	-	5,439,214	-	-	5,439,214
Other investment revenue	-	(674,914)	-	-	(674,914)
Other income	343,087	-	-	-	343,087
Writeback/(Impairment) of other assets	2,370	-	-	-	2,370
(Impairment)/writeback of premium receivables	11,950	-	-	-	11,950
Net finance income/(expense)	-	-	-	(36,110)	(36,110)
Net investment income	**5,121,707**	**-**	**-**	**(36,110)**	**5,085,597**
Expenses for marketing and administration	(1,722,175)	-	-	-	(1,722,175)
Employee benefits expense	(1,968,362)	(870,970)	-	-	(2,839,332)
Finance cost	(74,227)	-	-	-	(74,227)
Other operating expenses	(3,661,885)	897,156	-	-	(2,764,729)
Result of operating activities	(7,426,649)	26,186	-	-	(7,400,463)
Profit before tax	**3,114,551**	**905,286**	**-**	**(450,712)**	**3,569,125**
Tax expense	(623,858)	-	-	-	(623,858)
Profit after tax	**2,490,693**	**905,286**	**-**	**(450,712)**	**2,945,267**

Notes to the consolidated and separate financial stataments

Statement of Financial Position 31-Dec-2022	**Balance under IFRS 4**	**Reclassification**	**IFRS 9 measurement**	**IFRS 17 measurement**	**Balance under IFRS 17**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Assets					
Cash and cash equivalents	11,107,664	-	-	-	11,107,664
Investment securities					-
- Fair value through profit or loss	3,386,475	4,007,649	-	-	7,394,124
- Available for sale	37,940,243	(37,940,243)	-	-	-
- Fair value through OCI	-	33,932,595	-	-	33,932,595
Financial assets designated at fair value	2,505,441	-	-	-	2,505,441
Trade receivables	454,081		-	-	454,081
Reinsurance assets	11,833,731	(11,833,731)	-	-	-
Reinsurance contract assets	-	11,833,731	-	(68,213)	11,765,518
Deferred acquisition cost	514,011	(514,011)	-	-	-
Other receivables	2,945,247	-	-	-	2,945,247
Loans and receivables	4,229,583	-	-	-	4,229,583
Investment in subsidiaries	1,652,000	-	-	-	1,652,000
Intangible assets	391,201	-	-	-	391,201
Property and equipment	2,717,465	-	-	-	2,717,465
Right-of-use asset	672,176	-	-	-	672,176
Statutory deposit	500,000	-	-	-	500,000
Total Assets	**80,849,318**	**(514,010)**	**-**	**(68,213)**	**80,267,095**
Liabilities					
Insurance contract liabilities	30,806,643	(3,950,607)	-	(1,501,143)	25,354,893
Reinsurance contract liabilities	-	-	-	1,449,183	1,449,183
Investment contract liabilities					
- At amortised costs	4,211,201	4,853,979			9,065,180
- Liabilities designated at fair value	2,505,441	-	-	-	2,505,441
Trade payables	13,743,301	(7,201,180)	-	-	6,542,121
Other Liabilities	2,740,547	-	-	-	2,740,547
Other technical liabilities	-	5,617,958			5,617,958
Current income tax liabilities	674,215	-	-	-	674,215
Total Liabilities	**54,681,348**	**(679,850)**	**-**	**(51,960)**	**53,949,538**
Equity					
Share capital	18,000,000	-	-	-	18,000,000
Share premium	78,255	-	-	-	78,255
Contingency reserve	5,118,869	-	-	-	5,118,869
Treasury shares	(111,476)	-	-	-	(111,476)
Fair value reserves	(745,315)	-	210,171	-	(535,144)
Insurance finance reserve	-	-	-	47,430	47,430
Retained earnings	3,827,637	-	-	(108,013)	3,719,624
Total Equities	**26,167,970**	**-**	**210,171**	**(60,584)**	**26,317,558**
Total Liabilities and Equity	**80,849,318**	**(679,850)**	**210,171**	**(112,544)**	**80,267,095**

Notes to the consolidated and separate financial stataments

Statement of Comprehensive Income	**Balance under IFRS 4**	**Reclassification**	**IFRS 9 measurement**	**IFRS 17 measurement**	**Balance under IFRS 17**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Gross premium	43,555,438	(43,555,438)			-
Insurance revenue	-	42,947,277	-	-	42,947,277
Reinsurance expense	(23,041,126)	23,041,126	-	-	-
Fee and commission on insurance	2,397,298	(2,397,298)	-	-	-
Claims expense	(14,628,406)	14,628,406	-	-	-
Claims expenses recovered from reinsurers	4,784,095	(4,784,095)	-	-	-
Underwriting expense	(4,501,742)	4,501,742	-	-	-
Changes in individual life reserves	(1,823,911)	1,823,911	-	-	-
Changes in annuity reserves	170,161	(170,161)	-	-	-
Insurance service expenses	-	(20,151,646)		(560,531)	(20,712,177)
Net expenses from reinsurance	-	(15,959,940)	-	145,929	(15,814,011)
Insurance service result	**6,911,807**	**(76,116)**	**-**	**(414,602)**	**6,421,089**
Investment Income	6,473,629	-	-	-	-
Net (losses)/gains on financial	64,881	-	-	-	-
Profit on investment contracts	401,556	-	-	-	-
Interest revenue calculated using the effective interest method	-	5,256,442	-	-	3,104,793
Other investment revenue	-	466,437	-	-	4,212,035
Other income	26,574	-	-	-	26,574
Writeback/(Impairment) of other assets	-	-	91,223	-	91,223
(Impairment)/writeback of premium receivables	(155,750)	-	-	-	(155,750)
Net finance income/(expense)	-	-	-	(39,334)	(39,334)
Net investment income	**6,810,890**	**5,722,879**	**91,223**	**(39,334)**	**7,239,541**
Expenses for marketing and administration	(1,896,221)	-	-	-	(1,896,221)
Employee benefits expense	(2,573,635)	-	-	-	(2,573,635)
Finance cost	(132,117)	-	-	-	(132,117)
Other operating expenses	(3,979,587)	28,941	-	-	(3,950,646)
Result of operating activities	(8,581,560)	28,941	-	-	(8,552,619)
Profit before tax	**5,141,137**	**5,675,704**	**91,223**	**(453,936)**	**5,108,011**
Tax expense	(557,030)	-	-	-	(557,030)
Profit after tax	**4,584,107**	**5,675,704**	**91,223**	**(453,936)**	**4,550,981**

• IFRS 9 Financal Instruments

i. Classification of financial assets and financial liabilities
IFRS 9 includes three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL.
The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held-to-maturity investments, loans and receivables, and available-for-sale financial assets. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of IFRS 9 are not separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS 9 has not had a significant effect on the Group's accounting policies for financial liabilities.

ii. Impairment of financial assets
IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' model. The new impairment model applies to financial assets measured at amortised cost, debt investments at FVOCI and lease receivables. Under IFRS 9, credit losses are recognised earlier than under IAS 39

iii. Transition
Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively. The following assessments have been made on the basis of the facts and circumstances that existed at 1 January 2023:
-The determination of the business model within which a financial asset is held.
-The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.
-The designation of certain investments in equity instruments not held for trading as at FVOCI
If a financial asset had low risk at 1 January 2023, then the Group determined that the credit risk on the asset had not increased significantly since initial recognition.

iv. Effect of initial application;
The adoption of IFRS 9 has not had a material impact on the Group's basic or diluted EPS for the years ended 31 December 2023 and 2022.

Classification of financial assets and liabilities
The following table and accompany notes below explain the original measurement categories under IAS 39 and the new measurement under IFRS 9 for each class of the Group's financial assets and financial liabilities as at 1 January 2023

Group

in thousands of Naira	Note	Original classification under IAS 39	New Classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets					
Cash and Cash equivalents	8	Held to Maturity	Amortised cost	13,469,877	13,469,877
Loans and receivables	13	Loans and receivables	Amortised costs	3,773,985	3,773,985
Investment funds	9.1	Available for sale	FVTPL	8,344,682	8,344,682
Equity securities	9.1	Available for sale	FVTPL	355,711	355,711
Treasury bills	9.2	Available for sale	FVTOCI	1,681,975	1,681,975
Government & corporate bonds	9.2	Available for sale	FVTOCI	28,651,120	28,651,120
Placements	9.2	Available for sale	FVTOCI	4,431,890	4,431,890
Investment contracts designated at fair value	9.3	Designated at FV	FVTPL	2,505,441	2,505,441
Total Financial assets				**63,214,681**	**63,214,681**
Financial liabilities					
Reinsurance contract liabilities	10a (i)	Held to maturity	Amortised cost	1,583,222	1,524,507
Borrowings	25	Held to maturity	Amortised cost	2,180,878	2,180,878
Total Financial liabilities				**3,764,100**	**3,705,385**

Notes to the consolidated and separate financial statements

Company

in thousands of Naira	Note	Original classification under IAS 39	New Classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets					
Cash and Cash equivalents	8	Held to Maturity	Amortised cost	11,107,664	11,107,664
Loans and receivables	13	Loans and receivables	Amortised costs	4,229,583	4,229,583
Investment funds	9	Available for sale	FVTPL	7,118,884	7,118,884
Equity securities	9	Available for sale	FVTPL	275,240	275,240
Treasury bills	9	Available for sale	FVTOCI	1,481,975	1,481,975
Government & corporate bonds	9	Available for sale	FVTOCI	28,018,730	28,018,730
Placements	9	Available for sale	FVTOCI	4,431,890	4,431,890
Investment contracts designated at fair value	9	Designated at FV	FVTPL	2,505,441	2,505,441
Total Financial assets				**59,169,407**	**59,169,407**
Financial liabilities					
Reinsurance contract liabilities	10a (i)	Amortised cost	Amortised cost	1,583,222	1,449,183
Total Financial liabilities				**1,583,222**	**1,449,183**

The following table reconciles the carrying amounts of the financial assets under IAS 39 to the carrying amounts under IFRS 9 on transition to IFRS 9 on 01 January 2023

Group

in thousand of naira	**As at 31 December 2022 IAS 39**	**Reclassification**	**Remeasurement**	**As at 1 January 2023 IFRS 9**
At Amortised cost				
Financial investments-other:				
Cash and cash equivalent				
Bought forward	13,469,877	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	13,469,877
Loans and receivables				
Bought forward	3,773,985	-	-	
Remeasurement	-	-	-	
Carried forward	-	-	-	3,773,985
Total amortised cost	**17,243,862**	**-**	**-**	**17,243,862**
At Fair value through profit or loss				
Financial investments-other:				
Investment funds				
Bought forward	8,344,682	-	-	
Remeasurement	-	-	-	
Carried forward	-	-	-	8,344,682
Equity securities				
Bought forward	355,711	-	-	-
Remeasurement		-	-	-
Carried forward	-	-	-	355,711
Total Fair value through profit or loss	**8,700,393**	**-**	**-**	**8,700,393**

Notes to the consolidated and separate financial statements

At Fair value through other comprehensive income				
Financial investments-other:				
Treasury bills				
Bought forward	1,681,975	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	1,681,975
Government & corporate bonds				
Bought forward	28,651,120	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	28,651,120
Placements				
Bought forward	4,431,890	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	4,431,890
Investment contracts designated at fair value				
Bought forward	2,505,441	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	2,505,441
Total fair value through other comprehensive income	**37,270,426**	**-**	**-**	**37,270,426**

Company

in thousand of naira	**As at 31 December 2022 IAS 39**	**Reclassification**	**Remeasurement**	**As at 1 January 2023 IFRS 9**
At Amortised cost				
Financial investments-other:				
Cash and cash equivalent				
Bought forward	11,107,664	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	11,107,664
Loans and receivables				
Bought forward	4,229,583	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	4,229,583
Total amortised cost	**15,337,247**	**-**	**-**	**15,337,247**
At Fair value through profit or loss				
Financial investments-other:				
Investment funds				
Bought forward	7,118,884	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	7,118,884
Equity securities				
Bought forward	275,240	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	275,240
Total Fair value through profit or loss	**7,394,124**	**-**	**-**	**7,394,124**

Notes to the consolidated and separate financial stataments

At Fair value through other comprehensive income				
Financial investments-other:				
Treasury bills				
Bought forward	1,481,975	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	1,481,975
Government & corporate bonds				
Bought forward	28,018,730	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	28,018,730
Placements				
Bought forward	4,431,890	-	-	-
Remeasurement	-	-	-	-
Carried forward	-	-	-	4,431,889.53
Investment contracts designated at fair value				
Bought forward	2,505,441	-	-	-
Remeasurement		-	-	-
Carried forward	-	-	-	2,505,441
Total fair value through other comprehensive income	**36,438,036**	**-**	**-**	**36,438,036**

2.2 Material Accounting Policies

a IFRS 9 - Financial Instruments

Recognition and measurement of financial assets

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

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

Classification of financial assets

Financial assets not derecognised before 1 January 2023

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are SPPI.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI.

The Group elects to present changes in the fair value of certain equity investments that are not held for trading in OCI. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment
The Group assesses the objective of the business model in which a financial asset is held for each portfolio of financial assetsb because this best reflects the way that the business is managed and information is provided to management. The information considered includes:
- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

For a majority of debt investments, the objective of the Group's business model is to fund insurance contract liabilities. The Group undertakes significant buying and selling activity on a regular basis to rebalance its portfolio of assets and to ensure that contractual cash flows from the financial assets are sufficient to settle insurance contract liabilities. The Group determines that both collecting contractual cash flows as they come due and selling financial assets to maintain the desired asset profile are integral to achieving the business model's objective.

Certain debt securities are held in separate portfolios for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The Group considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Portfolios of financial assets that are managed and whose performance is evaluated on a fair value basis, which include underlying items of participating contracts, and portfolios of financial assets that are held for trading are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are SPPI
For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition. However, the principal may change over time - e.g. if there are repayments of principal. Interest is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration for the time value of money (e.g. periodic reset of interest rates).

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. In addition, for a financial asset acquired at a premium or discount to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant on initial recognition.

Some prepayment features permit the debtor to prepay the debt instrument at an amount calculated as the remaining contractual cash flows discounted at the current market benchmark interest rate plus a fixed spread. The Group has determined that these prepayment features are consistent with the SPPI criterion. Because the Group would be compensated only for the change in the market benchmark interest rate and for lost interest margin, the prepayment penalty would not include any non-SPPI risks and may be seen as reasonable compensation.

Subsequent measurement and gains and losses
Financial assets at FVTPL; Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss, unless they arise from derivatives designated as hedging instruments in net investment hedges.

Debt investments at FVOCI: Measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI and accumulated in the fair value reserve. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: Measured at fair value. Dividends are recognised as income in profit or loss when the Group's right to receive payment is established, unless they clearly represent a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

Financial assets at amortised cost: Measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss

Financial assets derecognised before 1 January 2023
Classification
The Group classified its financial assets into one of the following categories:
- financial assets at FVTPL, and within this category as:
  - held-for-trading;
  - derivative hedging instruments; or
  - designated as at FVTPL;
- held-to-maturity investments;
- loans and receivables; and
- available-for-sale financial assets.

Subsequent measurement and gains and losses
Financial assets at FVTPL; Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, were recognised in profit or loss, unless they arose from derivatives designated as hedging instruments in net investment hedges.

Held-to-maturity investments: Measured at amortised cost using the effective interest method.

Loans and receivables: Measured at amortised cost using the effective interest method.

Available-for-sale financial assets: Measured at fair value. Interest income calculated using the effective interest method, dividends,
Subsequent measurement and gains and losses
Financial liabilities at FVTPL: Measured at fair value. Net gains and losses, including any interest expenses and foreign exchange gains and losses, are recognised in profit or loss, unless they arise from derivatives designated as hedging instruments in net investment hedges.
Financial liabilities at amortised cost: Measured at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Interest on financial instruments not derecognised before 1 January 2023
Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is calculated on initial recognition of a financial instrument and is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rat instruments to reflect movements in market rates of interest. The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Notes to the consolidated and separate financial stataments

The gross carrying amount of a financial asset is its amortised cost before adjusting for any loss allowance.

Financial assets not credit-impaired on initial recognition:
-If the financial asset is not credit-impaired, then interest income is calculated by applying credit-impaired on the effective interest rate to the gross carrying amount of the asset. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the asset, but not ECL.

-If the financial asset has become credit-impaired subsequent to initial recognition, then interest income is calculated by applying the effective interest rate to the amortised cost of the asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Financial assets credit-impaired on initial recognition:
-Interest income is calculated by applying a credit-adjusted effective interest rate to the amortised cost of the asset. The credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Financial liabilities: Interest expenses are calculated by applying the effective interest rate to the amortised cost of the liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the liability.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability. Interest revenue calculated using the effective interest method and other finance costs presented in profit or loss include interest on financial assets and financial liabilities measured at amortised cost and debt investments measured at FVOCI.

Interest on financial instruments derecognised before 1 January 2023
Interest income and expenses were recognised in profit or loss using the effective interest method. The effective interest rate was the rate that exactly discounted the estimated future cash payments and receipts through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimated future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate included transaction costs and fees and points paid or received that were an integral part of the effective interest rate. Transaction costs were incremental costs that were directly attributable to the acquisition or issue of a financial asset or financial liability.

Interest revenue calculated using the effective interest method and other finance costs presented in profit or loss included interest on financial assets and financial liabilities measured at amortised cost and available-for-sale financial assets.

Derivatives, including embedded derivatives
Derivatives, including embedded derivatives separated from their host contracts, are classified as held-for-trading, unless they form part of a qualifying net investment hedging relationship. They are measured at fair value with changes in fair value recognised in profit or loss.

Derivatives may be embedded in another contractual arrangement (a host contract). When the host contract is a financial asset in the scope of IFRS 9, the hybrid financial instrument as a whole is assessed for classification and the embedded derivative is not separated from the host contract.

A derivative embedded in a host insurance or reinsurance contract is not accounted for separately from the host contract if the embedded derivative itself meets the definition of an insurance or reinsurance contract.
For other contracts, the Group accounts for an embedded derivative separately from the host contract when:
- the hybrid contract is not measured at FVTPL;
- the terms of the embedded derivative would have met the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. In particular, an embedded derivative is closely related to a host insurance contract if they are so interdependent that the embedded derivative cannot be measured separately - i.e. without considering the host contract.

iii. **Impairment**
Financial assets not derecognised before 1 January 2023
The Group recognises loss allowances for ECL on:
- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- lease receivables.

The Group measures loss allowances at an amount equal to lifetime ECL, except in the following cases, for which the amount recognised is 12-month ECL:
- debt securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Financial instruments for which lifetime ECL are recognised because of a significant increase in credit risk since initial recognition but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

In all cases, the maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECL

The Group and Company recognizes loss allowances for Expected Credit Losses (ECL) on the following financial instruments that are not measured at FVTPL. The Entity measures expected credit losses and recognizes interest income on risk assets based on the following stages:

Stage 1: Assets that are performing. If credit risk is low as of the reporting date or the credit risk has not increased significantly since initial recognition, The Group and Company recognize a loss allowance at an amount equal to 12-month expected credit losses. This amount of credit losses is intended to represent lifetime expected credit losses that will result if a default occurs in the 12 months after the reporting date, weighted by the probability of that default occurring.

Stage 2: Assets that have significant increases in credit risk. In instances where credit risk has increased significantly since initial recognition, The Entity measures a loss allowance at an amount equal to full lifetime expected credit losses. That is, the expected credit losses that result from all possible default events over the life of the financial instrument. For these debt instruments, interest income recognition will be based on the Effective Interest Rate(EIR) multiplied by the gross carrying amount.

Stage 3: Credit impaired. For debt instruments that have both a significant increase in credit risk plus observable evidence of impairment.
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group and Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.
Impairment methodology
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 wi 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 causir a change in the EAD.
Loss Given Default
The Group 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 judgments 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 Group 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 range of 5-10% based on the Central banks of Nigeria's Revised Guidance Notes on Cre

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets measured at amortised cost, debt investments credit-impaire at FVOCI and lease receivables are credit-impaired. A financial asset is when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the debtor;
- a breach of contract such as a default or past-due event;
- the restructuring of an amount due to the Group on terms that the Group would not otherwise consider;
- the debtor entering bankruptcy or other financial reorganisation becoming probable; or
- the disappearance of an active market for a security because of financial difficulties. A financial asset that has been renegotiated due to a deterioration in the borrower'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 assessing whether an investment in sovereign debt is credit-impaired, the Group considers the following factors:
- the market's assessment of creditworthiness as reflected in 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; and
- 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, including 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 loss allowances in the statement of financial position
Loss allowances for ECL are presented as follows:
- financial assets measured at amortised cost: the loss allowance is deducted from the gross carrying amount of the assets; and
- debt investments measured at FVOCI: the loss allowance does not reduce the carrying amount of the financial assets (which are measured at fair value) but gives rise to an equal and opposite gain in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Although the Group expects no significant recovery from amounts written off, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial assets derecognised before 1 January 2023

At each reporting date, the Group assessed whether there was objective evidence that financial assets not measured at FVTPL were impaired. A financial asset or a group of financial assets was impaired when objective evidence demonstrated that a loss event had occurred after the initial recognition of the asset(s) and that the loss event had an impact on the future cash flows of the asset(s) that could be estimated reliably. This assessment was similar to determining whether a financial asset not derecognised before 1 January 2023 is credit-impaired (see above).

iv. Derecognition and contract modification

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. For debt investments at FVOCI and financial assets that had already been derecognised at 1 January 2023, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. The cumulative gain or loss on equity investments designated as at FVOCI is not reclassified to profit or loss.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows.

- Fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the new asset.
- Other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the debtor is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual cash flows rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see 'Write-off' under (iii)).

Notes to the consolidated and separate financial stataments

If a financial asset measured at amortised cost or FVOCI is modified but not substantially, then the financial asset is not derecognised. If the asset had not been derecognised at 1 January 2023, then the Group recalculates the gross carrying amount of the financial asset by discounting the modified contractual cash flows at the original effective interest rate and recognises the resulting adjustment to the gross carrying amount as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. If such a modification is carried out because of financial difficulties of the borrower (see (iii)), then the gain or loss is presented together with impairment losses; in other cases, it is presented as interest revenue. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

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

b Consolidation

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

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

(a) power over the investee entity;

(b) exposure, or rights, to variable returns from involvement with the investee entity; and

(c) the ability to use power over the investee to affect the amount of the investor's returns.

c Consolidated entities

(i) Subsidiaries

Subsidiaries are all entities over which the Group exercises control.

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

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

(ii) Transactions eliminated on consolidation

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

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

(iii) Business combinations

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

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

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

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in compliance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

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

Business combination under common control

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

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

Notes to the consolidated and separate financial stataments

(iv) Non- controlling interests

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

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

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

(vi) Loss of control

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

d Segment reporting

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

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

e Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency').

(ii) Transactions and balances

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

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

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

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

(iii) Group companies

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

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

Notes to the consolidated and separate financial stataments

f Investment property

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

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.
Subsequently, it is carried at fair value, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets. These valuations are reviewed annually by an independent valuation expert.

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

Investment properties are derecognized either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

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

g Intangible assets

(i) Computer software

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

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

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:
- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

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

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates.
Computer software development costs recognised as assets are amortised over their useful lives, which does not exceed five years. The residual values and useful lives are reviewed at the end of each reporting period and are adjusted as appropriate.

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

Amortisation commences from the date that it is available for use since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset. Amortisation methods, usefiul lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Notes to the consolidated and separate financial stataments

(ii) Goodwill

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

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

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

(iii) License fee

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

h Property and equipment

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

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

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

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

-Building	50 years
-Motor Vehicles	5 years
-Furniture and fittings	2-5 years
-Office equipments	2-5 years
-Computer equipment	3 years

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

The assets residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate.
An asset’s carrying amount is written down immediately to its recoverable amount, if the asset’s carrying amount is greater than its estimated recoverable amount.

WIP represents items under construction and depreciation are not charged until the assets are put into use.

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

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

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

Notes to the consolidated and separate financial statam ents

i Statutory deposit

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

j A. IFRS 17 Insurance Contracts

IFRS 17 replaces IFRS 4 Insurance Contracts and is effective for annual periods beginning on or after 1 January 2023.

B. Identifying contracts in the scope of IFRS 17

When identifying contracts in the scope of IFRS 17, in some cases the Group will have to assess whether a set or series of contracts needs to be treated as a single contract and whether embedded derivatives, investment components and goods and services components have to be separated and accounted for under another standard. For insurance and reinsurance contracts, the Group does not expect significant changes arising from the application of these requirements.
If a contract does not meet the definition of an insurance contract or the definition of an investment contract with discretionary participation features, then it falls outside the scope of IFRS17. For products that are outside the scope of IFRS17, the value of liabilities as determined by the applicable IFRS standard will be reported

C. Level of aggregation
The Group aggregates insurance contracts into contract groups for measurement purposes. Groups of contracts are determined by first identifying portfolios of contracts, each comprising contracts subject to similar risks and managed together. Contracts in different product lines or issued by different Group entities are expected to be in different portfolios. Each portfolio is then divided into annual cohorts (i.e., by year of issue) and each annual cohort into three groups:
• any contracts that are onerous on initial recognition i.e. the estimated expected fulfilment cash flow is a net outflow.
• any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
• any remaining contracts in the annual cohort.
The Group has not identified any group of insurance contratcs that have no significant possibility of becoming onerous subsequently.

When a contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts may be added, Groups of reinsurance contracts are established such that each group comprises a single contract. The level of aggregation requirements of IFRS 17 limit the offsetting of gains on groups of profitable contracts, which are generally deferred as a CSM, against losses on groups of onerous contracts, which are recognised immediately (see (v) and (vi), on the measurement of the Life and Non-contracts), Compared with the level at which the liability adequacy test is performed under IFRS 4 (i.e. portfolio of contracts level), the level of aggregation under IFRS 17 is more granular and is expected to result in more contracts being identified as onerous and losses on onerous contracts being recognised sooner.

D. Initial Recognition
The Company recognizes a group of insurance contracts that it issues from the earliest of:
• The beginning of the coverage period of the group of contracts; and
• For a group of onerous contracts, when the group becomes onerous if facts and circumstances indicate there is such a group.
A group of reinsurance contracts held is recognized on the following date:
• Reinsurance contracts held initiated by the Company that provide proportionate coverage: the date on which any underlying insurance contract is initially recognized; and
• Other reinsurance contracts held initiated by the Company: the beginning of the coverage period of the group of reinsurance contracts

E. Contract boundaries
The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. Compared with the current accounting, the Group expects that for certain contracts the IFRS 17 contract boundary requirements will change the scope of cash flows to be included in the measurement of existing recognised contracts, as opposed to future unrecognised contracts. The period covered by the premiums within the contract boundary is the ‘coverage period’, which is relevant when applying a number of requirements in IFRS 17.

Notes to the consolidated and separate financial stataments

i) Insurance Contracts

For insurance contracts, cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a substantive obligation to provide services (including insurance coverage and investment services). A substantive obligation to provide services ends when:

• the Group has the practical ability to reassess the risks of the policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or

• the Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

Some term life and critical illness contracts issued by the Group have annual terms that are guaranteed to be renewable each year. Currently, the Group accounts for these contracts as annual contracts. Under IFRS 17, the cash flows related to future renewals (i.e., the guaranteed renewable terms) of these contracts will be within the contract boundary, this is because the Group does not have the practical ability to reassess the risks of the policyholders at individual contract or portfolio level.

ii) Reinsurance contracts

For reinsurance contracts, cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends when the reinsurer:

• has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or

• has a substantive right to terminate the coverage.

F. Measurement- Overview

There are three measurement models provided by IFRS 17 to measure insurance contracts:

• The Premium Allocation Approach (PAA);

• The General Measurement Model (GMM); and

• The Variable Fee Approach (VFA).

The Group has applied the PAA and GMM models bassed on types of insurance contracts written.

Premium Allocation Approach (PAA)

The Group expects that it will apply the PAA to all contracts in the non-life segment because the following criteria are expected to be met at inception.

• Insurance contracts and loss-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.

• Risk-attaching reinsurance contracts: The Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the result of applying the accounting policies described above.

On initial recognition of each group of non-life insurance contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition. The Group will elect to recognise insurance acquisition cash flows as expenses when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any further premiums received and decreased by the amount recognised as insurance revenue for services provided. The Group expects that the time between providing each part of the services and the related premium due date will be no more than a year. Accordingly, as permitted under IFRS 17, the Group will not adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time before and during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then a loss will be recognised in profit or loss and will increase the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows will be discounted (at current rates) if the liability for incurred claims is also discounted.

The Group will recognise the liability for incurred claims of a group of contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows will be discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

The Group will apply the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

Notes to the consolidated and separate financial statements

General Measurement Model (GMM)

The Group applies this model to its Individual Life products such as pure protection, annuities and life and savings.

On initial recognition, a group of insurance contracts is measured as the total of the fulfillment cash flows, and the CSM.

Fulfillment cash flows comprise estimates of future cash flows weighted by probability, and discounted to reflect the time value of money and the associated financial risks, with an additional risk adjustment for non-financial risk.

The Group estimates future contractual cash flows within the contracts' boundary by considering current and past experiences, as well as possible future expectations to reflect market and non-market variables impacting the valuation of cash flows. The risk adjustment is the compensation the Group receives in fulfilling an insurance contract that arises from uncertainties surrounding the amount and timing of cash flows for non-financial risks. The non-financial risk assumptions are mortality, longevity, morbidity, lapse, and expense. Estimates and assumptions are reviewed periodically for appropriateness in reflecting current, past, and future experiences. When estimating fulfillment cash flows, the Group includes all cash flows that are within the contract boundary including:

• Premiums and related cashflows;
• Claims and benefits, including reported claims not yet paid, incurred claims not yet reported and expected future claims;
• Cash flows from loans to policyholders (if applicable);
• Insurance acquisition cash flows which are allocated to groups of contracts on a systematic and rational basis; and
• Other fixed and variable expenses directly attributable to the fulfillment of insurance contracts.

Contractual Service Margin (CSM)

The CSM of a group of insurance contracts represents the unearned profit that the Group expects to recognize in the future as it provides services under those contracts.

On initial recognition of a group of insurance contracts, if the total of the fulfillment cash flows, any derecognized assets for insurance acquisition cash flows, and any cash flows arising at that date is a net inflow, the group of contracts is non-onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no net income or expenses arising on initial recognition.

Discount Rates

The Group measures time value of money using discount rates that are consistent with observable market prices and reflect the liquidity characteristics of the insurance contracts. 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).

The Group applies the bottom-up approach to set the discount rate. This approach uses a risk-free rate as determined by the Nigerian Actuarial Society.

G. Measurement-Life contracts

Insurance contracts and investment contracts with DPF

On initial recognition, the Group will measure a group of contracts as the total of

(a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and

(b) the CSM. The fulfilment cash flows of a group of contracts do not reflect the Group's non-performance risk.

•The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario will be discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group will use stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for variables such as interest rates and equity returns.

All cash flows will be discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity characteristics of the contracts. Cash flows that vary based on the returns on any underlying items will be adjusted for the effect of that variability using risk-neutral measurement techniques and discounted using the risk-free rates as adjusted for illiquidity. When the present value of future cash flows is estimated by stochastic modelling, the cash flows will be discounted at scenario-specific rates calibrated, on average, to be the risk-free rates as adjusted for illiquidity.

The risk adjustment for non-financial risk for a group of contracts, determined separately from the other estimates, is the compensation that the Group would require for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The CSM of a group of contracts represents the unearned profit that the Group will recognize as it provides services under those contracts. On initial recognition of a group of contracts, the group is not onerous if the total of the following is a net inflow:

(a) the fulfilment cash flows;

(b) any cash flows arising at that date; and

(c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows; see below).

Notes to the consolidated and separate financial stataments

In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition. If the total is a net outflow, then the group is onerous and the net outflow is generally recognised as a loss in profit or loss; a loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue (see (viii)) on presentation and disclosure. Subsequently, the carrying amount of a group of contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claim s. The liability for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

• The fulfilment cash flows of groups of contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

Changes relating to future services   Adjusted against the CSM (or recognized in the insurance service result in profit or loss if the group is onerous)

Changes relating to current or past services   Adjusted against the CSM (or recognized in the insurance service result in profit or loss if the group is onerous)

Effects of the time value of money, financial risk and Recognised as insurance finance income or expenses
changes therein on estimated future cash flows

•The CSM is adjusted subsequently only for changes in fulfilment cash flows that relate to future services and other specified amounts and is recognised in profit or loss as services are provided. The CSM at each reporting date represents the profit in the group of contracts that has not yet been recognised in profit or loss because it relates to future service.

Impracticability Test

IFRS17 requires a restatement of the company’s results as if IFRS17 had always been applicable (the “fully retrospective approach” unless it is “impracticable” to do so). Where a fully retrospective approach is impracticable, a “modified retrospective” or “fair value” approach are available. We will follow a fair value approach where a fully retrospective approach is impracticable.

The principles applied to test for impracticability:

a) Risk adjustment
b) Actual historic premiums and charges
c) Actual historic expenses split between acquisition and maintenance expenses
d) Historic discount rates
e) Policy administration system change / past data

The likely examples of impracticability cut-off points in time will include policy administration system changes where past data was not captured or validated and valuation model/methodology changes e.g. transition from an NPV valuation methodology to a prospective calculation or transition to a more sophisticated valuation model requiring additional data fields.

Reinsurance contracts

The Group will apply the same accounting policies to measure a group of reinsurance contracts, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises

(a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

The estimates of the present value of future cash flows will be measured using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in the insurance service result in profit or loss."

The risk adjustment for non-financial risk will represent the amount of risk being transferred by the Group to the reinsurer.

The CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. It is measured such that no income or expense arises on initial recognition, except that the Group will:

(a) recognise any net cost on purchasing reinsurance coverage immediately in profit or loss as an expense if it relates to insured events that occurred before the purchase of the group; and

(b) recognise income when it recognises a loss on initial recognition of onerous underlying contracts if the reinsurance contract is entered into before or at the same time as the onerous underlying contracts are recognised. A loss-recovery component is created, which determines the amounts that are subsequently disclosed as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. The CSM is adjusted subsequently only for specified amounts and is recognised in profit or loss as services are received.

H. Insurance acquisition cash flows

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. For Life contracts, insurance acquisition cash flows are allocated to groups of contracts using systematic and rational methods based on the total premiums for each group.

Insurance acquisition cash flows that are directly attributable to a group of contracts (e.g., non- refundable commissions paid on issuance of a contract) are allocated only to that group and to the groups that will include renewals of those contracts. The allocation to renewals will only apply to certain term life and critical illness contracts that have a one-year coverage period. The Group expects to recover part of the related insurance acquisition cash flows through renewals of these contracts. The allocation to renewals will be based on the manner in which the Group expects to recover those cash flows.

Only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and tested for recoverability, whereas other insurance acquisition cash flows are included in the estimates of the present value of future cash flows as part of the measurement of the related insurance contracts. The Group expects that most assets for insurance acquisition cash flows will relate to the renewals of term life and critical illness contracts, as described above. These assets will be presented in the same line item as the related portfolio of contracts and derecognised once the related group of contracts has been recognised. This differs from the Group’s current practice, under which all acquisition costs are recognised and presented as separate assets from the related insurance contracts ('deferred acquisition costs').

The Group will assess, at each reporting date, whether facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired. If it is impaired, then the Group will:

a. recognise an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and

b. if the asset relates to future renewals, recognise an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Group will reverse any impairment losses in profit or loss and increase the carrying amount of the asset to the extent that the impairment conditions have improved.

I. Measurement - Non-Life

On initial recognition of each group of Non-life insurance contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition. The Group will elect to recognise insurance acquisition cash flows as expenses when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any further premiums received and decreased by the amount recognised as insurance revenue for services provided. The Group expects that the time between providing each part of the services and the related premium due date will be no more than a year. Accordingly, as permitted under IFRS 17, the Group will not adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time before and during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group will recognise a loss in profit or loss and increase the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows will be discounted (at current rates) if the liability for incurred claims is also discounted.

The Group will recognise the liability for incurred claims of a group of contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows will be discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

The Group will apply the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

Notes to the consolidated and separate financial stataments

J. Presentation and disclosure

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. All rights and obligations arising from a portfolio of contracts will be presented on a net basis; therefore, balances such as insurance receivables and payables and policyholder loans will no longer be presented separately. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows) will also be presented in the same line item as the related portfolios of contracts.

Amounts recognised in the statement of profit or loss and OCI are disaggregated into (a) an insurance service result, comprising insurance revenue and insurance service expenses; and (b) insurance finance income or expenses. Amounts from reinsurance contracts will be presented separately.

The separate presentation of underwriting and financial results under IFRS 17 and IFRS 9 will provide added transparency about the sources of profits and quality of earnings.

An entity is required to present comparative financial information for the annual period immediately preceding the date of initial application i.e., the annual period starting from the transition date.

IFRS 17 requires extensive new disclosures about amounts recognised in the financial statements, including detailed reconciliations of contracts, effects of newly recognised contracts and information on the expected CSM emergence pattern, as well as disclosures about significant judgements made. There will also be expanded disclosures about the nature and extent of risks from insurance contracts and reinsurance contracts. Disclosures will generally be made at a more granular level than under IFRS 4, providing more transparent information for assessing the effects of contracts on the financial statements.

K. Insurance service result

For contracts not measured using the PAA, insurance revenue for each year represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows.

For contracts measured using the PAA, insurance revenue is recognised based on an allocation of expected premium receipts to each period of coverage, which is based on the expected timing of incurred insurance service expenses for certain property contracts and the passage of time for other contracts. The requirements in IFRS 17 to recognise insurance revenue over the coverage period will result in slower revenue recognition compared with the Group’s current practice of recognising revenue when the related premiums are written.

Expenses that relate directly to the fulfilment of contracts will be recognised in profit or loss as insurance service expenses, generally when they are incurred. Expenses that do not relate directly to the fulfilment of contracts will be presented outside the insurance service result.

Amounts recovered from reinsurers and reinsurance expenses will no longer be presented separately in profit or loss, because the Group will present them on a net basis as ‘net expenses from reinsurance contracts’ in the insurance service result, but information about these will be included in the disclosures.

The Group may choose not to disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk recognised in profit or loss will be included in the insurance service result.

L. Insurance finance income and expenses

The Group has presented changes in the carrying amounts of groups of contracts arising from the effects of the time value of money, financial risk and changes as insurance finance income or expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals). We have represented these impacts in P&L and OCI as applicable

Disclosure

An entity is required to present comparative financial information for the annual period immediately preceding the date of initial application i.e., the annual period starting from the transition date.

IFRS 17 requires extensive new disclosures about amounts recognised in the financial statements, including detailed reconciliations of contracts, effects of newly recognised contracts and information on the expected CSM emergence pattern, as well as disclosures about significant judgements made when applying IFRS 17. There will also be expanded disclosures about the nature and extent of risks from insurance contracts, reinsurance contracts and investment contracts with DPF. Disclosures will generally be made at a more granular level than under IFRS 4, providing more transparent information for assessing the effects of contracts on the financial statements.

Notes to the consolidated and separate financial stataments

k Insurance contracts

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

(1) Types of Insurance Contracts

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

(i) Non-life insurance contracts

These contracts are accident and casualty and property insurance contracts.

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

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

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

(ii) Life insurance contracts

These contracts insure events associated with human life (such as death or disability). These are divided into the individual life, group life and Annuity contracts.

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

-Annuity contracts

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

(2) Recognition and measurement

(i) Non-life insurance contracts premium and claims

These contracts are accident, casualty and property insurance contracts. Accident and casualty insurance contracts protect the Group's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability). Property insurance contracts mainly compensate the Group's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities.

Notes to the consolidated and separate financial stataments

(ii) Life insurance contracts premium and claims

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

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

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

(iii) Claims on Non-Life and Life Insurance Contract

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

(ii) Life insurance contracts premium and claims

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

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

(iii) Annuity premium and claims

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

(iv) Salvages

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

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

(v) Subrogation

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

(vi) Insurance acquision cashflows (IACF)

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort.

If insurance non-refundable acquisition cash flows are directly attributable to a group of contracts (e.g. commissions paid on issuance of a contract), then they are allocated to that group and to the groups that will include renewals of those contracts. The allocation to renewals only applies to non-life contracts and certain term assurance and critical illness contracts that have a one-year coverage period. The Group expects to recover part of the related insurance acquisition cash flows through renewals of these contracts. The allocation to renewals is based on the manner in which the Group expects to recover those cash flows.

If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Insurance acquisition cash flows arising before the recognition of the related group of contracts are recognised as an asset. Insurance acquisition cash flows arise when they are paid or when a liability is required to be recognised under a standard other than IFRS 17. Such an asset is recognised for each group of contracts to which the insurance acquisition cash flows are allocated. The asset is derecognised, fully or partially, when the insurance acquisition cash flows are included in the measurement of the group of contracts.

When the Group acquires insurance contracts in a transfer of contracts or a business combination, at the date of acquisition it recognises an asset for insurance acquisition cash flows at fair value for the rights to obtain:

- renewals of contracts recognised at the date of acquisition; and
- other future contracts after the date of acquisition without paying again insurance acquisition cash flows that the acquiree has already paid.

At each reporting date, the Group revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

Notes to the consolidated and separate financial stataments

(vii) Deferred income

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

(viii) Insurance Contract Asset and Insurance Contract Liabilities

Insurance Contract Assets and Liabilities are recognised when due. These include amounts due to and from agents, brokers and insurance companies (as coinsurers) and reinsurance companies.

'- Insurance Contract Assets and Liabilities to agents, brokers and insurance companies (as coinsurers)

The Group's insurance contract assets and liabilities to agents, brokers and insurance companies (as coinsurers) relate to premium and commission.

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

- Reinsurance and coinsurance contracts held

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

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

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

l Investment contracts

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

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

m Technical reserves

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

(i) General insurance contracts

Liability for Remaining Coverage

In compliance with IFRS(55)(a), this is measured as the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

Liability for Incurred Claims

In compliance with IFRS(40), this comprises of the fulfillment cash flows relating to past service allocated to the contracts as at the valuation date. It comprises of the discounted best estimate liabilities (IBNR and Outstanding claims) and the risk adjustment.

Risk Adjustment (RA)

The RA assessment follows a bottom-up approach with each applicable sub-risk's RA calculated usins stress scenarios at 70th percentile within a 1-year horizon, on a stand-alone basis considering everything else as equal at model point level. The RAs per sub-

(ii) Life business

Life fund

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

Notes to the consolidated and separate financial stataments

Liability adequacy test

At each end of the reporting period, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related DAC assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests "the unexpired risk provision".

n Financial liabilities

Classification

The Group classifies its financial liabilities, other than financial guarantees, into one of the following categories:
- financial liabilities at FVTPL; and
- financial liabilities at amortised cost.

The Group has designated investment contract liabilities and third party interests in consolidated funds as at FVTPL on initial recognition. This is because these liabilities as well as the related assets are managed and their performance is evaluated on a fair value basis.

All investment contract liabilities and third party interests in consolidated funds have a unit-linking feature whereby the amount due to contract holders is contractually determined on the basis of specified assets. The effect of the unit-linking feature on the fair value of the liability is asset-specifi performance risk and not credit risk, and the liabilities are fully collateralised. The Group has determined that any residual credit risk is insignificant and has not had any impact on the fair value of the liabilities.

(i) *Borrowings*

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

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

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

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

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

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

Notes to the consolidated and separate financial stataments

(ii) ***Trade and other payables***

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

(iii) ***Financial guarantee contracts***

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

Financial guarantee contracts are initially recognised at their fair value, which is the premium received, and then amortised over the life of the financial guarantee. Subsequent to initial recognition, the financial guarantee contracts are measured at the higher of the present value of any expected payment and the unamortised premium when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities in line with the requirements of IFRS 9.

o Provisions

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

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

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

p Current and deferred income tax

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

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

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

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

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

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

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

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

q Equity and Reserves

(i) **Share capital**

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

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

(ii) **Share premium**

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

(iii) **Fair value reserves**

Fair value reserves represents the fair value gains or losses on valuation of financial assets classified as Available for sale.

(iv) **Treasury shares**

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

(v) **Contingency reserves**

(a) Non-life business

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

(b) Life business

In compliance with Section 22 (1) (b) of Insurance Act 2003, the contingency reserve is credited with the higher of 1% of gross premiums or 10% of net profit.

(vi) **Statutory reserves**

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

(vii) **Capital reserves**

This refers to reserves arising from business restructuring. In 2007 the Group restructured and changed the nominal share price from N1 to 50k per share. The surplus nominal value from this reconstruction was transferred to this account.

(viii) **Retained earnings**

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

(ix) **Dividends**

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

r Earnings per share

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

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares which comprise share options granted to staff.

s Revenue recognition

(a) Insurance service results: Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue - Contracts not measured under the PAA (Premium Allocation Approach)

The Group recognises insurance revenue as it satisfies its performance obligations - i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.

- A release of the CSM (Contractual Service Margin), measured based on coverage units provided (see 'Release of the CSM' below).
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (v)), which are recognised as insurance revenue and insurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Release of the CSM

The CSM is a component of the group of insurance contracts that represents the unearned profit the Company will recognize as it provides services in the future. An amount of the CSM for a group of insurance contracts is recognized in the Consolidated Statements of Earnings as insurance revenue in each period to reflect the services provided under the group of insurance contracts in that period. The amount that is recognized in the Statement of Comprehensive Income for the current period is determined by identifying the coverage units in the group, allocating the CSM at the end of the period to each coverage unit provided in the current period and expected to be provided in the future periods.

The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, which is determined by considering the quantity of the benefits provided and the expected coverage duration.

For reinsurance contracts issued, the number of coverage units in a group reflects the expected pattern of underwriting of the underlying contracts because the level of service provided depends on the number of underlying contracts in-force.

For reinsurance contracts held, the CSM amortization is similar to the reinsurance contracts issued and reflects the expected pattern of underwriting of the underlying contracts because the level of service provided depends on the number of underlying contracts in-force.

Insurance revenue - Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates the expected premium receipts to each period on the following bases: - certain property contracts: the expected timing of incurred insurance service expenses; and - other contracts: the passage of time.

Loss components: For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis. The systematic basis is determined by the proportion of the loss component relative to the total estimate non-financial of the present value of the future cash outflows plus the risk adjustment for risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Risk Adjustment

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing uncertainty in the amount and timing of insurance contract cash flows due to non-financial risk. Non-financial risks are insurance risks such as life mortality, annuity mortality and morbidity, and other risks such as expense and lapse along with non-life risks such as premium and reserve risks. The risk adjustment is calculated by applying a margin to non-financial assumptions and discounting the resulting margin cash flows at the same discount rates as the best estimate cash flows. The margins applied reflect diversification benefits across all non-financial risks. The risk adjustment for insurance contracts issued by the Group reflects the degree of diversification available across the Group operations. The target range for the confidence level of the risk adjustment is the 70th percentile. The confidence level is determined on a net-of-reinsurance basis.

(b) Rendering of services: Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered. Fees consist primarily of investment management fees arising from services rendered in conjunction with the issue and management of investment contracts where the Group actively manages the consideration received from its customers to fund a return that is based on the investment profile that the customer selected on origination of the
These services comprise the activity of trading financial assets and derivatives in order to reproduce the contractual returns that the Group's customers expect to receive from their investments. Such activities generate revenue that is recognised by reference to the stage of completion of the contractual services.

In all cases, these services comprise an indeterminate number of acts over the life of the individual contracts. For practical purposes, the Group recognises these fees on a straight-line basis over the estimated life of the contract. Certain upfront payments received for asset management services ('front-end fees') are deferred and amortised in proportion to the stage of completion of the service for which they were paid.
The Group charges its customers for asset management and other related services using the following different approaches:- Front-end fees are charged to the client on inception. This approach is used particularly for single premium contracts. The consideration received is deferred as a liability and recognised over the life of the contract on a straight-line basis; and Regular fees are charged to the customer periodically (monthly, quarterly or annually) either directly or by making a deduction from invested funds. Regular charges billed in advance are recognised on a straight-line basis over the billing period; fees charged at the end of the period are accrued as a receivable that is offset against the financial liability when charged to the customer.

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

(d) Net gains/(losses) on financial assets
Net realised gains/(losses) on financial assets comprises gains less losses related to financial assets at FVOCI and financial assets at FVTPL, and includes all realised and unrealised fair value changes and foreign exchange differences and realised gain or loss on

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

t Changes in life fund estimates

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

u Investment income

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

Notes to the consolidated and separate financial stataments

v Operating expenditure

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.
- Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on detection of critical illness.
- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Group amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers. The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period. For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:
- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

Other operating expenses

Other expenses are expenses other than claims expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include wages for contract staff, professional fee, depreciation expenses and other non-operating expenses. Other operating expenses are accounted for on accrual basis and recognised in profit or loss upon utilization of the service.

Employee benefits

(a) Defined contribution plans

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

(b) Short-term benefits

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

Notes to the consolidated and separate financial stataments

(c) Share based payment

(i) Equity-settled share based payment

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

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

(ii) Cash-settled share based payment

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

(d) Termination benefits

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

w Leases

Group acting as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of its relative standalone price.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or beforethe commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from thecommencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease.

Lease payments included in the measurement of the lease liability comprise the following:

– fixed payments, including in-substance fixed payments;

– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– amounts expected to be payable under a residual value guarantee; and

– the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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

Notes to the consolidated and separate financial statataments

When the lease liability is remeasured remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Group acting as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices. When the Group acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

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

The Group applies the derecognition and impairment requirements in IAS 39 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Notes to the consolidated and separate financial stataments

2.3 Critical accounting estimates and judgments

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

Critical Accounting Estimates

(a) Fair value of financial assets

In the application of the Group and Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. In assessing the impairment, the Group and Company use historical information on the timing of the recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends. Actual results may differ from these estimates.

Financial assets accounted for at amortised cost and at fair value through other comprehensive income are evaluated for impairment on a basis described in the accounting policies.

(b) Impairment for premium receivables

The Group tests periodically whether premium receivables have suffered any impairment. With the no premium no cover policy, all premium transactions are paid for immediately except in the case of brokered transactions. For brokered transactions, the period is extended for 30 days if credit notes have been received from the broker. If all insurance receivables within 30 days and reinsurance receivables within 90 days were deemed as impaired, an impairment would have been recognised in the income statement.

Critical Accounting Judgements

(c) Liabilities arising from insurance contracts

(i) Claims arising from non-life insurance contracts

Claims on non-life insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occur 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 adopted. The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. A sensitivity analysis was done to determine how the LIC would change if we were to consider the 75th percentile as opposed to the best estimate figures included in the reserve reviews as at 31 December 2023 and an additional gross provision of N4.1billion (vs N3.5billion as at 31 December 2023) would have been reported.

(ii) Liabilities arising from life insurance contracts

The liabilities for life insurance contracts are estimated using appropriate and acceptable base tables of standard mortality according to the type of contract being written. Management make various assumptions such as expenses inflation, valuation interest rate, mortality and further mortality improved in estimating the required reserves for life contracts. However if the group should change its basis for mortality by -5%, the group would have recognised an actuarial valuation surplus of N50.5 million (2022: N121 million) in the Statement of Comprehensive Income.

Notes to the consolidated and separate financial statements

Non life Business and Life Actuarial Valuation

Non life business Reserving

AXA Mansard Insurance Plc ("AXA Mansard") commissioned QED Actuaries & Consultants to calculate non life business reserves as at 31 December 2023.

The eight (8) classes of business that were reviewed are Aviation, Oil and Energy, Engineering, Fire, General Accident, Marine Cargo, Marine Hull and Motor.

The reserves have been analysed gross of reinsurance. However, net Best Estimate Liability (BEL) reserve is calculated by multiplying the gross BEL reserve by a factor that is calculated as the ratio of the gross incurred claims to the net incurred claims over the past three years.

Reserving methodology

For all the classes of business, claims paid data was sub-divided into large and attritional claims. This was to allow for separate BEL reserves to be calculated for attritional and large claims as the large claims are expected to behave differently from the attritional claims in terms of reporting and settlement. The limits used are given in the table below:

Class	**Large Claim Definition (N'000)**
Aviation	25,000
Energy	700,000
Engineering	60,000
Fire	230,000
General Accident	25,000
Marine Cargo	20,000
Marine Hull	40,000
Motor	24,000

Claims of such a large nature are expected to have a very short reporting delay, and as such, no new large claims are expected to be reported.

The methodologies governing the attritional claim reserve calculations are described below:

Basic Chain Ladder Method (BCL)

Development factors were calculated using the last 1 to 10 years' data by accident period. Ultimate development factors were calculated and judgment was applied in the selection of these factors.

Ultimate development factors were then applied to the paid data per accident period and an ultimate claim amount is calculated. The future claims (the ultimate claim amount less paid claims to date) were allocated to future payment periods in line with the development patterns calculated above. The outstanding claims reported to date are then subtracted from the total future claims to give the resulting BEL figure per accident half-year period.

BEL = Ultimate claim amount (excl. extreme large losses)
minus paid claims to 31 December, 2023 (excl. extreme large losses)
minus claims outstanding (excl. extreme large losses)

Assumptions underlying the BCL

The Basic Chain Ladder Method assumes that past experience is indicative of future experience i.e. that claims recorded to date will continue to develop in a similar manner in the future. An implicit assumption is that, for an immature accident year, the claims observed thus far tell something about the claims yet to be observed. A further assumption is that it assumes consistent claim processing, a stable mix of types of claims, stable inflation and stable policy limits.

Loss Ratio method

The Loss ratio method is often used when there is little experience (claims history) in the line of business.

We allowed for expected experience to date and the average assumed ultimate loss ratio in carrying out the calculation.

BEL= Expected average ultimate annual loss ratio
multiplied by earned premium
minus experience to date

Assumptions underlying the Loss Ratio Method

An estimate of the average ultimate loss ratio needed to be assumed. We based the loss ratios off of experience that has been seen to date in previous accident years.

Bornhuetter-Ferguson Method (BF Method)

For more recent loss halfs, initial development of each origin period is typically subject to volatility as the cumulative data are sparse. This volatility may cause the estimates of ultimate claims produced by the CL method to be misleading. For this reason, an alternative estimate of the ultimate claims using a technique known as the BF method.

Assumptions underlying the BF Method
This method requires estimates of the ultimate loss ratio for each origin period and the accompanying earned premium.

Liability for Incurred Claims (LIC)
This refers to the summation of the claims which have been incurred but not reported as at the valuation date for all accident years up to and including the valuation date. It also includes the outstanding claims, risk adjustment and allows for discounting.

Liability for Remaining Coverage (LRC)
Total value of premiums received but which have not yet been earned as at the valuation date less the portion of acquisition costs that relates to the portion of premiums which have not been earned at the valuation date.The Advance Premium (AP) and deferred acquisition cost were calculated using a time-apportionment basis, in particular, the 365ths method. In the calculations, it was assumed that both the start and end date were included in the coverage period.

Sensitivity Analysis
A sensitivity analysis was done to determine how the Liability for Incurred Claims (LIC) amount would change if we were to consider the 75th percentile and 90th percentile as opposed to our best estimate figures (which would represent the 50th percentile) included in reserve reviews as at 31 December 2023. The 75th percentile is a generally accepted level of prudency. Overall, there is 28% increase from the gross best estimate reserves to the gross reserves calculated at the 75th percentile and a 74% increase from the gross best estimate reserves to the gross reserves calculated on the 90th percentile. In conclusion, there is only a 25% chance that the LIC reserves required will exceed NGN 18,626 million and only a 40% chance that the LIC reserves required will exceed NGN 25,373 million as at 31 December 2023.

		Gross LIC	
In thousands on naira	**Best Estimate**	**75th Percentile**	**90th Percentile**
Aviation	314,926	435,468	687,404
Energy	7,937,826	10,114,562	13,727,854
Engineering	1,176,385	1,566,828	2,275,390
Fire	3,552,734	4,484,834	5,706,132
General Accident	581,381	720,853	878,669
Marine Cargo	206,848	310,892	572,332
Marine Hull	193,490	253,576	616,693
Motor	589,773	739,393	908,149
	14,553,363	**18,626,407**	**25,372,621**

Life & Savings Reserving

Valuation methods

Individual Life

Individual risk business comprises whole life assurances, credit life business, term assurances of various descriptions, including mortgage protection and annuity. For all individual risk business the gross premium method of valuation was adopted.

Reserves were calculated via a cashflow projection approach, taking into account future office premiums, expenses and benefit payments including an allowance for rider benefits and surrenders where applicable. Future cashflows were discounted back to the valuation date at the valuation rate of interest.

Notes to the consolidated and separate financial stataments

Annuity

Annuities are reserved for using a discounted cash flow approach. Here, reserves were set equal to the present value of future annuity payments plus expenses, with allowance being made for any guaranteed periods as required.

As at 31 December 2023, the Company did not underwrite any new annuity policies.

The movement in the annuity portfolio is analysed below:

	Number of annuity policies	**Annual Annuity (N'000)**
At 31 December 2022	396	288,376
New entrants	-	-
Additional Funds	-	-
Deaths	(2)	1,412
At 31 December 2023	**394**	**289,788**

Group Life

Reserves for Group Life comprise a Liability for Remaining Coverage and a Liability for Incurred Claims to make an allowance for the delay in payment of claims that have been incurred. The Advance Premiums (AP) represents the unexpired portion of the premium for each scheme, net of an expense margin reflecting the acquisition cost loadings. The adequacy of the AP is then tested by comparing against an Additional Unexpired Risk Reserve (AURR), which is calculated using pooled industry claims data for the underlying assumptions. A Loss Component is held in cases where the AP was deemed insufficient to meet claims in respect of the unexpired period.

Assumptions used

The assumptions used for the insurance contracts disclosed in this note are as follows:

Valuation interest rate

Discounting of liabilities is done based on current market risk-free yields with adjustments. This is in line with the requirements of IFRS 17. The use of a risk-free rate also implies that future investment margins (in excess of the risk-free return) will not be capitalized upon. Further, the result is a "fair value" liability calculation which aids the comparability of accounts between insurers.

For the Life business, we adopted the yield curve as provided by the Nigerian Actuarial Society as at 31st December 2023.

Expense

Expense for Individual Life (including annuity) and individual deposit-based business were reserved explicitly at N8,100 per policy per annum excluding AXA Instant Plan, for which an expense of N1,000 was used. Credit Life Expenses were reserved for at N1,000 per policy annum. All expenses were assumed to increase with inflation at 14.5% pa.

Future maintenance expenses

The regulatory maintenance expenses are derived from the best estimate maintenance expenses plus a prudence margin for adverse deviations.Some expense lines were removed from the reported Individual Life operating expenses which were identified as being directly attributable to new business, e.g. advertising, sales promotion and merchandising. 35% of the remaining reported operating expenses was allocated to new business. We allowed for a notional expense per policy of N1,000 pa for Credit Life business. This is predominantly short term retail business from our financial institution partners which requires less policy administration compared to other Individual Life business. The remaining expenses were apportioned over the remaining Individual Life policies to estimate the 2023 maintenance expense incurred which was N8,100 per policy per annum.

Commission

Commission rates are set as known, and understood to be 10% of each premium for all individual products (excluding annuity).

Mortality and Future Improvements

The Mortality Table used in the valuation is the UK’s Mortality of Assured Lives A6770 (1967-70) table. The exception is the annuity business for which the UK's Pension Annuitants table, PA90 (rated -5) was used.

Notes to the consolidated and separate financial stataments

Withdrawals

Surrenders are permitted for the Whole Life Plan. An allowance has been made in the valuation for exits by surrender using the rates: Single premium policies-0%, Year 1 (lapse without value) - 10%, Year 2 (lapse without value) - 7.5%, Year 3 - 5%, Years 4 and above - 2.5%. The payment of the surrender value at the exit date has been allowed for within the cashflows.

The account balance has been held for investment and deposit linked policies that have lapsed by the valuation date but the funds have not been paid out. A provision has also been made for the reinstatement of life cover assuming a reinstatement rate of 20%. No allowance has been made in the valuation for the reinstatement of traditional policies that lapsed before the valuation date. An allowance has been made for future lapses at the following rates: Single premium policies: 0%, Year 1 - 10%, Year 2 - 7.5%, Year 3 - 5% whilst Year 4 and above - 2.5%.

Reinsurance Agreements

Reinsurance is allowed for in the valuation by having gross and reinsurance ceded records in the policy files. For IFRS compliance purposes all reserves were reported gross of reinsurance, with the value of the reinsurance asset calculated and reported separately.

Health Reserving

The product offerings from the Health business includes products under the Corporate, Personal and Internationals plans. Liability for Incurred Claims was calculated for products under each plan.

Reserving Methodology and Assumptions

For the Corporate, Personal and International plans, ulimate claims were projected using Basic Chain Ladder ("BCL"). Paid claims are then deducted from the ultimate claims to determine the Best Estimate LIC. For the Easycare and BCHIP plans, the Loss Ratio ("LR") method is used to project the ultimate claims. Paid claims are then deducted from the ultimate claims to determine the Best Estimate LIC.

Basic Chain Ladder Method

BCL method is appropriate where there is significant data as we see for the Corporate, Personal and International plans. The methodology assumes that past experience is indicative of future experience i.e. claims recorded to date will continue to develop in a similar manner in the future.

Bornhuetter-Ferguson Method

BF method is used to determine reserves for periods where there is high variability in loss development patterns. This is the methodology we have used to determine reserves for the most recent two (2) months of the Corporate plans. This method is based on the expected loss ratios.

Loss Ratio Method

LR method is appropriate where there is limited data available as we see in the Personal plans and International plans. An ultimate loss ratio is assumed from previous years' experience and the reserve is calculated as:

(Ultimate Loss Ratio x Earned Premiums) - Paid Claims - Outstanding Claims

Additionally, this is the methodology we have used to determine reserves for the most recent two (2) months of the Corporate,Personal and International plans.

Sensitivity Analysis

A sensitivity analysis was done to determine how the Liability for Incurred Claims (LIC) amount would change if we were to consider the 75th percentile and 90th percentile as opposed to our best estimate figures (which would represent the 50th percentile) included in reserve reviews as at 31 December 2023. The 75th percentile is a generally accepted level of prudency.

		LIC (N'000)	
	Best Estimate	**75th Percentile**	**90th Percentile**
Corporate Platinum	1,559,994	1,721,515	2,194,708
Corporate Gold	2,036,274	2,267,107	3,019,573
Corporate Silver	745,499	830,541	1,040,731
Corporate Bronze	433,046	486,478	623,687
Personal Platinum	26,542	29,492	38,236
Personal Gold	41,710	46,348	60,089
Personal Silver	14,756	16,396	21,258
Personal Bronze	10,682	11,869	15,388
IMED	256,154	284,631	369,021
Corporate Easy Care	45,387	50,433	65,386
CORPORATE BCHIP	78,817	87,579	113,545
Total	**5,248,861**	**5,832,388**	**7,561,621**

Notes to the consolidated and separate financial stataments

Sensitivity analysis

The analysis which follows is performed for reasonably possible movements in key assumptions with all other assumptions held constant, and shows the impact on gross and net liabilities, profit before tax and equity. These variables are valuation interest rate, claims handling expenses, inflation, lapses and mortality rate. Movements in these assumptions are non–linear and sensitivity information vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. These variables have been tested by -/+1%, -/+2%, -/+5% and -/+10%

The results of the changes in the variables have been summarised below:

The sensitivity analysis of the life business indicates that a +1% change in Valuation Interest Rate (VIR) will result in a reduction of the Life fund liability to N6.82bn whilst a -1% change in VIR will change Life liability to N6.86bn.

The sensitivity analysis also indicates that an increase of mortality rates by 5% will change the Life liability to N6.92bn whilst a reduction of mortality rate by 5% will decrease the Life fund liability to N6.75bn.

A movement of expenses by +10% will result in an increase the Life fund liability to N6.99bn whilst a -10% change will reduce the Life fund liability to N6.57bn. Expense inflation moving by +2% will change the life fund to N6.86bn whilst a -2% will produce a reduced Life fund liability of N6.81bn

A 5% increase in the Lapse rate will also reduce the Life fund liability to N6.82bn whilst a 5% decrease in the Lapse rate will increase the Liability to N6.85bn.

SENSITIVITY OF LIABILITIES TO CHANGES IN LONG TERM VALUATION ASSUMPTIONS FOR THE 31 DECEMBER 2023 VALUATION

N'000	**Base**	**VIR +1%**	**VIR -1%**	**Expense +10%**	**Expense -10%**	**Expense Inflation +2%**	**Expense Inflation -2%**	**Lapse +5%**	**Lapse -5%**	**Mortality +5%**	**Mortality -5%**
Individual Life BEL	2,531,163	2,444,585	2,481,479	2,609,870	2,212,646	2,487,628	2,439,174	2,451,964	2,473,855	2,540,509	2,389,491
CSM	1,137,846	1,131,535	1,134,421	1,137,527	1,128,525	1,134,024	1,131,163	1,132,695	1,133,211	1,139,006	1,126,945
Individual Life Risk Adjustment	100,275	96,845	98,307	103,393	87,657	98,550	96,631	97,137	98,005	100,645	94,662
Group Life - LRC	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402	1,311,402
Group Life - LIC	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338	2,622,338
Loss Component	359,745	359,745	359,745	359,745	359,745	359,745	359,745	359,745	359,745	359,745	359,745
Group Life Risk Adjustment	124,987	124,987	124,987	124,987	124,987	124,987	124,987	124,987	124,987	124,987	124,987
Gross liability	**8,187,756**	**8,091,437**	**8,132,679**	**8,269,262**	**7,847,300**	**8,138,674**	**8,085,440**	**8,100,268**	**8,123,543**	**8,198,632**	**8,029,570**
Reinsurance	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)	(1,276,431)
Net liability	**6,911,325**	**6,815,006**	**6,856,248**	**6,992,831**	**6,570,869**	**6,862,243**	**6,809,009**	**6,823,837**	**6,847,112**	**6,922,201**	**6,753,139**
% Change in net liability	**0.00%**	**-1.41%**	**-0.80%**	**1.17%**	**-5.18%**	**-0.72%**	**-1.50%**	**-1.28%**	**-0.94%**	**0.16%**	**-2.34%**
Summary	**Base**	**VIR +1%**	**VIR -1%**	**Expense +10%**	**Expense -10%**	**Expense Inflation +2%**	**Expense Inflation -2%**	**Lapse +5%**	**Lapse -5%**	**Mortality +5%**	**Mortality -5%**
Individual	4,129,029	4,032,710	4,073,952	4,210,535	3,788,573	4,079,947	4,026,713	4,041,541	4,064,816	4,139,905	3,970,843
Group	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296	2,782,296
Net liability	**6,911,325**	**6,815,006**	**6,856,248**	**6,992,831**	**6,570,869**	**6,862,243**	**6,809,009**	**6,823,837**	**6,847,112**	**6,922,201**	**6,753,139**
% change in liability	**0.00%**	**-1.41%**	**-0.80%**	**1.17%**	**-5.18%**	**-0.72%**	**-1.50%**	**-1.28%**	**-0.94%**	**0.16%**	**-2.34%**

Notes to the consolidated and separate financial stataments

SENSITIVITY OF LIABILITIES TO CHANGES IN LONG TERM VALUATION ASSUMPTIONS FOR THE 31 DECEMBER 2022 VALUATION (IFRS17 RESTATED)

N'000	**Base**	**VIR +1%**	**VIR -1%**	**Expense +10%**	**Expense -10%**	**Expense Inflation +2%**	**Expense Inflation -2%**	**Lapse +5%**	**Lapse -5%**	**Mortality +5%**	**Mortality -5%**
Individual Life BEL	2,435,786	2,352,471	2,387,974	2,511,527	2,129,271	2,393,892	2,347,264	2,359,572	2,380,637	2,444,780	2,299,452
CSM	1,175,488	1,168,968	1,171,950	1,175,159	1,165,858	1,171,540	1,168,584	1,170,167	1,170,699	1,176,687	1,164,226
Individual Life Risk Adjustment	105,059	104,355	105,774	105,373	104,745	105,147	104,974	105,059	105,059	104,354	105,783
Group Life - LRC	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916	1,091,916
Group Life - LIC	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229	3,520,229
Loss Component	203,833	203,833	203,833	203,833	203,833	203,833	203,833	203,833	203,833	203,833	203,833
Group Life Risk Adjustment	139,325	139,325	139,325	139,325	139,325	139,325	139,325	139,325	139,325	139,325	139,325
Gross liability	**8,671,635**	**8,581,097**	**8,621,001**	**8,747,362**	**8,355,177**	**8,625,882**	**8,576,125**	**8,590,101**	**8,611,698**	**8,681,124**	**8,524,764**
Reinsurance	-1,038,461	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)	(1,038,461)
Net liability	**7,633,174**	**7,542,636**	**7,582,540**	**7,708,901**	**7,316,716**	**7,587,421**	**7,537,664**	**7,551,640**	**7,573,237**	**7,642,663**	**7,486,303**
% Change in net liability	**0%**	**-101100%**	**-100568%**	**-98918%**	**-104225%**	**-100503%**	**-101167%**	**-100980%**	**-100691%**	**-99776%**	**-101862%**

Summary	**Base**	**VIR +1%**	**VIR -1%**	**Expense +10%**	**Expense -10%**	**Expense Inflation +2%**	**Expense Inflation -2%**	**Lapse +5%**	**Lapse -5%**	**Mortality +5%**	**Mortality -5%**
Individual	3,920,166	3,829,627	3,869,531	3,995,892	3,603,707	3,874,412	3,824,655	3,838,631	3,860,228	3,929,654	3,773,294
Group	3,713,008	3,713,009	3,713,009	3,713,009	3,713,009	3,713,009	3,713,009	3,713,009	3,713,009	3,713,009	3,713,009
Net liability	**7,633,174**	**7,542,636**	**7,582,540**	**7,708,901**	**7,316,716**	**7,587,421**	**7,537,664**	**7,551,640**	**7,573,237**	**7,642,663**	**7,486,303**
% change in liability	**0.00%**	**-101100%**	**-100568%**	**-98918%**	**-104225%**	**-100503%**	**-101167%**	**-100980%**	**-100691%**	**-99776%**	**-101862%**

3 Financial Risk Management

(a) Introduction and overview

The Group is exposed to a range of financial risks through its financial instruments, insurance assets and insurance liabilities. The key financial risk is that in the long term its investments proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of the financial risks are:

• Market risk
• Credit risk
• Liquidity risk

3.1 Market risk

Market risk is the risk of loss in On-or Off-balance sheet positions, as a result of adverse movement in foreign exchange rate, interest rate, and equity or commodity prices. The identification, management, control, measurement and reporting of market risk are aligned towards the sub-risk categories namely:

• Price risk
• Foreign exchange risk
• Interest-rate risk

3.1.1 Price risk

The Group's management of price risk is guided by the following limits:
• Investment quality and limit analysis
• Stop loss limit analysis
• Stock to total loss limit analysis

Investment quality and limit analysis

Management Underwriting & Investment Committee establishes and approves a list of eligible listed and unlisted stocks aligned with investment approval/dealer limits as approved by the Board through its Board Finance and Investment Committee.

The approved stop loss limit below shows the percentage of stock positions that can be sold given a position of events: a given percentage loss and absolute loss amounts. For example, a combination of 20% loss and N10 million loss would require the Company to sell down 25% of the position.

Stop loss limit analysis

Market capitalizations, liquidity and market volatiles are criteria used to classify certain eligible stocks. These are in categories A, B and C. Stop loss limits (which depict the volume of loss the Group is willing to accept) are ascribed to each stock category. Periodic reviews and reassessments are undertaken on the performance of the stocks. The stop loss limits on categories of stocks as approved by Management Underwriting & Investment Committee are depicted below:

CLASS	STOP LOSS	CHARATERISTICS
A	25%	Very liquid, high market capitalisation, low market volatility
B	23%	Very liquid, moderate market capitalisation, low market volatility
C	20%	Liquid, moderate market capitalisation, low market volatility

Maximum losses permissible in Naira	Percentage losses		
	15%	20%	25%
N10,000,000	0.0%	25%	50%
N15,000,000	25%	50%	75%
N20,000,000	50%	75%	100%
>N25,000,000	100%	100%	100%

The Group's Enterprise Risk Management (ERM) function monitors compliance of the Investment arm to these limits and reports to Management on a weekly basis.
A summary of the Group's Stop Loss Limit position on trading equities is as follows:

December 2023

Amounts in thousands of Naira

STOP LOSS LIMIT ANALYSIS ON GROUP'S QUOTED SECURITY PORTFOLIO

SECTOR OF STOCK	COST PRICE	MARKET PRICE	STOCK CLASS	% GAIN/LOSS	BENCHMARK	EXCEPTION
Banking and other financial institutions	142,063	300,771	A	112%	25%	NO
Building materials	15,117	17,382	A	15%	25%	NO
Consumer goods	54,229	100,925	C	86%	20%	NO
Insurance	4,000	9,431	A	136%	25%	NO
Oil and gas	55,250	76,735	C	39%	20%	NO
Real estate	47,850	19,499	C	-59%	20%	NO
Telecommunications						
Total	**318,509**	**524,744**				

STOP LOSS LIMIT ANALYSIS ON COMPANY'S QUOTED SECURITY

SECTOR OF STOCK	COST PRICE	MARKET PRICE	STOCK CLASS	% GAIN/LOSS	BENCHMARK	EXCEPTION
Banking and other financial institutions	82,726	173,024	A	109%	25%	NO
Building materials	15,117	17,382	A	15%	25%	NO
Consumer goods	54,229	100,925	C	86%	20%	NO
Insurance	4,000	9,431	A	136%	25%	NO
Oil and gas	55,250	76,735	C	39%	20%	NO
Real estate	47,850	19,499	C	-59%	20%	NO
Telecommunications						NO
Total	**259,172**	**396,997**				

Notes to the consolidated and separate financial statements

December 2022 restated
Amounts in thousands of Naira
STOP LOSS LIMIT ANALYSIS ON COMPANY'S QUOTED SECURITY

SECTOR OF STOCK	COST PRICE	MARKET PRICE	STOCK CLASS	% GAIN/LOSS	BENCHMARK	EXCEPTION
Banking and other financial institutions	134,625	145,395	A	39%	25%	NO
Building materials	32,306	38,317	A	18%	25%	NO
Consumer goods	44,350	38,990	C	30%	20%	NO
Insurance	4,191	6,235	A	34%	25%	NO
Oil and gas	27,584	20,275	C	-28%	20%	NO
Real estate	19,628	19,527	C	-31%	20%	NO
Telecommunications	19,980	21,534				
Total	**282,665**	**290,272**				

STOP LOSS LIMIT ANALYSIS ON COMPANY'S QUOTED SECURITY

SECTOR OF STOCK	COST PRICE	MARKET PRICE	STOCK CLASS	% GAIN/LOSS	BENCHMARK	EXCEPTION
Banking and other financial institutions	75,288	74,397	A	-1%	25%	NO
Building materials	32,306	38,317	A	19%	25%	NO
Consumer goods	44,350	38,990	C	-12%	20%	NO
Insurance	4,191	6,235	A	49%	25%	NO
Oil and gas	27,584	20,275	C	-26%	20%	NO
Real estate	19,628	19,527	C	-1%	20%	NO
Telecommunications	19,980	21,534		8%		NO
Total	**223,328**	**219,274**				

The Group manages its exposure to price risk through adherence to stop loss limits and investment in eligible stocks as approved by the Board. Potential losses and exception as seen in the schedule above were within the Group’s stated risk appetite.

The Group further reduces its exposure to price risk with relatively low investment in quoted equities. The position held on quoted equities by the Company and Group is less than 2% of its investment portfolio mitigating the effect of price volatilities.

Stock to Total Limit Analysis

Considering the volatility of stocks (typically quoted stocks), the Group monitors the contribution of stocks within each sector to the total stocks holding in a portfolio. The objective of the analysis is to evaluate the Company’s concentration on stocks within each sector and ultimately exposure to market volatility if the price of any of the stocks should drastically plummet.

A summary of the Group’s stock to total limit position on equities is as follows:

STOCK TO TOTAL LIMIT ON GROUP'S INVESTMENT EQUITY SECURITY					
		DEC 2023	**DEC 2023**	**DEC 2022 Restated**	**DEC 2022 Restated**
		GROUP	**GROUP**	**GROUP**	**GROUP**
SECTOR OF STOCK		**MARKET PRICE**	**% of Total**	**MARKET PRICE**	**% of Total**
Banking and other financial institutions		300,771	57%	145,395	50%
Building materials		17,382	3%	38,317	13%
Consumer goods		100,925	19%	38,990	13%
Insurance		9,431	2%	6,235	2%
Oil and gas		76,735	15%	20,275	7%
Real estate		19,499	4%	19,527	7%
Telecommunications			0%	21,534	7%
Total		**524,744**		**290,272**	

STOCK TO TOTAL LIMIT ON COMPANY'S INVESTMENT EQUITY SECURITY					
		DEC 2023	**DEC 2023**	**DEC 2022 Restated**	**DEC 2022 Restated**
		PARENT	**PARENT**	**PARENT**	**PARENT**
SECTOR OF STOCK		**MARKET PRICE**	**%**	**MARKET PRICE**	**%**
Banking and other financial institutions		173,024	44%	74,397	34%
Building materials		17,382	4%	38,317	17%
Consumer goods		100,925	25%	38,990	18%
Insurance		9,431	2%	6,235	3%
Oil and gas		76,735	19%	20,275	9%
Real estate		19,499	5%	19,527	9%
Telecommunications				21,534	10%
Total		**396,997**		**219,274**	

Notes to the consolidated and separate financial stataments

31 December 2023

PRICE RISK SENSITIVITY

Group	**Gross amount**	**Increase by 13.5%**	**Increase by 20%**	**Decrease by 13.5%**	**Decrease by 20%**
Investment securities					
Financial assets fair valued through profit or loss	11,056,259	1,492,595	2,211,252	(1,492,595)	(2,211,252)
Government & corporate bonds	38,339,052	5,175,772	7,667,810	(5,175,772)	(7,667,810)
Treasury bills	1,555,681	210,017	311,136	(210,017)	(311,136)
Equity securities	524,744	70,840	104,949	(70,840)	(104,949)
Investment funds	10,531,515	1,421,755	2,106,303	(1,421,755)	(2,106,303)
Financial assets designated at fair value	2,496,669	337,050	499,334	(337,050)	(499,334)
Impact on profit after tax		**6,095,620**	**9,030,549**	**(6,095,620)**	**(9,030,549)**

Parent	**Gross amount**	**Increase by 13.5%**	**Increase by 20%**	**Decrease by 13.5%**	**Decrease by 20%**
Investment securities					
Financial assets fair valued through profit or loss	8,489,840	1,146,128	1,697,968	(1,146,128)	(1,697,968)
Government & corporate bonds	33,898,851	4,576,345	6,779,770	(4,576,345)	(6,779,770)
Treasury bills	1,473,651	198,943	294,730	(198,943)	(294,730)
Equity securities	396,997	53,595	79,399	(53,595)	(79,399)
Investment funds	8,092,843	1,092,534	1,618,569	(1,092,534)	(1,618,569)
Financial assets designated at fair value	2,496,669	337,050	499,334	(337,050)	(499,334)
Impact on profit before tax		**6,258,466**	**9,271,802**	**(6,258,466)**	**(9,271,802)**

31 December 2022 *Restated

PRICE RISK SENSITIVITY

Group	**Gross amount**	**Increase by 13.5%**	**Increase by 20%**	**Decrease by 13.5%**	**Decrease by 20%**
Investment securities					
Financial assets fair valued through profit or loss	8,700,392	1,174,553	1,740,078	(1,174,553)	(1,740,078)
Government & corporate bonds	28,651,121	3,867,901	5,730,224	(3,867,901)	(5,730,224)
Tenored deposits with maturity above 90 days	-	-	-	-	-
Treasury bills	1,681,975	227,067	336,395	(227,067)	(336,395)
Equity securities	355,710	48,021	71,142	(48,021)	(71,142)
Investment funds	8,344,682	1,126,532	1,668,936	(1,126,532)	(1,668,936)
Financial assets designated at fair value	2,505,441	338,235	501,088	(338,235)	(501,088)
Impact on profit after tax		**4,747,616**	**7,033,505**	**(4,747,616)**	**(7,033,505)**

Parent	**Gross amount**	**Increase by 13.5%**	**Increase by 20%**	**Decrease by 13.5%**	**Decrease by 20%**
Investment securities					
Financial assets fair valued through profit or loss	7,394,124	998,207	1,478,825	(998,207)	(1,478,825)
Government & corporate bonds	28,018,730	3,782,529	5,603,746	(3,782,529)	(5,603,746)
Tenored deposits with maturity above 90 days	-	-	-	-	-
Treasury bills	1,481,975	200,067	296,395	(200,067)	(296,395)
Equity securities	275,240	37,157	55,048	(37,157)	(55,048)
Investment funds	7,118,884	961,049	1,423,777	(961,049)	(1,423,777)
Financial assets designated at fair value	2,505,441	338,235	501,088	(338,235)	(501,088)
Impact on profit before tax		**5,319,037**	**7,880,054**	**(5,319,037)**	**(7,880,054)**

4.1.2 Foreign Exchange Risk

AXA Mansard Insurance Group is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency. The Group is exposed to foreign currency risk through its investment in bank balances, fixed deposits and bonds denominated in foreign currencies.

The carrying amounts of the Group’s foreign currency denominated assets and liabilities at end of the year are as follows:

	31 December 2023			**31 December 2022 restated**		
Group	USD	EUR	GBP	USD	EUR	GBP
Cash and cash equivalents	10,507,545	307,396	35,886	1,602,533	157,959	39,819
Financial assets	1,662,437	-	-	1,662,437	-	-
Borrowings	5,257,670	-	-	2,180,878	-	-
Parent	USD	EUR	GBP	USD	EUR	GBP
Cash and cash equivalents	8,638,915	307,396	36	2,201,807	157,959	407
Financial assets	1,494,948	-	-	1,494,948	-	-

Foreign currency changes are monitored by the investment committee and holdings are adjusted when there is a deviation from the investment policy. The Group further manages its exposure to foreign risk exchange using sensitivity analysis to assess potential changes in the value of foreign exchange positions and impact of such changes on the Group’s investment income. At the year end, the foreign currency investments held in the portfolio were on unquoted equity, bonds, treasury bills and cash and cash equivalents. APD Limited manages the Group's investment property and the rental payments are in USD per the tenancy agreement.

The following table details the effect of foreign exchange risk on the profit as at 31 December 2023:

Notes to the consolidated and separate financial stataments

31 December 2023
FOREIGN EXCHANGE SENSITIVITY

Group

	Increase by 15%	Increase by 10%	Decrease by 10%	Decrease by 15%
Investment securities exposed to foreign exchange risk	Gains/(losses)			
Cash and cash equivalents	1,627,624	1,085,083	(1,085,083)	(1,627,624)
Investment securities				
Fair value through OCI	249,365	166,244	(166,244)	(249,365)
Financial liabilities exposed to foreign exchange risk				
Borrowings	(788,650)	(525,767)	525,767	788,650
Effect on profit before tax	838,974	559,316	(559,316)	(838,974)
Taxation @ 30%	251,692	167,795	(167,795)	(251,692)
Effect on profit after tax	587,282	391,521	(391,521)	(587,282)
Effect on other components of equity -OCI	74,810	49,873	(49,873)	(74,810)

Parent

	Increase by 15%	Increase by 10%	Decrease by 10%	Decrease by 15%
Investment securities exposed to foreign exchange risk	Gains/(losses)			
Cash and cash equivalents	1,341,952	894,635	(894,635)	(1,341,952)
Investment securities				
Fair value through OCI	224,242	149,495	(149,495)	(224,242)
Effect on profit before tax	1,341,952	894,635	(894,635)	(1,341,952)
Taxation @ 30%	402,586	268,390	(268,390)	(402,586)
Effect on profit after tax	939,366	626,244	(626,244)	(939,366)
Effect on other components of equity -OCI	67,273	44,848	(44,848)	(67,273)

31 December 2022
FOREIGN EXCHANGE SENSITIVITY

Group

	Increase by 15%	Increase by 10%	Decrease by 10%	Decrease by 15%
Investment securities exposed to foreign exchange risk	Gains/(losses)			
Cash and cash equivalents	270,047	180,031	(180,031)	(270,047)
Investment securities				
Fair value through OCI	249,365	166,244	(166,244)	(249,365)
Financial liabilities exposed to foreign exchange risk				
Borrowings	(327,132)	(218,088)	218,088	327,132
Effect on profit before tax	(57,085)	(38,057)	38,057	57,085
Taxation @ 30%	(17,126)	(11,417)	11,417	17,126
Effect on profit after tax	(39,960)	(26,640)	26,640	39,960
Effect on other components of equity -OCI	74,810	49,873	(49,873)	(74,810)

Parent

	Increase by 15%	Increase by 10%	Decrease by 10%	Decrease by 15%
Investment securities exposed to foreign exchange risk	Gains/(losses)			
Cash and cash equivalents	354,026	236,017	(236,017)	(354,026)
Investment securities				
Fair value through OCI	224,242	149,495	(149,495)	(224,242)
Effect on profit before tax	354,026	236,017	(236,017)	(354,026)
Taxation @ 30%	106,208	70,805	(70,805)	(106,208)
Effect on profit after tax	247,818	165,212	(165,212)	(247,818)
Effect on other components of equity -OCI	67,273	44,848	(44,848)	(67,273)

The method used to arrive at the possible risk of foreign exchange rate was based on statistical analysis. The statistical analysis has been based on main currencies movement for the last five years. This information is then revised and adjusted for reasonableness under the current economic circumstances.

4.1.3 Interest-rate risk

The Group is moderately exposed to interest-rate risk through its conservative investment approach with high investment in fixed income and money market instruments which have fixed interest rates rather than floating rates. Interest rate risk also exists in policies that carry investment guarantees on early surrender or at maturity, where claim values can become higher than the value of backing assets as a result of rises or falls in interest rates.

A significant portion of the Group's assets relate to its capital rather than liabilities, the value of its interest rate based assets exceeds its interest rate based liabilities. As a result, the Company's investment income will move with fixed interest rates over the medium to long-term with short-term interest rate fluctuations creating unrealized fair value gains or losses in other comprehensive income.

The Group's major exposure to interest-rate sensitive liabilities arises from investment-linked products which accounts for a small portion of its business which are linked to the CBN Monetary Policy Rates (MPR). The fluctuations in interest rates cannot significantly impact our statement of financial position as interest-rate sensitive liabilities are quite small compared with assets.

Interest rate risk is managed principally through monitoring interest rate gaps and sensitivity analysis across all investment portfolios.

The table below, however, details the maturity profile of the interest rate sensitivity analysis of AXA Mansard Insurance Plc. as at 31 December 2023, holding all other variables constant and assuming that all interest rates are floating and move in line with prevailing interest rates. Based on historical data, 100 and 500 basis points changes are deemed to be reasonably possible and are used when reporting interest rate risk.

Notes to the consolidated and separate financial stataments

31 December 2023

GROUP	**Non interest bearing**	**1-3 months**	**3-6 months**	**6-12 months**	**> 12 months**	**Total**
			Interest earning assets			
Cash and cash equivalents	17,923,579	8,249,743	-	-	-	26,173,322
Financial assets fair valued through profit or loss	-	-	-	-	11,056,259	11,056,259
Bonds	-	-	-	-	38,339,052	38,339,052
Tenored deposits with initial maturity of 90 days and above	-	-	-	2,237,525	-	2,237,525
Treasury bills	-	-	-	-	1,555,681	1,555,681
Equity securities	524,744	-	-	-	-	524,744
Investment funds	-	-	-	1,209,930	10,531,515	11,741,445
Financial assets designated at fair value	-	-	-	-	2,496,669	2,496,669
Loans and receivables	4,369,661	-	-	-	-	4,369,661
Statutory deposit	-	-	-	-	500,000	500,000
	22,817,984	**8,249,743**	**-**	**3,447,455**	**64,479,176**	**98,994,358**
Interest bearing liabilities						
Investment contract liabilities						
– At amortised cost	-	860,800	830,921	1,209,032	6,812,299	9,713,052
– Liabilities designated at fair value	-	-	-	-	2,496,669	2,496,669
Borrowings	-	-	-	-	5,257,670	5,257,670
	-	**860,800**	**830,921**	**1,209,032**	**14,566,638**	**17,467,391**
Gap		7,388,943	(830,921)	2,238,423	49,912,538	81,526,967
Cumulative gap - Sensitivity analysis		7,388,943	(830,921)	1,407,502	51,320,040	
Increase by 100bp		73,889	(8,309)	22,384	499,125	815,270
Increase by 500bp		369,447	(41,546)	111,921	2,495,627	4,076,348
Decrease by 100bp		(73,889)	8,309	(22,384)	(499,125)	(815,270)
Decrease by 500bp		(369,447)	41,546	(111,921)	(2,495,627)	(4,076,348)

PARENT	**Non interest bearing**	**1-3 Months**	**3-6 Months**	**6-12 months**	**> 12 months**	**Total**
			Interest earning assets			
Cash and cash equivalents	12,406,669	6,614,200	-	-	-	19,020,869
Financial assets fair valued through profit or loss	-	-	-	-	8,489,840	8,489,840
Bonds	-	-	-	4,009,278	29,889,573	33,898,851
Tenored deposits with initial maturity of 90 days and above	-	-	-	-	-	-
Treasury bills	-	-	-	1,473,651	-	1,473,651
Equity securities	#REF!	-	-	-	396,997	396,997
Investment funds	-	-	-	-	8,092,843	8,092,843
Financial assets designated at fair value	-	-	-	-	2,496,669	2,496,669
Loans and receivables	5,264,846.00	-	-	-	-	5,264,846
Statutory deposit	-	-	-	-	500,000	500,000
	#REF!	**6,614,200**	**-**	**5,482,929**	**49,865,922**	**79,634,566**
Interest bearing liabilities						
Investment contract liabilities						
– At amortised cost	-	860,800	830,921	1,209,032	6,812,299	9,713,052
– liabilities designated at fair value	-	-	-	-	2,496,669	2,496,669
	-	860,800	830,921	1,209,032	9,308,968	12,209,721
Gap		5,753,400	(830,921)	4,273,897	40,556,954	67,424,845
Cumulative gap - Sensitivity analysis		5,753,400	(830,921)	3,442,976	43,999,930	
Increase by 100bp		57,534	(8,309)	42,739	405,570	674,248
Increase by 500bp		287,670	(41,546)	213,695	2,027,848	3,371,242
Decrease by 100bp		(57,534)	8,309	(42,739)	(405,570)	(674,248)
Decrease by 500bp		(287,670)	41,546	(213,695)	(2,027,848)	(3,371,242)

Notes to the consolidated and separate financial stataments

31 December 2022 restated

GROUP	Non interest bearing	1-3 months	3-6 months	6-12 months	> 12 months	Total
			Interest earning assets			
Cash and cash equivalents	9,446,506	4,023,371	-	-	-	13,469,877
Financial assets fair valued through profit or loss	-	-	-	720,930	2,665,545	3,386,475
Bonds	-	-	-	6,209,002	15,219,907	21,428,909
Tenored deposits with initial maturity of 90 days and above	-	-	-	4,035,736	-	4,035,736
Treasury bills	-	-	-	520,938	961,037	1,481,975
Equity securities	355,711	-	-	-	-	355,711
Investment funds	-	-	-	1,209,930	7,134,752	8,344,682
Financial assets designated at fair value	-	-	-	-	2,505,441	2,505,441
Loans and receivables	3,773,985	-	-	-	-	3,773,985
Statutory deposit	-	-	-	-	500,000	500,000
Total interest earning assets	**13,576,202**	**4,023,371**	**-**	**12,696,536**	**28,986,682**	**59,282,791**
Interest bearing liabilities						
Investment contract liabilities						
– At amortised cost	-	860,800	830,921	1,209,032	1,310,448	4,211,201
– Liabilities designated at fair value	-	-	-	-	2,505,441	2,505,441
Borrowings	-	-	-	-	2,180,878	2,180,878
Total interest bearing liabilities		**860,800**	**830,921**	**1,209,032**	**5,996,767**	**8,897,520**
Gap		3,162,571	(830,921)	11,487,504	22,989,915	50,385,271
Cumulative gap - Sensitivity analysis		3,162,571	(830,921)	10,656,583	33,646,498	
Increase by 100bp		31,626	(8,309)	114,875	229,899	503,853
Increase by 500bp		158,129	(41,546)	574,375	1,149,496	2,519,264
Decrease by 100bp		(31,626)	8,309	(114,875)	(229,899)	(503,853)
Decrease by 500bp		(158,129)	41,546	(574,375)	(1,149,496)	(2,519,264)

PARENT	Non interest	1-3 Months	3-6 months	6-12 months	> 12 months	Total
Interest earning assets	bearing		Interest earning assets			
Cash and cash equivalents	7,713,896	3,393,768	-	-	-	11,107,664
Financial assets fair valued through profit or loss	-	-	-	720,930	2,665,545	3,386,475
Bonds	-	-	-	4,009,278	16,795,903	20,805,181
Tenored deposits with initial maturity of 90 days and above	-	-	-	-	-	-
Treasury bills	-	-	-	1,481,975	-	1,481,975
Equity securities	275,240	-	-	-	275,240	550,480
Investment funds	-	-	-	-	7,118,884	7,118,884
Financial assets designated at fair value	-	-	-	-	2,505,441	2,505,441
Loans and receivables	4,229,583	-	-	-	-	4,229,583
Statutory deposit	-	-	-	-	500,000	500,000
Total interest earning assets	**12,218,719**	**3,393,768**	**-**	**6,212,183**	**29,861,013**	**51,685,683**
Interest bearing liabilities						
Investment contract liabilities						
– At amortised cost	-	860,800	830,921	1,209,032	1,310,448	4,211,201
– Liabilities designated at fair value	-	-	-	-	2,505,441	2,505,441
Total interest bearing liabilities	-	860,800	830,921	1,209,032	3,815,889	6,716,642
Gap		2,532,968	(830,921)	5,003,151	26,045,124	44,969,041
Cumulative gap - Sensitivity analysis		2,532,968	(830,921)	4,172,230	30,217,354	
Increase by 100bp		25,330	(8,309)	50,032	260,451	446,938
Increase by 500bp		126,648	(41,546)	250,158	1,302,256	2,234,690
Decrease by 100bp		(25,330)	8,309	(50,032)	(260,451)	(446,938)
Decrease by 500bp		(126,648)	41,546	(250,158)	(1,302,256)	(2,234,690)

4.2 Non-financial asset exposed to price risk

The Group is exposed to property risk through its investment in property. AXA Mansard Insurance Group manages such risk by monitoring the contribution of property to its portfolio.

GROUP'S EXPOSURE TO PROPERTY PRICE RISK			
Instrument		**Amount**	**% Exposure**
Property		20,874,577	18.70%
Interest Generating Assets		90,744,615	81.30%
		111,619,192	

COMPANY'S EXPOSURE TO PROPERTY PRICE RISK			
Instrument		**Amount**	**% Exposure**
Property		-	0%
Interest Generating Assets		73,020,366	100%
		73,020,366	

4.3 Credit risk

AXA Mansard Insurance Group is exposed to risk relating to its investment securities (bonds, treasury bills, fixed deposits and loan receivables. Its receivables comprise trade receivables from customers, reinsurers and coinsurers recoverable and other receivables.

Collateral held and other credit enhancements, and their financial effect

The group does not hold collateral or any other enhancements against any of its receivables as at 31 December 2023.

Trade receivables

The Group has placed more responsiveness on effective management of credit risk exposure that relates to trade receivables. In general, the regulator has laid great emphasis on "No Premium, No Cover" and this has positively changed the phase of credit management within the industry. The Group defines credit risk as the risk of counterparty's failure to meet its contractual obligations. Credit risk arises from insurance cover granted to parties with payment instruments or payments plan issued by stating or implying the terms of contractual agreement.

The Group has placed stringent measures to guard against credit default. Credit risk exposure operates from the level of brokered transactions with little emphasis placed on direct business. The Company's credit risk exposure to brokered business is very low as the Company requires brokers to provide payment within 30 days after which impairment trigger is identified and the receivable is assessed for impairment.

Sources of credit risk:

· Direct default risk: risk that the Group will not receive the cash flows or assets to which it is entitled because a party with which the Group has a bilateral contract defaults on one or more obligations.

· Downgrade Risk: risk that changes in the possibility of a future default by an obligor will adversely affect the present value of the contract with the obligor today.

· Settlement Risk: risk arising from the lag between the value and settlement dates of securities transactions.

Management of credit risk due to trade receivables

The Company constantly reviews brokers' contribution to ensure that adequate attention is paid to high premium contributing brokers.

The Group credit risk is constantly reviewed and approved during the Management Underwriting & Investment Committee (MUIC) meeting. There is also a Criticized Assets Committee (CAC) which is responsible for the assessment and continued review of the Company's premium debt and direct appropriate actions in respect of delinquent ones. It also ensured that adequate provisions are taken in line with IAS 39. Other credit risk management measures include:

- Formulating credit policies with strategic business units, underwriters, brokers, covering brokers grading, reporting, assessment, legal procedures and compliance with regulatory and statutory bodies.
- Identification of credit risk drivers within the Group in order to coordinate and monitor the probability of default that could have an unfortunate impact.
- Developing and monitoring credit limits. The Group is responsible for setting credit limits through grading in order to categorize risk exposures according to the degree of financial loss and the level of priority expected from management.
- Assessment of credit risk. All first-hand assessment and review of credit exposures in excess of credit limits, prior to granting insurance cover are subject to review process and approval given during MUIC meeting.
- Continuous reviewing of compliance and processes in order to maintain credit risk exposure within acceptable parameters.

Impairment model

Premium debtors are measured at amortized cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. The standard favours the use of the incurred loss model in estimating the impairment of its receivables.

By the provisions of IAS 39, the impairment of the premium debtors is to be assessed at two different levels, individually or collectively. However, 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. The Company uses the aging of receivables as the major parameter in calculating impairment.

Below is the analysis of the group's maximum exposure to credit risk at the year end.

Maximum exposure to credit risk	**Notes**	**Group Carrying amount**	**Group Carrying amount**	**Parent Carrying amount**	**Parent Carrying amount**
In thousands of Naira		**Dec 2023**	**Dec 2022 restated**	**Dec 2023**	**Dec 2022 restated**
Cash and cash equivalents	8	26,173,322	13,469,877	19,020,869	11,107,664
Financial assets fair valued through profit or loss (less equity security)	9.1	10,531,515	8,344,682	8,092,843	7,118,884
Financial assets at fair value through OCI	9.2	42,132,258	34,764,986	37,610,027	33,932,595
Financial assets designated at fair value	9.3	2,496,669	2,505,130	2,496,669	2,505,130
Loans and receivable	13	4,369,661	3,773,985	5,264,846	4,229,583
Trade receivable	10a (i)	5,528,269	7,791,783	375,945	454,081
Reinsurance contract assets (less prepaid reinsurance, reserves and IBNR)	11	21,343,583	7,119,243	20,181,136	7,041,633
Other receivable (less prepayment)	13	2,942,650	2,056,472	1,024,095	2,198,456
Statutory deposit	19	500,000	500,000	500,000	500,000
		116,017,927	**80,326,157**	**94,566,430**	**69,088,026**

The Group's investment policy puts limits on the Fixed Income and Money Market instruments including portfolio composition limits, issuer type limits, aggregate issuer limits and corporate sector limits.

The Group's investment portfolio is exposed to credit risk through its fixed income and money market instruments.

The Group's exposure to credit risk is low as Government sector (government bonds and treasury bills) accounted for largest part 43% (2022: 30%) of the investment as at 31 December 2023.

The Group further manages its exposure to credit risk through counterparty risk via established limits as approved by the Board. These limits are determined based on credit ratings of the counterparty amongst other factors. All fixed income investments are measured for performance on a quarterly basis and monitored by management on a monthly basis.

Exposures to credit risks is managed through counterparty risks using instituted limits as approved the MUIC. These limits are based on counter party credit ratings amongst other factors.

Notes to the consolidated and separate financial stataments

Disclosure of treasury bills of less than 90 days maturity

For the purpose of IFRS 7 disclosures, treasury bills classified as cash and cash equivalents in the statement of financial position has been disclosed as part of available for sale assets.

4.3.1 Credit quality

Except for staff loans included in loans and receivables, other receivables and trade receivables, all financial assets are neither past due nor impaired. The credit quality of the assets are as analysed below:

Group

31 December 2023

In thousands of Nigerian Naira	**Unrated**	**A/A-**	**AA**	**B/B+**	**BB-**	**BBB**	**TOTAL**
		High credit quality	Very strong	Strong financial security	Substantive	Doubtful	
Cash and cash equivalents	-	3,826,912	3,126,728	16,931,171	2,293,423	-	26,178,234
Financial assets fair valued through profit or loss	-	-	-	11,056,259	-	-	11,056,259
Financial assets at fair value through OCI		3,320,802	368,326	30,608,745	492,510	-	34,790,383
Financial assets designated at fair value	1,428,791	609,372	162,092	2,108,209	51,792	-	4,360,256
Loans and receivables	4,369,661	-	-	-	-	-	4,369,661
Trade receivable	5,528,269	-	-	-	-	-	5,528,269
Reinsurance contract assets (less prepaid reinsurance, reserves and IBNR)	21,343,583	-	-	-	-	-	21,343,583
Other receivable (less prepayment)	2,942,650	-	-	-	-	-	2,942,650
Statutory deposit	-	-	-	500,000	-	-	500,000
	35,612,954	**7,757,086**	**3,657,146**	**61,204,384**	**2,837,725**	**-**	**111,069,296**

31 December 2022 restated

In thousands of Nigerian Naira	**Unrated**	**A/A-**	**AA**	**B/B+**	**BB-**	**BBB**	**TOTAL**
		High credit quality	Very strong	Strong financial security	Substantive	Doubtful	
Cash and cash equivalents	-	3,826,912	3,126,728	8,454,098	2,293,423	-	17,701,161
Financial assets fair valued through profit or loss	-	-	-	3,386,475	-	-	3,386,475
Financial assets at FVTOCI	225,562	3,320,802	368,326	30,608,745	492,510	-	35,015,945
Financial assets designated at fair value	1,428,791	609,372	162,092	2,108,209	51,792	-	4,360,256
Loans and receivables	3,773,985	-	-	-	-	-	3,773,985
Trade receivable	7,791,783	-	-	-	-	-	7,791,783
Reinsurance assets (less prepaid reinsurance, reserves and IBNR)	7,119,243	-	-	-	-	-	7,119,243
Other receivable (less prepayment)	2,056,471	-	-	-	-	-	2,056,471
Statutory deposit	-	-	-	500,000	-	-	500,000
	22,395,835	**7,757,086**	**3,657,146**	**45,057,527**	**2,837,725**	**-**	**81,705,319**

Parent

31 December 2023

In thousands of Nigeria Naira	**Unrated**	**A/A-**	**AA**	**B/B+**	**BB-**	**BBB**	**TOTAL**
		High credit quality	Very strong	Strong financial security	Substantive	Doubtful	
Cash and cash equivalents	-	3,102,832	2,810,828	13,414,001	693,733	-	20,021,394
Financial assets fair valued through profit or loss	-	-	-	8,489,840	-	-	8,489,840
Financial assets at FVTOCI	198,180	2,983,192	102,092	27,018,128	370,030	-	30,671,622
Financial assets designated at fair value	1,130,721	587,621	192,781	2,406,104	43,029	-	4,360,256
Loans and receivables	5,264,846	-	-	-	-	-	5,264,846
Trade receivables	375,945	-	-	-	-	-	375,945
Reinsurance assets (less prepaid reinsurance and IBNR)	20,181,136	-	-	-	-	-	20,181,136
Other receivables (less prepayment)	1,024,095	-	-	-	-	-	1,024,095
Statutory deposit	-	-	-	500,000	-	-	500,000
	28,174,923	**6,673,645**	**3,105,701**	**51,828,073**	**1,106,792**	**-**	**90,889,134**

Notes to the consolidated and separate financial stataments

Parent
31 December 2022 restated

In thousands of Nigeria Naira	**Unrated**	**A/A-**	**Aa**	**B/B+**	**BB-**	**BBB**	TOTAL
	High credit quality	Strong financial security	Very strong	Substantive	Doubtful	Doubtful	
Cash and cash equivalents	-	3,102,832	2,810,828	8,721,228	693,733	-	15,328,621
Financial assets fair valued through profit or loss	-	-	-	3,653,526	-	-	3,653,526
Financial assets at FVTOCI	198,180	2,983,192	102,092	27,018,128	370,030	-	30,671,622
Financial assets designated at fair value	1,130,721	587,621	192,781	2,406,104	43,029	-	4,360,256
Loans and receivables	4,229,583	-	-	-	-	-	4,229,583
Trade receivables	454,081	-	-	-	-	-	454,081
Reinsurance assets (less prepaid reinsurance and IBNR)	7,041,633	-	-	-	-	-	7,041,633
Other receivables (less prepayment)	2,198,457	-	-	-	-	-	2,198,457
Statutory deposit	-	-	-	500,000	-	-	500,000
	15,252,655	**6,673,645**	**3,105,701**	**42,298,986**	**1,106,792**	**-**	**68,437,779**

Global Corporate Rating (GCR)'s Rating Symbols and Definitions Summary

AAA	Extremely strong financial security characteristics and is the highest FSR assigned by GCR.
AA	Has very strong financial security characteristics, differing only slightly from those rated higher.
A	Has strong financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than assurers with higher ratings.
BBB	Has good financial security characteristics, but is much more likely to be affected by adverse business conditions than assurers with higher ratings.
BB	Has vulnerable financial security characteristics, which might outweigh its strengths. The ability of these companies to discharge obligations is not well safeguarded in the future.
B	Possessing substantial risk that obligations will not be paid when due. Judged to be speculative to a high degree.

Trade receivable and reinsurance assets (claims receivable) subject to credit risk are further assessed below:

in thousands of Naira	**Group**		**Parent**	
	Dec 2023	**Dec 2022 restated**	**Dec 2023**	**Dec 2022 restated**
Insurance revenue	6,022,264	7,900,649	266,741	320,210
Co-insurance receivable	278,746	318,738	278,746	318,738
Reinsurers' share of outstanding claims	7,014,970	5,871,833	7,014,970	5,871,833
Recoverables from reinsurers on claims paid	1,442,762	1,247,410	1,587,516	1,169,800
Total	**14,758,742**	**15,338,630**	**9,147,973**	**7,680,581**
Neither due nor impaired	13,986,001	14,911,026	8,978,431	7,495,714
Individually impaired	772,741	427,604	169,542	184,867
Gross total	**14,758,742**	**15,338,630**	**9,147,973**	**7,680,581**
Impairment allowance	(772,741)	(427,604)	(169,542)	(184,867)
Carrying amount	**13,986,001**	**14,911,026**	**8,978,431**	**7,495,714**

Loans & receivables and other receivables subject to credit risk are further assessed below:

Neither due nor impaired	**Group**		**Parent**	
Amounts in thousands of Naira	**Dec 2023**	**Dec 2022 restated**	**Dec 2023**	**Dec 2022 restated**
Other receivable (less prepayment)	2,942,650	2,056,472	1,024,095	2,198,456
Loans and receivable	4,369,661	3,773,985	5,264,846	4,229,583
Total	**7,312,311**	**5,830,457**	**6,288,941**	**6,428,039**
Total receivables neither due nor impaired	7,663,662	5,972,639	6,424,097	6,563,194
Individually impaired	351,351	142,182	135,156	135,155
Gross total	**8,015,013**	**6,114,821**	**6,559,253**	**6,698,349**
Impairment allowance	(351,351)	(142,182)	(135,156)	(135,155)
Carrying amount	**7,663,662**	**5,972,639**	**6,424,097**	**6,563,194**
Individually impaired	351,351	142,182	135,156	135,155
Over 365 days	351,351	142,182	135,156	135,155

Notes to the consolidated and separate financial stataments

Credit quality

Credit Rating

Credit rating under the new dispensation of *No Premium, No Cover policy* has taken a different turn. We continually review credit notes issued by brokers and adequately follow-up to ensure prompt payments as stated.

Internally, the Company categorizes brokers and reinsurers into grade A, B, C, D and E on the basis of previous premium contribution, future prospect and recommendation. The rating determines the outstanding credit limit of the broker. The credit limit of brokers is as follows:

CATEGORIZATION	CREDIT	CREDIT PERIOD
Grade A	No credit limit	Exposure of 20 million for a max. of 60 days
Grade B	Outstanding credit limit not exceeding N50 million	Exposure of 5 million for a max. of 60 days
Grade C	Outstanding credit limit not exceeding N25 million	Exposure of 2.5 million for a max. of 60 days
Grade C2	Outstanding credit limit not exceeding N10 million	Any exposure after 45 days
Grade D	Outstanding credit limit not exceeding N0.5 million	Any exposure after 45 days
Grade E	Zero Credit	Cash only

The Group’s categorization of Trade and Reinsurance receivable (less prepaid reinsurance and IBNR) as at 31 December 2022 is as follows:

	Group		**Parent**	
	31 Dec 2023	**Dec 2022 restated**	**31 Dec 2023**	**Dec 2022 restated**
Trade receivable	5,528,269	7,791,783	375,945	454,081
Reinsurance receivable	21,343,583	7,119,243	20,181,136	7,041,633
Total	26,871,852	14,911,026	20,557,081	7,495,714

Group

31 December 2023

Category	**A**	**B**	**C**	**D**	**TOTAL**
Insurance brokers	47,855	-	27,155	191,731	266,741
Insurance companies	278,746	-	-	-	278,746
Reinsurance companies	21,343,583	-	-	-	21,343,583
Policy holders	-	4,982,782	-	-	4,982,782
	21,670,184	4,982,782	27,155	191,731	26,871,852
Impairment	-	-	-	(772,741)	(772,741)
Collective impairment	-	-	-	-	-
Net carrying amount	**21,670,184**	**4,982,782**	**27,155**	**(581,010)**	**26,099,111**

31 December 2022 restated

Category	**A**	**B**	**C**	**D**	**TOTAL**
Insurance brokers	89,937	-	27,155	78,409	195,501
Insurance companies	318,738	-	-	-	318,738
Reinsurance companies	7,119,243	-	-	-	7,119,243
Policy holders	-	5,959,641	-	-	5,959,641
	7,527,918	5,959,641	27,155	78,409	13,593,123
ECL allowance	-	-	-	(427,604)	(427,604)
Net carrying amount	**7,527,918**	**5,959,641**	**27,155**	**(349,195)**	**13,165,519**

Notes to the consolidated and separate financial stataments

Parent

31 December 2023					
Category	**A**	**B**	**C**	**D**	**TOTAL**
Insurance brokers	47,855	-	27,155	191,731	266,741
Insurance companies	278,746	-	-	-	278,746
Reinsurance companies	20,181,136	-	-	-	20,181,136
Policy holders	-	-	-	-	-
	20,507,737	-	27,155	191,731	20,726,623
ECL allowance	-	-	-	(169,542)	(169,542)
Net carrying amount	**20,507,737**	**-**	**27,155**	**22,189**	**20,557,081**

31 December 2022 restated					
Category	**A**	**B**	**C**	**D**	**TOTAL**
Insurance brokers	98,775	-	27,155	78,409	204,339
Insurance companies	318,738	-	-	-	318,738
Reinsurance companies	7,041,633	-	-	-	7,041,633
Policy holders	-	-	-	-	-
	7,459,146	-	27,155	78,409	7,564,710
Impairment	-	-	-	(184,867)	(184,867)
Collective impairment	-	-	-	-	-
Net carrying amount	**7,459,146**	**-**	**27,155**	**(106,458)**	**7,379,843**

4.3.2 Concentration of credit risk

The Group monitors concentration of credit risk by sector.

31 December 2023
GROUP

Concentration of credit risk	**Financial institutions**	**Real estate**	**Public sector**	**Whole-sale and retail trade**	**Individuals**	**Total**
Cash and cash equivalents	26,173,322	-	-	-	-	26,173,322
Financial assets fair valued through profit or loss	11,056,259	-	-	-	-	11,056,259
Financial assets at fair value through OCI	3,793,206	-	38,339,052	-	-	42,132,258
Financial assets designated at fair value	2,496,669	-	2,304,338	-	-	4,801,007
Loans and receivables	4,369,661	-	-	-	-	4,369,661
Trade receivables	-	-	-	-	-	-
Reinsurance contract assets	-	-	-	17,512,872	-	17,512,872
Other receivables	-	-	-	4,515,984	-	4,515,984
Statutory deposit	-	-	500,000	-	-	500,000
Total	**47,889,117**	**-**	**41,143,390**	**22,028,856**	**-**	**111,061,363**

PARENT

Concentration of credit risk	**Financial institutions**	**Real estate**	**Public sector**	**Whole-sale and retail trade**	**Individual**	**Total**
Cash and cash equivalents	19,020,869	-	-	-	-	19,020,869
Financial assets fair valued through profit or loss	-	-	8,489,840	-	-	8,489,840
Financial assets at fair value through OCI	3,711,176	-	33,898,851	-	-	37,610,027
Financial assets designated at fair value	2,496,669	-	2,304,338	-	-	4,801,007
Loans and receivables	5,264,846	-		-	-	5,264,846
Trade receivables	375,945	-	-	-	-	375,945
Reinsurance contract assets		-	-	16,770,221	-	16,770,221
Other receivables	-	-	-	1,786,882	-	1,786,882
Statutory deposit	-	-	500,000	-	-	500,000
Total	**30,869,505**	**-**	**45,193,029**	**18,557,103**	**-**	**94,619,637**

Notes to the consolidated and separate financial stataments

GROUP

31 December 2022 restated

Concentration of credit risk	Financial institutions	Real estate	Public sector	Whole-sale and retail trade	Individuals	Total
Cash and cash equivalents	13,469,877	-	-	-	-	13,469,877
Financial assets fair valued through profit or loss	-	-	3,386,475	-	-	3,386,475
Financial assets at FVTOCI	12,736,129	-	22,910,884	-	-	35,647,013
Financial assets designated at fair value	2,070,467	-	2,304,338	-	-	4,374,805
Loans and receivables	3,773,985	-	-	-	-	3,773,985
Trade receivables	-	-	-	7,791,783	-	7,791,783
Reinsurance assets	-	-	-	12,010,140	-	12,010,140
Other receivables	-	-	-	3,507,639	-	3,507,639
Statutory deposit	-	-	500,000	-	-	500,000
Total	**32,050,458**	**-**	**29,101,697**	**23,309,562**	**-**	**84,461,717**

PARENT

Concentration of credit risk	Financial institutions	Real estate	Public sector	Whole-sale and retail trade	Individual	Total
Cash and cash equivalents	11,107,664	-	-	-	-	11,107,664
loss	-	-	3,386,475	-	-	3,386,475
Financial assets at FVTOCI	11,221,197	-	26,719,046	-	-	37,940,243
Financial assets designated at fair value	2,070,467	-	2,304,338	-	-	4,374,805
Loans and receivables	4,229,583	-		-	-	4,229,583
Trade receivables	454,081	-	-	-	-	454,081
Reinsurance assets		-	-	11,833,731	-	11,833,731
Other receivables	-	-	-	2,945,247	-	2,945,247
Statutory deposit	-	-	500,000	-	-	500,000
Total	**29,082,992**	**-**	**32,909,859**	**14,778,978**	**-**	**76,771,829**

4.3.3 Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the statement of financial position.

Similar financial assets and liabilities include trade receivables and payables.
None of these agreements met the criteria for offsetting in the statement of financial position. Reinsurance payable and receivables create for the parties to the agreement a right of set-off of recognised amounts that is enforceable only following predetermined events as stipulated within the treaty agreements. Also, under the 'IFRS 4 - Insurance contract' requirements, reinsurance assets and liabilities are disclosed gross. Receivables and payables from insurance companies and insurance brokers or agents allow for a net settlement by the counterparties when both elect to settle on a net basis. Each party to the agreement will have the option to settle all such amounts on a net basis in the event of default of the other party. An event of default includes a failure by a party to make payment when due. At the point of payment, the offsetting agreement is used to settle on a net basis with the Counterparty.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements
GROUP
31 December 2023

				Related amounts not offset in the statement of financial position		
In thousands of Nigerian Naira	Gross amount of recognised financial asset	Gross amount of financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement financial of position	Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade receivables	5,528,269	-	5,528,269	-	-	5,528,269
Reinsurance assets	21,343,583	-	21,343,583	-	-	21,343,583
Total	**26,871,852**	**-**	**26,871,852**	**-**	**-**	**26,871,852**

Notes to the consolidated and separate financial stataments

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

In thousands of Nigerian Naira	Gross amount of recognised financial liability	Gross amount of financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade payables	10,773,177	-	10,773,177	-	-	10,773,177
Reinsurance contract liabilities	1,972,354	-	1,972,354	-	-	1,972,354
Total	**12,745,531**	**-**	**12,745,531**	**-**	**-**	**12,745,531**

Parent
31 December 2023

In thousands of Nigerian Naira	Gross amount of recognised financial asset	Gross amount of financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade receivables	375,945	-	375,945	-	-	375,945
Reinsurance assets	20,181,136	-	20,181,136	-	-	20,181,136
Total	**20,557,081**	**-**	**20,557,081**	**-**	**-**	**20,557,081**

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

In thousands of Nigerian Naira	Gross amount of recognised financial liability	Gross amount of financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade payables	10,773,177	-	10,773,177	-	-	10,773,177
Reinsurance contract liabilities	1,504,706	-	1,504,706	-	-	1,504,706
Total	**12,277,883**	**-**	**12,277,883**	**-**	**-**	**12,277,883**

Group
31 December 2022 restated

In thousands of Nigerian Naira	Gross amount of recognised financial asset	Gross amount of financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade receivables	7,791,783	-	7,791,783	-	-	7,791,783
Reinsurance assets	7,119,243	-	7,119,243	-	-	7,119,243
Total	**14,911,026**	**-**	**14,911,026**	**-**	**-**	**14,911,026**

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

In thousands of Nigerian Naira	Gross amount of recognised financial liability	Gross amount of financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade payables	9,429,715	-	9,429,715	-	-	9,429,715
Reinsurance payables	1,583,222	-	1,583,222	-	-	1,583,222
Total	**11,012,937**	**-**	**11,012,937**	**-**	**-**	**11,012,937**

Notes to the consolidated and separate financial stataments

Parent

31 December 2022 restated

In thousands of Nigerian Naira	Gross amount of recognised financial asset	Gross amount of financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments not offset in the statement of financial position	Cash collateral received	Net amount
Trade receivables	454,081	-	454,081	-	-	454,081
Reinsurance assets	7,041,633	-	7,041,633	-	-	7,041,633
Total	**7,495,714**	**-**	**7,495,714**	**-**	**-**	**7,495,714**

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

In thousands of Nigerian Naira	Gross amount of recognised financial liability	Gross amount of financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement financial of position	Related amounts not offset in the statement of financial position: Financial instruments (including non cash collateral	Cash collateral received	Net amount
Trade payables	9,354,529	-	9,354,529	-	-	9,354,529
Reinsurance payables	1,583,222	-	1,583,222	-	-	1,583,222
Total	**10,937,751**	**-**	**10,937,751**	**-**	**-**	**10,937,751**

The gross amount of financial assets and financial liabilities and their net amounts disclosed in the above tables have been measured in the statement of financial position on the following bases:

Trade receivables and payables	Amortised cost
Reinsurance receivables and payables	Amortised cost

4.4 Liquidity risk

Liquidity risk is the risk that financial resources may not be available to meet maturing obligations at a reasonable cost. The Group mitigates this risk by monitoring liquidity and expected outflows. The Group's current liabilities arise as claims are made and/or clients request for termination of their investment-linked products. It also arises from other normal business activities across the subsidiaries within the group. The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flow including investment income.

The Company's investment policy requires that a minimum of 35% of the Company's life and non-life portfolio be held in liquid money market instruments and highlighting the availability of liquid marketable securities sufficient to meet its liabilities as at when due. The money market instruments include cash, treasury bills and term deposits with an original maturity of less than 90 days.

The limits are monitored and reported on a weekly and monthly basis to ensure that exposure of the Group's investment portfolio to this risk is properly managed.

Below is a summary of undiscounted contractual cashflows of financial assets matched with financial liabilities.

31 December 2023

GROUP	**Carrying amount**	**Gross total**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5years**
Cash and cash equivalents	26,173,322	-	-	-	-	-	-
Financial assets at FVTPLC	10,531,515	10,531,515	-	-	10,531,515	-	-
Financial assets at FVTOCI	42,132,258	46,745,965	189,028	2,082,671	581,982	21,782,992	22,109,292
Financial assets designated at fair value	2,496,669	2,496,669	2,496,669	-	-	-	-
Loans and receivables	4,369,661	4,369,661	4,369,661	-	-	-	-
Trade receivables	5,528,269	5,528,269	5,528,269	-	-	-	-
Reinsurance assets (less prepaid reinsurance, IBNR & Reserves)	21,343,583	21,343,583	-	-	21,343,583	-	-
Other receivables (less prepayment)	2,942,650	2,942,650	2,942,650	-	-	-	-
Total financial assets	**115,517,927**	**93,958,312**	**15,526,277**	**2,082,671**	**32,457,080**	**21,782,992**	**22,109,292**
	Carrying amount	**Gross total**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5years**
Investment contract liabilities:							
– At amortised cost	9,713,052	9,713,052	8,232,404	-	1,480,648	-	-
– Liabilities designated at fair value	2,496,669	2,496,669	2,496,669	-	-	-	-
Borrowings	5,257,670	4,661,921	1,380,138	1,583,594	1,583,594	114,594	-
Trade payables	10,773,177	10,773,177	10,773,177	-	-	-	-
Other liabilities (less deferred income)	4,334,469	4,334,469	4,334,469	-	-	-	-
Total financial liabilities	**32,575,037**	**31,979,288**	**27,216,857**	**1,583,594**	**3,064,243**	**114,594**	**-**
Net financial assets/ (liabilities)	**82,942,890**	**61,979,024**	**(11,690,580)**	**499,077**	**29,392,837**	**21,668,398**	**22,109,292**
Insurance contract liabilities	50,656,633	50,656,633	21,481,151	13,833,539	2,628,632	5,282,111	7,431,200
Net policyholders' assets/(liabilities)	**32,286,257**	**11,322,391**	**(33,171,731)**	**(13,334,463)**	**26,764,205**	**16,386,287**	**14,678,092**

The Group manages its cashflows in a way to ensure that net cash outflow positions through rental inflows and advance payments on service charge

Notes to the consolidated and separate financial statements

31 December 2023							
PARENT	**Carrying amount**	**Gross total**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5years**
Cash and cash equivalents	19,020,869	19,223,048	19,223,048	-	-	-	-
Financial assets at FVTPLC	8,092,843	2,490,288	-	-			2,490,288
Financial assets at FVTOCI	37,610,027	43,451,413	189,028	2,082,671	581,982	20,588,440	20,009,292
Financial assets designated at fair value (less equity security)	2,496,669	2,496,669	2,496,669	-	-	-	-
Loans and receivables	5,264,846	350,238	350,238	-	-	-	-
Trade receivables	375,945	375,945	375,945	-	-	-	-
Reinsurance assets (less prepaid reinsurance, IBNR and reserves)	20,181,136	20,181,136	-	-	20,181,136	-	-
Other receivables (less prepayment)	1,024,095	1,399,774	1,399,774	-	-	-	-
Total financial assets	**94,066,430**	**89,968,511**	**24,034,702**	**2,082,671**	**20,763,118**	**20,588,440**	**22,499,580**
Insurance contract liabilities							
Investment contract liabilities:							
– At amortised cost	9,713,052	9,713,052	8,232,404	-	1,480,648	-	-
– Liabilities designated at fair value	2,496,669	2,496,669	2,496,669	-	-	-	-
Trade payables	10,773,177	10,773,177	10,773,177	-	-	-	-
Other liabilities (less deferred income)	3,067,669	3,067,669	3,067,669	-	-	-	-
Total financial liabilities	**26,050,567**	**26,050,567**	**24,569,919**	**-**	**1,480,648**	**-**	**-**
Net financial assets/ (liabilities)	**68,015,863**	**63,917,944**	**(535,217)**	**2,082,671**	**19,282,470**	**20,588,440**	**22,499,580**
Insurance contract liabilities	33,036,927	33,036,927	16,481,151	1,213,833	2,628,632	5,282,111	7,431,200
Net policyholders' assets/(liabilities)	**34,978,936**	**30,881,017**	**(17,016,368)**	**868,838**	**16,653,838**	**15,306,329**	**15,068,380**

31 December 2022 restated							
GROUP	**Carrying amount**	**Gross total**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5years**
Cash and cash equivalents	13,469,877	13,955,262	13,955,262	-	-	-	-
Financial assets at FVTPLC	3,386,475	3,386,475	-	720,930	2,665,545	-	-
Financial assets at FVTOCI	39,723,192	46,745,965	189,028	2,082,671	581,982	21,782,992	22,109,292
Financial assets designated at fair value	2,505,441	2,505,441	2,505,441	-	-	-	-
Loans and receivables	3,773,985	3,773,985	3,773,985	-	-	-	-
Trade receivables	7,791,783	7,791,783	7,791,783	-	-	-	-
Reinsurance assets (less prepaid reinsurance, IBNR & Reserves)	7,119,243	7,119,243	-	-	7,119,243	-	-
Other receivables (less prepayment)	2,056,471	2,056,471	2,056,471	-	-	-	-
Total financial assets	**79,826,467**	**87,334,625**	**30,271,970**	**2,803,601**	**10,366,770**	**21,782,992**	**22,109,292**
	Carrying amount	**Gross total**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5years**
Investment contract liabilities:							
– At amortised cost	4,211,201	4,211,201	3,569,250	-	641,951	-	-
– Liabilities designated at fair value	2,505,441	2,505,441	2,505,441	-	-	-	-
Borrowings	2,180,878	2,238,947	572,480	775,936	775,936	114,594	-
Trade payables (less premium received in advance)	11,006,079	11,006,079	11,006,079	-	-	-	-
Other liabilities (less deferred income)	2,803,611	2,803,611	2,803,611	-	-	-	-
Total financial liabilities	**22,707,210**	**22,765,280**	**20,456,861**	**775,936**	**1,417,888**	**114,594**	**-**
Net financial assets/ (liabilities)	**57,119,256**	**64,569,346**	**9,815,109**	**2,027,665**	**8,948,882**	**21,668,398**	**22,109,292**
Insurance contract liabilities	44,816,609	44,816,609	19,250,867	10,223,799	2,628,632	5,282,111	7,431,200
Net policyholders' assets/(liabilities)	**12,302,647**	**19,752,737**	**(9,435,758)**	**(8,196,135)**	**6,320,250**	**16,386,287**	**14,678,092**

The Group manages its cashflows in a way to ensure that net cash outflow positions through rental inflows and advance payments on service charge

Notes to the consolidated and separate financial stataments

31 December 2022 restated

PARENT	**Carrying amount**	**Gross total**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5years**
Cash and cash equivalents	11,107,664	11,309,843	11,309,843	-	-	-	-
Financial assets at FVTPL	3,386,475	3,211,218	-	720,930			2,490,288
Financial assets at FVTOCI	37,665,003	43,451,413	189,028	2,082,671	581,982	20,588,440	20,009,292
Financial assets designated at fair value	2,505,129	2,505,129	2,505,129	-	-	-	-
Loans and receivables	4,229,583	350,238	350,238	-	-	-	-
Trade receivables	454,081	454,081	454,081	-	-	-	-
Reinsurance assets (less prepaid reinsurance, IBNR and reserves)	7,041,633	7,041,633	-	-	7,041,633	-	-
Other receivables (less prepayment)	2,198,457	1,399,774	1,399,774	-	-	-	-
Total financial assets	**68,588,025**	**69,723,329**	**16,208,093**	**2,803,601**	**7,623,615**	**20,588,440**	**22,499,580**
Insurance contract liabilities							
Investment contract liabilities:							
– At amortised cost	4,211,201	4,211,201	3,569,250	-	641,951	-	-
– Liabilities designated at fair value	2,505,441	2,505,441	2,505,441	-	-	-	-
Trade payables (less premium received in	10,930,893	10,930,893	10,930,893	-	-	-	-
Other liabilities (less deferred income)	2,467,858	2,467,858	2,467,858	-	-	-	-
Total financial liabilities	**20,115,393**	**20,115,393**	**19,473,442**	**-**	**641,951**	**-**	**-**
Net financial assets/ (liabilities)	**48,472,632**	**49,607,936**	**(3,265,348)**	**2,803,601**	**6,981,664**	**20,588,440**	**22,499,580**
Insurance contract liabilities	30,806,643	30,806,643	14,250,867	1,213,833	2,628,632	5,282,111	7,431,200
Net policyholders' assets/(liabilities)	**17,665,989**	**18,801,293**	**(17,516,215)**	**1,589,768**	**4,353,032**	**15,306,329**	**15,068,380**

Notes to the consolidated and separate financial stataments

4 Capital Management

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group and its individually regulated operations have complied with all externally imposed capital requirements.

Management uses regulatory capital ratios to monitor its capital base. The allocation of capital between specific operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital, but in some cases the regulatory requirements do not fully reflect the varying degree of risk associated with different activities. In such cases, the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation by Group Risk and Group Credit, and is subject to review by the Group Credit Committee or the Group Asset and Liability Management Committee (ALCO), as appropriate. The Group ensures it maintains the minimum required capital at all times throughout the year. The Regulatory capital for the non-life and businesses is determined as the solvency margin. The table below summarises the minimum required capital across the Group and the regulatory capital held against each of them.

In thousands	**Group**		**Company**	
	31 Dec-2023	**31 Dec-2022**	**31 Dec-2023**	**31 Dec-2022**
Regulatory capital held	36,778,468	19,633,856	21,875,740	17,957,660
Minimum regulatory capital	5,550,000	5,550,000	5,000,000	5,000,000

The Group has different requirements depending on the specific operations which it engages in. The four main businesses are Insurance, Health Insurance, Asset management (fund manager) and Property development.

The insurance business is divided into the life and non life business. The life business has a regulatory minimum capital of N2 billion while the Non life business has a regulatory minimum capital base of N3 billion. The asset management business has a minimum capital base of N500 million, as a fund manager. These three businesses met and exceeded these minimum requirements as at 31 December 2023 as indicated below:

In thousands of Naira	**Health maintenance organisation**	**Life insurance business**	**Non life insurance business**	**Asset management business**
	31 Dec-2023	**31 Dec-2023**	**31 Dec-2023**	**31 Dec-2023**
Regulatory capital held	6,618,835	9,385,680	18,838,032	1,935,921
Minimum regulatory capital	400,000	2,000,000	3,000,000	150,000

Although maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Group to particular operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Group's longer-term strategic objectives. The Group's policies in respect of capital management and allocation are reviewed regularly by the board of directors.

Insurance industry regulator measures the financial strength of insurance companies using the capital adequacy requirements for composite companies. This test compares insurers' capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 15% which is calculated as 15% of net premium or the minimum paid up share capital whichever is higher. The regulator has the authority to request more extensive reporting and can place restrictions on the Parent's operations if the Parent falls below this requirement if deemed necessary. Over the years, the Parent Company has consistently exceeded this minimum.

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The Solvency Margin for the parent as at 31 December 2023 is as follows:

	31-Dec-23			31 Dec 22 restated		
	TOTAL	**ADMISSIBLE**	**INADMISSIBLE**	**TOTAL**	**ADMISSIBLE**	**INADMISSIBLE**
ASSETS						
Cash and cash equivalents	19,020,869	11,914,668	7,106,201	11,107,664	10,869,772	237,892
Investment securities:						
– Fair value through profit or loss	8,489,840	8,489,840	-	7,394,124	3,386,475	-
– Fair value through OCI	37,610,027	37,610,027	-	33,932,595	37,940,243	-
Financial assets designated at fair value	2,496,669	2,496,669	-	2,505,441	2,505,441	-
Trade receivables	375,945	97,200	278,746	454,081	135,344	318,738
Reinsurance contract assets	16,770,221	16,770,221	-	11,765,518	11,833,731	-
Deferred acquisition cost	-	-	-			
Other receivables	1,786,882	211,430	1,575,452	2,945,247	-	2,945,247
Loans and receivables	5,264,846	170,917	5,093,929	4,229,583	193,325	4,036,258
Investment in subsidiaries	1,652,000	1,652,000	-	1,652,000	1,652,000	-
Intangible assets	898,846	898,846	-	391,201	391,201	-
Property and equipment	3,232,481	3,232,481	-	2,717,465	2,717,465	-
Right-of-use asset	1,106,768	-	1,106,768	672,176	-	672,176
Statutory deposit	500,000	500,000	-	500,000	500,000	-
TOTAL ASSETS	**99,205,394**	**84,044,299**	**15,161,096**	**80,267,095**	**72,124,997**	**8,210,311**
	-					
LIABILITIES						
Insurance contract liabilities	33,036,927	33,036,927	-	25,354,893	30,806,643	-
Investment contract liabilities:						
– At amortised cost	9,713,052	9,713,052	-	9,065,180	4,211,201	-
– Liabilities designated at fair value	2,496,669	2,496,669	-	2,505,441	2,505,441	-
Reinsurance contract liabilities	1,504,706	1,504,706		1,449,183	1,449,183	
Trade payables	10,773,177	10,773,177	-	6,542,121	13,743,301	-
Other technical liabilities	8,813,122	8,813,122		5,617,958	5,617,958	
Current income tax liabilities	1,039,866	1,039,866	-	674,215	674,215	-
Other liabilities	3,604,162	3,604,162	-	2,740,547	2,740,547	-
TOTAL LIABILITIES	**70,981,681**	**70,981,681**	**-**	**53,949,538**	**61,748,489**	**-**
	-			-		
Excess of admissible assets over liabilities		***13,062,618***			***10,376,508***	
The higher of 15% of Net premium income and minimum paid up capital		***5,000,000***			***5,000,000***	
Solvency Ratio		261%			208%	

5 Measurement of financial assets and liabilities

5.1.*Accounting classification measurement basis and fair value*

The table below set out the group's classification of each class of financial instruments and liabilities and their fair value

In thousands of Nigerian Naira

Group

31 Dec 2023	Notes	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Carrying amount	Fair value
Cash and cash equivalents	8	26,173,322	-	-	26,173,322	26,173,322
Investment securities:						
- Fair value through profit or loss	9.1	-	11,056,259	-	11,056,259	11,056,259
- Fair value through OCI	9.2	-	-	42,132,258	42,132,258	42,132,258
Financial assets designated at fair value	9.3	-	2,496,669	-	2,496,669	2,496,669
Loans and receivables	13	4,369,661			4,369,661	4,369,661
Trade receivables	11	5,528,269	-	-	5,528,269	5,528,269
Reinsurance receivables (excluding prepaid re-insurance, IBNR & Reserves)	10a (i)	21,343,583	-	-	21,343,583	21,343,583
Other receivables (excl. prepayment)	12	2,942,650	-	-	2,942,650	2,942,650
Statutory deposit	19	500,000	-	-	500,000	500,000
		60,857,485	**13,552,928**	**42,132,258**	**116,542,671**	**116,542,671**
Investment contracts:						
– Designated at fair value	21.2	2,496,669	-	-	2,496,669	2,496,669
– At amortised cost	21.1	9,713,052	-	-	9,713,052	9,713,052
Borrowing	25	5,257,670	-	-	5,257,670	5,257,670
Trade payables	21	10,773,177	-	-	10,773,177	10,773,177
Other liabilities (excluding deferred income)	22	4,334,469	-	-	4,334,469	4,334,469
		32,575,037	**-**	**-**	**32,575,037**	**32,575,037**

Parent

31 Dec 2023	*Notes*	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Carrying amount**	**Fair value**
Cash and cash equivalents	8	19,020,869	-	-	19,020,869	19,020,869
Investment securities:						
- Fair value through profit or loss	9.1	-	8,092,843	-	8,092,843	8,092,843
- Fair value through OCI	9.2	-	-	37,610,027	37,610,027	37,610,027
Loans and receivables	14			-	-	-
Financial assets designated at fair value	9.3	-	2,496,669	-	2,496,669	2,496,669
Loans and receivables	14			-	-	-
Trade receivables	10	375,945	-	-	375,945	375,945
Loans and receivables	14	5,264,846	-	-	5,264,846	5,264,846
Reinsurance receivables (excluding prepaid re-insurance)	10a (i)	20,181,136		-	20,181,136	20,181,136
Other receivables (excl. prepayment)	12	1,024,095	-	-	1,024,095	1,024,095
Statutory deposit	19	500,000	-	-	500,000	500,000
		46,366,891	**10,589,512**	**37,610,027**	**94,566,430**	**94,566,430**
Investment contracts:						
– Designated at fair value	21.2	-	-	-	-	-
– At amortised cost	21.1	9,713,052	-	-	9,713,052	9,713,052
Trade payables	21	10,773,177		-	10,773,177	10,773,177
Other liabilities (excluding deferred income and advance premium)	22	3,067,669	-	-	3,067,669	3,067,669
		23,553,898	**-**	**-**	**23,553,898**	**23,553,898**

Group

31 Dec 2022 *Restated	*Notes*	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Carrying amount**	**Fair value**
Cash and cash equivalents	8	13,469,877	-	-	13,469,877	13,469,877
Investment securities:						
- Fair value through profit or loss	9.1	-	3,386,475	-	3,386,475	3,386,475
- Fair value through OCI	9.2	-	-	40,078,903	40,078,903	40,078,903
Financial assets designated at fair value	9.3	-	2,505,441	-	2,505,441	2,505,441
Trade receivables	10	7,791,783	-	-	7,791,783	7,791,783
Loans and receivables	14	3,773,985	-	-	3,773,985	3,773,985
Reinsurance receivables (excluding prepaid re-insurance, IBNR & Reserves)	11	7,119,243	-	-	7,119,243	7,119,243
Other receivables (excl. prepayment)	13	2,056,471	-	-	2,056,471	2,056,471
Statutory deposit	19	500,000	-	-	500,000	500,000
		34,711,359	**5,891,916**	**40,078,903**	**80,682,178**	**80,682,178**
Investment contracts:						
– Designated at fair value	21.2	-	2,505,441	-	2,505,441	2,505,441
– At amortised cost	21.1	4,211,201	-	-	4,211,201	4,211,201
Borrowing	25	2,180,878	-	-	2,180,878	2,180,878
Trade payables	21	13,818,487	-	-	13,818,487	13,818,487
Other liabilities (excluding deferred income)	22	2,803,611	-	-	2,803,611	2,803,611
		23,014,177	**2,505,441**	**-**	**25,519,618**	**25,519,618**

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Parent

31 Dec 2022	*Notes*	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Carrying amount**	**Fair value**
Cash and cash equivalents	8	11,107,664	-	-	11,107,664	11,107,664
Investment securities:						
- Fair value through profit or loss	9.1	-	3,386,475	-	3,386,475	3,386,475
- Fair value through OCI	9.2	-	-	37,940,243	37,940,243	37,940,243
Financial assets designated at fair value	9.3	-	2,505,441	-	2,505,441	2,505,441
Trade receivables	10	454,081	-	-	454,081	454,081
Loans and receivables	14	4,229,583	-	-	4,229,583	4,229,583
Reinsurance receivables (excluding prepaid re-insurance)	11	7,041,633		-	7,041,633	7,041,633
Other receivables (excl. prepayment)	13	2,198,457	-	-	2,198,457	2,198,457
Statutory deposit	19	500,000	-	-	500,000	500,000
		25,531,418	**5,891,916**	**37,940,243**	**69,363,577**	**69,363,577**
Investment contracts:						
– Designated at fair value	21.2	-	2,505,441	-	2,505,441	2,505,441
– At amortised cost	21.1	4,211,201	-	-	4,211,201	4,211,201
Trade payables	21	13,743,301		-	13,743,301	13,743,301
Other liabilities (excluding deferred income and advance premium)	22	2,467,858	-	-	2,467,858	2,467,858
		20,422,360	**2,505,441**	**-**	**22,927,801**	**22,927,801**

5.2 Fair value hierarchy

The Group's accounting policy on fair value measurements is discussed under note 2.3.
The fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the group determines fair values using other valuation techniques.

For financial instruments that trade infrequently, and had little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risk affecting the specific instrument.

Valuation models
The group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

(a) Financial instruments in level 1
The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Nigerian Stock Exchange equity investments classified as trading securities or available for sale.

(b) Financial instruments in level 2
Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

(c) Financial instruments in level 3
Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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. The amounts are based on the values recognised in the statement of financial position.

Financial assets and liabilities measured at fair value
(All figures are in thousands of naira)
Group
31-Dec-23

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	10,531,515	505,244	19,500	11,056,259
Financial assets at other comprehensive income	39,894,733	2,237,525	-	42,132,258
Other financial assets designated at fair value	2,338,885	157,784	-	2,496,669
Total	52,765,133	2,900,553	19,500	55,685,186
Liability type				
Other financial liabilities designated at fair value	2,338,885	157,784	-	2,496,669

Group
31-Dec-22

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	8,344,682	336,210	19,500	8,700,392
Financial assets at other comprehensive income	30,333,096	4,431,890	-	34,764,986
Other financial assets designated at fair value	2,281,048	224,393	-	2,505,441
Total	40,958,826	4,992,492	19,500	45,970,819
Liability type				
Other financial liabilities designated at fair value	2,281,048	224,393	-	2,505,441

Notes to the consolidated and separate financial statements

Parent
31-Dec-23

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	8,092,843	377,497	19,500	8,489,840
Financial assets at other comprehensive income	35,372,502	2,237,525	-	37,610,027
Other financial assets designated at fair value	2,338,885	157,784	-	2,496,669
Total	45,804,230	2,772,806	19,500	48,596,536
Other financial liabilities designated at fair value	2,338,885	157,784		2,496,669

Parent
31-Dec-22

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	7,118,884	255,740	19,500	7,394,124
Financial assets at other comprehensive income	29,500,705	4,431,890	-	33,932,595
Other financial assets designated at fair value	2,281,048	224,393	-	2,505,441
Total	38,900,638	4,912,022	19,500	43,832,160
Other financial liabilities designated at fair value	2,281,048	224,393	-	2,505,441

Financial instruments in level 2

The fair values of financial instruments measured in level 2 are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). These are as shown in the table below:

Unquoted equity	Recent transaction price
Debt security	Similar securities with close maturity dates

There was no transfer between levels during the year under review.

Financial instruments in level 3

(i) Reconciliation

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in level 3 of the fair value hierarchy.

In thousands of Nigerian Naira

Group	**Dec-23**	**Dec-22**
Balance at 1 January	19,500	19,500
Acquisitions	-	-
Changes in fair value recognised in other comprehensive income	-	-
Balance end of year	**19,500**	**19,500**

Impact of changes in fair value of available for sale assets

OCI	-	-

Notes to the consolidated and separate financial stataments

Parent	**Dec-23**	**Dec-22**
Balance at 1 January	19,500	19,500
Acquisitions	-	-
Changes in fair value recognised in other comprehensive income	-	-
Balance end of year	**19,500**	**19,500**

Impact of changes in fair value of available for sale assets

	Dec-23	Dec-22
OCI	-	-

(ii) Information about fair value measurement using significant unobservable inputs (Level 3)

For the unquoted financial instrument measured at fair value, the group uses a valuation model. Some of the significant inputs may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions. Management's judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected cashflows on the financial instruments being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Model inputs and values are calibrated against historical data and published forecasts. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management judgement is required to select the most appropriate point in the range.

The group's valuation methodology for valuing certain unquoted financial instruments uses a free discounted cash flow methodology. It takes into account growth in net earnings or cash flow, fixed capital investments, working capital investments and net borrowings, beta, risk free rate, market risk premium and assumed annual growth rate. These features are used to estimate expected future cashflows and discounted at a risk-adjusted rate. However, this technique is subject to inherent limitations such as estimation of the appropriate risk -adjusted discount rate, and different assumptions and inputs would yield different results.

Unobservable market inputs used in measuring the fair value.

Significant unobservable inputs are developed as follows:

Risk-Free rate

The risk-free rate used in the valuation models is the yield of the most actively traded 10-yr FGN bond, as we believe this is the best reference for a risk-free instrument with a similar duration to the investment horizon of equities.
The risk-free rate used in the unquoted financial instruments valuation reports was the current yield, 16% on the most actively traded 10-yr FGN bond in the Nigerian bond market at the time.

Beta

The beta of a stock measures the sensitivity of the excess expected return on an individual share relative to that of a benchmark equities market or index. It is best derived by the regression analysis of a company’s stock price returns to that of the benchmark market index. However, in cases where a company is not publicly listed, it can be derived by using a proxy from a similar company which is publicly listed, or by using the industry average. There are however cases where there are no comparable companies that are publicly listed to use as proxies. In such cases, betas are estimated or assumed based on the sensitivity of the industry to the stock market and/or the overall economy as a guide. The unquoted financial instruments valuation is peculiar in the sense that it is privately held and does not have ready and direct comparables publicly listed on the Nigerian Stock Exchange. We assumed a beta of 1.28 for the unquoted financial instrument based on our perceived sensitivity of its industry to the Nigerian economy.

Market risk premium

This is the premium estimated as required over the long term risk-free rate. In most cases, the unsystematic risk pertaining to countrywide factors such as socio-political risk, a country’s sovereign rating etc. is usually priced into risk-free instruments such as government bonds. The unsystematic risk pertaining to the stock market or particular industry is addressed by the market risk premium, while the beta is responsible for company-specific risks. We have used a market risk premium of 6% for the valuation, as we believe most of the inherent risks in the Nigerian capital market have been largely priced in the bond yields.

Notes to the consolidated and separate financial statements

Assumed terminal growth rate

This is the rate that the company is assumed to continue to grow after the forecasted years in the valuation. It is usually close to the GDP rate of the country where the company is situated. In certain cases, the assumed growth rate may exceed the current GDP as the industry may be in its growth phase.

We have reduced the terminal growth rate for the unquoted financial instruments to 4% in line with growth projections for the country. It is important to note that huge potentials remain largely untapped in the Nigerian housing industry, predicated on a large and growing population with unmet housing needs.

Financial instruments not measured at fair value

The following table sets out the carrying amount of financial instruments not measured at fair value and the analysis per level in the fair value hierarchy into which each fair value measurement is categorised.

Group

31-Dec-23	**FAIR VALUE**				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying amount**
Cash and cash equivalents	-	26,173,322	-	26,173,322	26,173,322
Trade receivables	-	5,528,269	-	5,528,269	5,528,269
Loan and receivables	-	4,369,661	-	4,369,661	4,369,661
Reinsurance contract assets (less prepaid reinsurance)	-	21,343,583	-	21,343,583	21,343,583
Other receivables (less prepayment)	-	2,942,650	-	2,942,650	2,942,650
Statutory deposit	-	500,000	-	500,000	500,000
Total	**-**	**60,857,485**	**-**	60,857,485	**60,857,485**
Investment contracts at amortised cost	-	9,713,052	-	9,713,052	9,713,052
Borrowings	-	5,257,670	-	5,257,670	5,257,670
Trade payables	-	10,773,177	-	10,773,177	10,773,177
Other liabilities (excluding deferred income)	-	4,334,469	-	4,334,469	4,334,469
Total	**-**	**30,078,368**	**-**	**30,078,368**	**30,078,368**

Parent

31-Dec-23	**FAIR VALUE**				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying amount**
Cash and cash equivalents	-	19,020,869	-	19,020,869	19,020,869
Trade receivables	-	375,945	-	375,945	375,945
Loans and receivables	-	5,264,846	-	5,264,846	5,264,846
Reinsurance contract assets (less prepaid reinsurance)	-	20,181,136	-	20,181,136	20,181,136
Other receivables (less prepayment)	-	1,024,095	-	1,024,095	1,024,095
Statutory deposit	-	500,000	-	500,000	500,000
Total	**-**	**46,366,891**	**-**	**46,366,891**	**46,366,891**
Investment contracts at amortised cost	-	9,713,052	-	9,713,052	9,713,052
Trade payables	-	10,773,177	-	10,773,177	10,773,177
Other liabilities	-	3,067,669	-	3,067,669	3,067,669
Total	**-**	**23,553,898**	**-**	**23,553,898**	**23,553,898**

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Group

31-Dec-22

	FAIR VALUE				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying amount**
Cash and cash equivalents	-	13,469,877	-	13,469,877	13,469,877
Trade receivables	-	7,791,783	-	7,791,783	7,791,783
Loan and receivables	-	3,773,985	-	3,773,985	3,773,985
Reinsurance contract assets (less prepaid reinsurance)	-	7,119,243	-	7,119,243	7,119,243
Other receivables (less prepayment)	-	2,056,472	-	2,056,472	2,056,472
Statutory deposit	-	500,000	-	500,000	500,000
Total	-	**34,711,360**	-	**34,711,360**	**34,711,360**

Liability type					
Investment contracts at amortised cost	-	4,211,201	-	4,211,201	4,211,201
Borrowings	-	2,180,878	-	2,180,878	2,180,878
Trade payables	-	13,818,487	-	13,818,487	13,818,487
Other liabilities (excluding deferred income)	-	2,803,611	-	2,803,611	2,803,611
Total	-	**23,014,177**	-	**23,014,177**	**23,014,177**

Parent

31-Dec-22

	FAIR VALUE				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying Amount**
Cash and cash equivalents	-	11,107,664	-	11,107,664	11,107,664
Trade receivables	-	454,081	-	454,081	454,081
Loans and receivables	-	4,229,583	-	4,229,583	4,229,583
Reinsurance contract assets (less prepaid reinsurance)	-	7,041,633	-	7,041,633	7,041,633
Other receivables (less prepayment)	-	2,198,456	-	2,198,456	2,198,456
Statutory deposit	-	500000	-	500,000	500,000
Total	-	**25,031,417**	-	**25,531,417**	**25,031,417**
Liability type					
Investment contracts at amortised cost	-	4,211,201	-	5,153,521	5,153,521
Trade payables	-	13,743,301	-	8,947,445	8,947,445
Other liabilities	-	2,467,858	-	1,183,712	1,183,712
Total	-	**20,422,360**	-	**15,284,678**	**15,284,678**

Determination of fair value

The determination of fair value for each class of financial instruments was based on the particular characteristic of the instruments. The method and assumptions applied are enumerated below:

Cash and cash equivalent and borrowings

The estimated fair value of fixed interest placement with banks, bonds and borrowings is based on the discounted cash flow techniques using prevailing money market interest rates for debts and similar credit risk and remaining maturity.

Quoted securities

The fair value for treasury bills and bonds assets is based on market prices or brokers/dealers price quotations. Where this information is not available, fair valuation is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

Unquoted equity securities available for sale

The fair value of available-for-sale securities is based on on the market approach which consider similar/ identical transactions.

Trade receivables and payables, reinsurance receivables and other liabilities

The estimated fair value of receivables and payables with no stated maturity which includes no interest payables and receivables is the amount repayable or to be received on demand.

The carrying amounts of other liabilities are reasonable approximation of their fair values which are payable on demand.

Notes to the consolidated and separate financial stataments

Non financial asset measured at fair value

Investment property is valued using the income approach. The rental income/prices of comparable buildings in close proximity are adjusted for differences in key attributes such as property size, beta, growth rates, discount rate, inflation rate, holding period and capitalisation rate. The adjusted rental income/prices forms the cashflows which is discounted using the relevant discount rate. A variation of -/+5% will result in N685 million fair value losses/gain respectively.

Office property

Valuation technique	Fair value as at 31 December 2023	Unobservable inputs	Range of unobservable inputs (probability weighted average)
Discounted Income Capitalisation Cashflow approach	20,874,577	Forecast price per square metre	$500
		Capitalisation rate	6%

Landed property

Valuation technique	Fair value as at 31 December 2023	Unobservable inputs	Range of unobservable inputs (probability weighted average)
Market Valuation approach	-	NA	NA

6. Asset and Liability Management (ALM)

The Group is exposed to a range of financial risks through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long-term its investment proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of this financial risk are interest rate risk, equity price risk, foreign currency risk and credit risk.

These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are interest rate risk and equity price risk.

The Group manages these positions within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance and investment contracts. Within the ALM framework, the Group periodically produces reports at portfolio, legal entity and asset and liability class level that are circulated to the Group's key management personnel. The principal technique of the Group's ALM is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders. For each distinct class of liabilities, a separate portfolio of assets is maintained. The Group has not changed the processes used to manage its risks from previous periods.

The Group's ALM is integrated with the management of the financial risks associated with the Group's other classes of financial assets and liabilities not directly associated with insurance and investment liabilities (in particular, borrowings and investments in foreign operations). The notes below explain how financial risks are managed using the categories utilized in the Group's ALM framework. In particular, the ALM Framework requires the management of interest rate risk, equity price risk and liquidity risk at the portfolio level. Foreign currency and credit risk are managed on a group-wide basis.

The table below hypothecates the total assets of the parent into assets that represents insurance funds, shareholders' funds and other funds such as investment contracts and annuity:

31 December 2023 **In thousands of Naira**	**Non Life**	**Life Insurance Funds**	Investment Contracts Funds	Annuity funds	**Total Life**	**Total**
Total						**N'000**
Insurance Contract liabilities	25,406,398	5,786,000	-	1,844,529	7,630,529	33,036,927
Reinsurance contract liabilities	1,008,840	495,866			495,866	1,504,706
Investment Contract liabilities	-	-	12,209,721	-	12,209,721	12,209,721
Gross Insurance Funds	**26,415,238**	**6,281,866**	**12,209,721**	**1,844,529**	**20,336,116**	**46,751,354**
Less:						
Reinsurance Receivables						
Reinsurance premium paid in advance for next year's policies	-	-	-	-	-	-
Reinsurance expenses prepaid	3,874,493	244,980	-	-	244,980	4,119,473
Reinsurers share of Claims expense paid	597,555	989,961	-	-	989,961	1,587,516
Reinsurers share of Claims expense outstanding	7,070,788	(109,459)	-	-	(109,459)	6,961,329
Reinsurers share of Incurred but not reported claims & Ind life reserves	3,757,256	344,647	-	-	344,647	4,101,903
Net Insurance Funds	**11,115,146**	**4,811,737**	**12,209,721**	**1,844,529**	**18,865,987**	**29,981,133**
Admissible Assets						
Cash and Cash Equivalents	14,955,638	3,637,258	20,572	1,805	3,659,635	18,615,273
Treasury bills and Government Bonds	7,707,742	2,461,619	11,815,627	1,832,729	16,109,975	23,817,716
Placement with Financial Insititutions	933,486	868,453	435,586	-	1,304,039	2,237,525
Corporate Bonds & Debenture	3,303,898	193,544	101,699	-	295,243	3,599,141
Ordinary & Preference Shares	-	-		142,489	142,489	142,489
Agency Loan	-	-	-	-	-	-
Loan to Policy holders	-	-	-	-	-	-
Other Loans & Investments	-			-	-	-
Investment in subsidiaries,	-	-	-	-	-	-
Investment in Associates	-	-	-	-	-	-
Investment in jointly controlled entities	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Total Admissible Assets	**26,900,764**	**7,160,875**	**12,373,483**	**1,977,024**	**21,511,381**	**48,412,145**
SURPLUS IN ASSETS COVER	**15,785,618**	**2,349,138**	**163,762**	**132,495**	**2,645,394**	**18,431,012**

Notes to the consolidated and separate financial stataments

The table below hypothecates the total assets of the parent into assets that represents insurance funds, shareholders' funds and other funds such as investment contracts:

31 December 2022 *In thousands of Naira*	**Non Life**	**Life Insurance Funds**	Investment Contracts Funds	Annuity funds	**Total Life**	**Total**
Total						**N'000**
Insurance Contract liabilities	17,231,441	6,138,520	-	1,984,932	8,123,452	25,354,893
Reinsurance contract liabilities	1,122,403	326,780			326,780	1,449,183
Investment Contract liabilities	-	-	11,570,621	-	11,570,621	11,570,621
Gross Insurance Funds	**18,353,844**	**6,465,300**	**11,570,621**	**1,984,932**	**20,020,853**	**38,374,697**
Less:						
Reinsurance Receivables						
Reinsurance premium paid in advance for next year's policies	-	-	-	-	-	-
Reinsurance expenses prepaid	2,560,292	145,378	-	-	145,378	2,705,670
Reinsurers share of Claims expense paid	551,936	617,864	-	-	617,864	1,169,800
Reinsurers share of Claims expense outstanding	5,567,977	235,643	-	-	235,643	5,803,620
Reinsurers share of Incurred but not reported claims & Ind life reserves	1,727,087	359,341	-	-	359,341	2,086,428
Net Insurance Funds	**7,946,552**	**5,107,074**	**11,570,621**	**1,984,932**	**18,662,627**	**26,609,179**
Admissible Assets						
Cash and Cash Equivalents	4,289,800	156,426	1,653	32,173	190,252	4,480,052
Treasury bills and Government Bonds	2,738,039	4,253,846	10,905,956	3,561,035	18,720,837	21,458,876
Placement with Financial Insititutions	1,583,982	2,890,836	1,066,036	133,531	4,090,403	5,674,385
Corporate Bonds & Debenture	786,012	-	278,177	-	278,177	1,064,189
Ordinary & Preference Shares	-	-	-	73,639	73,639	73,639
Agency Loan	-	-	-	-	-	-
Loan to Policy holders	-	-	-	-	-	-
Other Loans & Investments	8,136	28,124		-	28,124	36,260
Investment in subsidiaries,	-	-	-	-	-	-
Investment in Associates	-	-	-	-	-	-
Investment in jointly controlled entities	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Total Admissible Assets	**9,405,969**	**7,329,232**	**12,251,822**	**3,800,378**	**23,381,432**	**32,787,401**
SURPLUS IN ASSETS COVER	**1,459,417**	**2,222,158**	**681,201**	**1,815,446**	**4,718,805**	**6,178,222**

Notes to the consolidated and separate financial statements

7 Segment information

The Group is organized into six operating segments. These segments distribute their products through various forms of brokers, agencies and direct marketing programs. Management identifies its reportable operating segments by product line consistent with the reports used by the Management Investment and Underwriting Committee. These segments and their respective operations are as follows:

1 **Non-Life business**: This segment covers the protection of customers' assets (particularly their properties, both for personal and commercial business) and indemnification of other parties that have suffered damage as a result of customers' accidents. All contracts in this segment are short-term in nature. Revenue in this segment is derived primarily from insurance premium, investment income and net realized gains on financial assets.

2 **Life business**: This segment covers the protection of the Group's customers against the risk of premature death, disability, critical illness and other accidents. Revenue from this segment is derived primarily from insurance premium, investment income and net realized gains on financial assets.

4 **Asset management**: Offers a range of investment products domestically and abroad to suit customer's long- and short-term investment needs. Revenue from this segment is derived primarily from fee income, investment income and net realized gains on financial assets.

4 **Property development**: The Group undertakes real estate development project with the aim of outright sale or lease of the properties to meet the needs of individual and corporate bodies. The Group offers various products in real estate to meet clients' needs while promoting value adding business relationships and utilizes a combination of debt and equity finance to provide funds for projects. Revenue from this segment is derived primarily from fee income, investment income and net realized gains on financial assets.

5 **Health Maintenance Organisation (HMO)**: This segment provides health maintenance services to a wide range of individuals both within the Group and outside the Group.

Expenses for corporate units that render services for all business segments are initially paid by the general business segment and transferred to other business units at cost price. The expenses are allocated based on service man hours rendered by the corporate units to the various business segments.

The corporate expenses for the following centrally shared services are being apportioned to all business segments in the Group:
- System and controls
- Financial control
- Human resources
- Information technology

AXA Mansard Investments Limited rendered asset management services for other business segments of the Group. Fee income earned on asset management services is eliminated on consolidation. AXA Mansard Health Limited provides health maintenance services for staff members with the Group.

Notes to the consolidated and separate financial stataments

7 (a) The segment information provided by the Management Underwriting & Investment Committee (MUIC) for the reporting segments for the year ended 31 December 2023 is as follows:

December 2023 *In thousands of Nigerian Naira*	Non life business	Life Business	**AXA Mansard Insurance**	Investment Management	Property Development	Health Maintenance	Elimination adjustments	**Total**
Cash and cash equivalents	14,990,767	4,030,102	**19,020,869**	877,963	188,110	6,086,378	-	**26,173,322**
Investment securities								
Fair value through profit or loss	6,332,557	2,157,282	**8,489,840**	498,109	161,503	1,906,805	-	**11,056,259**
Fair value through OCI	18,702,688	18,907,338	**37,610,027**	329,069	-	4,193,161	-	**42,132,258**
Financial assets designated at fair value	-	2,496,669	**2,496,669**	-	-	-	-	**2,496,669**
Trade receivables	100,783	275,162	**375,945**	-	-	5,152,324	-	**5,528,269**
Reinsurance contract assets	15,300,095	1,470,126	**16,770,221**	-	-	742,651	-	**17,512,872**
Other receivables	1,145,130	641,752	**1,786,882**	1,094,259	122,759	1,512,084	-	**4,515,984**
Loans and receivables at amortised costs	1,877,434	3,387,411	**5,264,846**	482,615	-	3,918,445	(5,296,245)	**4,369,661**
Investment properties	-	-	**-**	-	20,874,577	-	-	**20,874,577**
Investment in subsidiaries	1,252,000	400,000	**1,652,000**	-	-	4,400,000	(6,052,000)	**-**
Intangible assets	898,845	-	**898,846**	19,739	35	25,130	12,000	**955,750**
Property, plant and equipment	3,232,078	403	**3,232,481**	39,202	97,010	458,828	-	**3,827,521**
Right of Use	1,046,747	60,021	**1,106,768**	-	-	78,972		**1,185,740**
Statutory deposit	300,000	200,000	**500,000**	-	-	-	-	**500,000**
TOTAL ASSETS	65,179,123	34,026,265	**99,205,394**	3,340,956	21,443,994	28,474,778	(11,336,245)	**141,128,882**
Insurance liabilities	25,406,398	7,630,529	**33,036,927**	-	-	17,619,706	-	**50,656,633**
Reinsurance contract liabilities	1,008,840	495,866	**1,504,706**			467,648		**1,972,357**
Investment contract liabilities:	-		**-**					**-**
– At amortised cost	-	9,713,052	**9,713,052**	-	-	-	-	**9,713,052**
– Financial liabilities designated at fair value	-	2,496,669	**2,496,669**	-	-	-	-	**2,496,669**
Trade payables	8,858,027	1,915,150	**10,773,177**	-	-	-	-	**10,773,177**
Other technical liabilities	5,017,255	3,795,867	**8,813,122**					**8,813,123**
Other Liabilities	3,376,454	227,708	**3,604,162**	1,184,659	279,493	1,922,076	(1,403,208)	**5,587,185**
Current income tax liabilities	589,459	450,407	**1,039,866**	183,742	1,601	770,796	-	**1,858,041**
Borrowings	-	-	**-**	-	9,150,709	-	(3,893,039)	**5,257,670**
Deferred income tax	-	-	**-**	36,634	1,468,993	1,075,719	-	**2,581,346**
TOTAL LIABILITIES	44,256,433	26,725,248	**70,981,681**	1,405,035	10,900,796	21,855,945	(5,296,248)	**99,709,253**
Share capital	10,000,000	8,000,000	**18,000,000**	150,000	9,250	700,000	(859,250)	**18,000,000**
Share premium	78,255	-	**78,255**	790,000	2,612,162	-	(3,402,162)	**78,255**
Contingency reserve	5,341,320	1,175,397	**6,516,717**	-	-	-	-	**6,516,717**
Treasury shares	(111,476)	-	**(111,476)**	-	-	-	-	**(111,476)**
Retained earnings	4,608,380	1,736,484	**6,344,864**	954,617	7,921,786	5,839,010		**14,188,436**
Insurance finance reserve	(34,286)	22,856	**(11,430)**			10,704		**(726)**
Fair value reserves	(1,044,161)	(1,549,057)	**(2,593,218)**	41,304	-	69,121	560,255	**(1,922,537)**
EQUITY	18,838,032	9,385,680	**28,223,712**	1,935,921	10,543,198	6,618,835		**36,748,669**
Non-controlling interests in equity	-	-	**-**	-	-	-	4,670,962	**4,670,962**
TOTAL EQUITY	18,838,032	9,385,680	**28,223,712**	1,935,921	10,543,198	6,618,835	(5,902,035)	**41,419,629**
TOTAL LIABILITIES AND EQUITY	63,094,465	36,110,928	**99,205,394**	3,340,956	21,443,994	28,474,780	(11,198,283)	**141,128,882**

Notes to the consolidated and separate financial stataments

December 2022 restated *In thousands of Nigerian Naira*	Non life business	Life Business	**AXA Mansard Insurance**	Investment Management	Property Development	Health Maintenance	Elimination adjustments	**Total**
Cash and cash equivalents	7,114,480	3,993,186	**11,107,666**	296,111	276,963	1,789,137	-	**13,469,877**
Fair value through profit or loss	-	3,386,475	**3,386,475**	-	-	-	-	**3,386,475**
Available-for-sale assets	18,405,114	19,535,129	**37,940,243**	597,839	471,858	1,068,964	(153)	**40,078,751**
Financial assets designated at fair value	-	2,505,441	**2,505,441**	-	-	-	-	**2,505,441**
Trade receivables	158,181	295,898	**454,079**	-	-	7,337,702	-	**7,791,781**
Reinsurance assets	10,505,998	1,327,732	**11,833,730**	-	-	176,409	-	**12,010,139**
Deferred acquisition cost	514,011	-	**514,011**	-	-	348,207	-	**862,218**
Other receivables	1,675,419	1,269,827	**2,945,246**	525,976	27,815	1,408,627	(1,400,026)	**3,507,638**
Loans and receivables	5,838,616	3,662,179	**9,500,795**	297,623	-	1,978,577	(2,731,798)	**9,045,197**
Investment properties	-	-	**-**	-	14,009,208	-	-	**14,009,208**
Investment in subsidiaries	1,252,000	400,000	**1,652,000**	-	-	4,400,000	(6,052,000)	**-**
Intangible assets	391,201	-	**391,201**	21,043	140	21,210	12,000	**445,594**
Property, plant and equipment	2,717,057	403	**2,717,460**	59,914	69,084	253,102	-	**3,099,560**
Right of Use	612,155	60,021	**672,176**	-	-	111,327	-	**783,503**
Statutory deposit	300,000	200,000	**500,000**	-	-	-	-	**500,000**
TOTAL ASSETS	49,484,232	36,636,290	**86,120,523**	1,798,506	14,855,068	18,893,262	(10,171,977)	**111,495,383**
Insurance liabilities	16,411,751	9,182,962	**25,594,713**	-	-	14,009,966	-	**39,604,679**
Investment contract liabilities:								
– At amortised cost	-	4,211,201	**4,211,201**	-	-	-	-	**4,211,201**
– Financial liabilities designated at fair value	-	2,505,441	**2,505,441**	-	-	-	-	**2,505,441**
Trade payables	9,016,224	2,269,906	**11,286,130**	-	-	75,186	-	**11,361,316**
Other Liabilities	2,838,965	302,268	**3,141,233**	212,049	402,711	2,437,943	(2,188,372)	**4,005,564**
Current income tax liabilities	309,360	336,598	**645,958**	131,080	211,829	112,804	-	**1,101,671**
Borrowings	-	-	**-**	-	4,131,074	-	(1,950,196)	**2,180,878**
Deferred income tax	-	-	**-**	13,901	839,427	2,303	-	**855,631**
TOTAL LIABILITIES	28,576,300	18,808,376	**47,384,676**	357,031	5,585,041	16,638,202	(4,138,568)	**65,826,380**
EQUITY								
Share capital	10,000,000	8,000,000	**18,000,000**	150,000	9,250	700,000	(859,250)	**18,000,000**
Share premium	78,255	-	**78,255**	790,000	2,612,162	-	(3,402,162)	**78,255**
Contingency reserve	4,110,614	1,007,535	**5,118,149**	-	-	-	-	**5,118,149**
Other reserves	-	-	**-**	-	-	-	-	**-**
Treasury shares	(111,476)	-	**(111,476)**	-	-	-	-	**(111,476)**
Retained earnings	3,958,973	(130,616)	**3,828,357**	512,640	6,648,617	1,803,785	(6,310,947)	**6,482,452**
Fair value reserves	(408,051)	399,287	**(8,764)**	(11,167)	-	(248,725)	6,231	**(262,425)**
	17,628,315	9,276,206	**26,904,521**	1,441,473	9,270,029	2,255,060	(10,566,128)	**29,304,955**
Non-controlling interests in equity	-	-	**-**	-	-	-	4,106,949	**4,106,949**
TOTAL EQUITY	17,628,315	9,276,206	**26,904,521**	1,441,473	9,270,029	2,255,060	(6,459,179)	**33,411,904**
TOTAL LIABILITIES AND EQUITY	46,204,615	28,084,582	**74,289,197**	1,798,504	14,855,070	18,893,262	(10,597,748)	**99,238,283**

Notes to the consolidated and separate financial stataments

(b) The consolidated financial data for the reporting segments for the year ended 31 December 2023 is as follows:

31 December 2023	**Non life Business**	**Life business**	**Insurance**	**Investment management**	**Property development**	**Health Maintenance**	**Elimination Adjustments**	**Total**
Continuing operations								
Insurance revenue	33,137,164	17,167,418	50,304,582	-	-	32,448,851		82,753,433
Insurance service expenses	(10,293,869)	(13,909,838)	(24,203,707)	-	-	(27,845,286)	-	(52,048,993)
Net expense from reinsurance contracts held	(18,590,106)	(897,451)	(19,487,557)	-	-	52,670	-	(19,434,887)
Insurance service results	**4,253,189**	**2,360,129**	**6,613,318**	**-**	**-**	**4,656,235**	**-**	**11,269,553**
Interest revenue calculated using the effective interest method	2,383,014	1,324,365	3,707,379	30,887	-	422,538	-	4,160,804
Other investment revenue	7,406,936	764,755	8,171,691	327,846	2,070,473	3,754,925	(26,782)	14,298,153
Net impairment/writeback on financial assets	(112,333)	(119,202)	(231,535)	(211,623)	-	(412,295)		(855,453)
Impairment of premium receivables	-	-	-	-	-	(345,137)		(345,137)
Investment return	**9,677,617**	**1,969,918**	**11,647,535**	**147,110**	**2,070,473**	**3,420,031**	**(26,782)**	**17,258,367**
Net finance income/(expense) from reinsurance contracts	22,643	455	23,098	-	-	(1,781)		21,317
Net financial result	**9,700,260**	**1,970,373**	**11,670,633**	**147,110**	**2,070,473**	**3,418,250**	**(26,782)**	**17,279,684**
Other income	21,837	37,246	59,083	1,406,079	896,349	215,008	(375,909)	2,200,610
Expenses for marketing and administration	(1,226,073)	(1,163,550)	(2,389,623)	-	-	(252,827)	-	(2,642,450)
Employee benefit expense	(1,567,214)	(1,602,526)	(3,169,740)	(483,267)	-	(1,932,022)	-	(5,585,029)
Finance cost	(154,735)	-	(154,735)	-	(975,219)	(23,710)	26,782	(1,126,882)
Other operating expenses	(2,610,043)	(2,340,720)	(4,950,763)	(305,989)	(84,292)	(698,532)	416,769	(5,622,807)
Profit before tax	**8,417,221**	**(739,048)**	**7,678,173**	**763,933**	**1,907,311**	**5,382,402**	**40,860**	**15,772,679**
Income tax expense	(584,135)	(449,524)	(1,033,659)	(189,811)	(634,143)	(1,866,402)		(3,724,015)
Profit for the year	**7,833,086**	**(1,188,572)**	**6,644,514**	**574,122**	**1,273,168**	**3,516,000**	**40,860**	**12,048,664**
Assets and liabilities								
Total assets	65,179,123	34,026,265	99,205,388	3,340,956	21,443,994	28,474,778	(11,336,245)	141,128,871
Total liabilities	44,256,433	26,725,248	70,981,681	1,405,035	10,900,796	21,855,945	(5,296,248)	99,847,209
Net assets/(liabilities)	**20,922,690**	**7,301,017**	**28,223,707**	**1,935,921**	**10,543,198**	**6,618,833**	**(6,039,997)**	**41,281,662**

Notes to the consolidated and separate financial statament

(All amounts in thousands of Naira unless otherwise stated)

8 Cash and cash equivalents

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Cash at bank and in hand	17,923,579	9,446,506	9,088,688	12,406,669	7,713,896	6,612,288
Tenored deposits (see note (a) below)	8,249,743	4,023,371	8,254,656	6,614,200	3,393,768	7,614,724
	26,173,322	**13,469,877**	**17,343,344**	**19,020,869**	**11,107,664**	**14,227,012**

(a) Tenored deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

Current	26,173,322	13,469,877	17,343,344	19,020,869	11,107,664	14,227,012
Non-current	-	-	-	-	-	-
	26,173,322	**13,469,877**	**17,343,344**	**19,020,869**	**11,107,664**	**14,227,012**

9 Investment securities

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

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Fair value through profit or loss (see note 9.1)	11,056,259	8,700,392	8,942,514	8,489,840	7,394,124	6,593,983
Fair value through other comprehenisve income (see note 9.2)	42,132,258	34,764,986	29,818,546	37,610,027	33,932,595	27,924,118
Financial assets designated at fair value (see note 9.3)	2,496,669	2,505,441	4,374,805	2,496,669	2,505,441	4,374,805
	55,685,186	**45,970,819**	**43,135,865**	**48,596,536**	**43,832,160**	**38,892,906**
Current	11,056,259	1,603,156	1,404,301	8,489,840	3,386,475	6,593,983
Non-current	44,628,927	44,367,663	41,731,564	40,106,696	40,445,685	32,298,923
	55,685,186	**45,970,819**	**43,135,866**	**48,596,536**	**43,832,159**	**38,892,906**

9.1 Fair value through profit or loss

Fair value through profit or loss instruments represent investments in equity instruments and investment funds as at year end.

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Equity investments	524,744	355,710	330,038	396,997	275,240	192,952
Investment funds	10,531,515	8,344,682	8,612,476	8,092,843	7,118,884	6,401,030
	11,056,259	**8,700,392**	**8,942,514**	**8,489,840**	**7,394,124**	**6,593,982**

(a) Movement in fair value through profit or loss

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	8,700,392	8,942,514	8,889,462	7,394,124	6,593,982	7,953,096
Addition during the year	3,171,599	6,024,474	4,223,345	1,965,000	2,780,117	2,428,196
Disposal	(2,403,366)	(7,337,703)	(4,512,380)	(2,900,000)	(3,497,416)	(4,724,250)
IFRS 9 Restatement	-	881,213	(61,840)	-	735,241	21,330
Fair value (loss)/gain	(1,715,246)	(56,673)	(68,011)	(290,041)	41,862	95,913
Interest receivables	3,302,880	246,567	471,938	2,320,757	740,338	819,697
	11,056,259	**8,700,392**	**8,942,514**	**8,489,840**	**7,394,124**	**6,593,982**

(b) Movement in fair value through profit or loss assets

Equity investments

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	355,710	330,038	243,677	275,240	192,952	1,007,073
Addition during the year	73,945	98,843	185,157	-	149,774	97,853
Disposal	-	(112,840)	(289,665)	-	(94,767)	(1,356,038)
IFRS 9 Restatement	-	21,966	(25,373)	-	17,962	21,330
Fair value gain/(loss)	89,741	17,703	(45,596)	99,572	9,319	160,896
Interest receivables	5,348	-	261,838	22,185	-	261,838
	524,744	**355,710**	**330,038**	**396,997**	**275,240**	**192,952**

Notes to the consolidated and separate financial stataments
(All amounts in thousands of Naira unless otherwise stated)

Investment funds

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	8,344,682	8,612,476	8,645,785	7,118,884	6,401,030	6,946,023
Addition during the year	3,097,654	5,925,631	4,038,188	1,965,000	2,630,343	2,330,343
Disposal	(2,403,366)	(7,224,863)	(4,222,715)	(2,900,000)	(3,402,649)	(3,368,212)
IFRS 9 restatement	-	859,247	(36,467)	-	717,279	-
Fair value (loss)/gain	(1,804,987)	(74,376)	(22,415)	(389,613)	32,543	(64,983)
Interest receivables	3,297,532	246,567	210,100	2,298,572	740,338	557,859
	10,531,515	**8,344,682**	**8,612,476**	**8,092,843**	**7,118,884**	**6,401,030**

9.2 ***Fair value through other comprehensive income***

Financial assests at fair value through other comprehensive income instruments represent interests in quoted securities, treasury bills, listed funds and unlisted entities as at year end.

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Government & corporate bonds (see note (a) below)	38,339,052	28,651,121	27,410,265	33,898,851	28,018,730	25,865,282
Treasury bills	1,555,681	1,681,975	2,408,281	1,473,651	1,481,975	1,656,122
Fixed deposits (above 90 days)	2,237,525	4,431,890	-	2,237,525	4,431,890	-
	42,132,258	**34,764,986**	**29,818,546**	**37,610,027**	**33,932,595**	**27,521,404**

(a) Movement in financial assets at fair vale through other comprehensive income

Government & corporate bonds

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	28,651,121	21,724,487	21,585,177	28,018,730	25,865,282	20,276,149
Addition during the year	12,228,427	12,762,146	26,069,852	11,966,266	11,339,142	21,623,134
Disposal	(14,613,853)	(6,479,696)	(16,121,514)	(11,950,014)	(3,220,262)	(6,950,566)
IFRS 9 restatement	1,058,352	48,608	-	(1,029,214)	912,593	-
Fair value gain/(loss)	2,233,121	(480,823)	(4,824,456)	218,466	(7,555,617)	(10,024,232)
Interest receivables	8,781,884	1,076,399	701,206	6,674,617	677,592	940,797
	38,339,052	**28,651,121**	**27,410,265**	**33,898,851**	**28,018,730**	**25,865,282**

9.3 ***Financial assets designated at fair value***	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Investment contracts designated at fair value (see note (i))	2,496,669	2,505,441	4,374,805	2,496,669	2,505,441	4,374,805
	2,496,669	**2,505,441**	**4,374,805**	**2,496,669**	**2,505,441**	**4,374,805**

(i) **Investment contracts designated at fair value**

Financial assets designated at fair value represent the assets of the investment contracts managed on behalf of customers and unavailable for day to day use by the Company. The assets match the financial liabilities carried at fair value as at year end.

The category of financial assets held can be analysed as follows:

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Bank balances	157,784	224,393	783,429	157,784	224,393	783,429
Short term deposit	46,263	143,032	646,489	46,263	143,032	646,489
Government treasury bills	85,070	-	547,015	85,070	-	547,015
Government and corporate bonds	2,207,552	2,137,705	2,384,281	2,207,552	2,137,705	2,384,281
Quoted equity securities	-	312	13,591	-	312	13,591
	2,496,669	**2,505,441**	**4,374,805**	**2,496,669**	**2,505,441**	**4,374,805**

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

10a (i) Insurance and reinsurance contract assets

Group

31 December 2023	**Non-Life business**	**Life business**	**Health Maintenance**	**Total**
Insurance contract liabilities				
Insurance contract balances	26,128,185	6,606,010	17,999,400	50,733,595
Assets for insurance acquisition cashflows	(683,163)	-	(410,587)	(1,093,750)
Other pre-recognition cash flows	(38,624)	1,024,519	30,893	1,016,788
	25,406,398	**7,630,529**	**17,619,706**	**50,656,633**
Insurance contract assets				
Insurance contract assets excluding Insurance acquisition cash flows assets and other pre- recognition cash flows	-	-	-	-
	-	-	-	-
Reinsurance contracts				
Reinsurance contract assets	15,300,095	1,470,126	742,651	17,512,872
Reinsurance contract liabilities	1,008,840	495,866	467,648	1,972,354

Group

31 December 2022 (restated)	**Non-Life business**	**Life business**	**Health Maintenance**	**Total**
Insurance contract liabilities				
Insurance contract balances	18,059,094	7,893,572	14,009,966	39,962,632
Assets for insurance acquisition cashflows	(514,011)	-	(348,207)	(862,218)
Other pre-recognition cash flows	(313,642)	229,880	66,574	(17,188)
	17,231,441	**8,123,452**	**13,728,333**	**39,083,226**
Insurance contract assets				
Insurance contract assets excluding Insurance acquisition cash flows assets and other pre- recognition cash flows	-	-	-	-
	-	-	-	-
Reinsurance contracts				
Reinsurance contract assets	10,407,292	1,358,226	175,938	11,941,456
Reinsurance contract liabilities	1,122,403	326,780	75,324	1,524,507

Group

31 December 2021 (restated)	**Non-Life business**	**Life business**	**Health Maintenance**	**Total**
Insurance contract liabilities				
Insurance contract balances	16,411,752	9,182,962	11,333,729	36,928,443
Assets for insurance acquisition cashflows	(620,749)	-	(132,205)	(752,954)
Other pre-recognition cash flows	(239,832)	(366,638)	38,239	(568,231)
	15,551,171	8,816,324	11,239,762	35,607,257
Insurance contract assets				
Insurance contract assets excluding Insurance acquisition cash flows assets and other pre- recognition cash flows	-	-	-	-
	-	-	-	-
Reinsurance contracts				
Reinsurance contract assets	9,955,822	800,930	300,300	11,057,052
Reinsurance contract liabilities	599,894	66,969	353,740	1,020,603

Notes to the consolidated and separate financial stataments

Company

31 December 2023	**Non-Life business**	**Life business**	**Total**
Insurance contract liabilities			
Insurance contract balances	26,128,185	6,606,010	32,734,195
Insurance acquisition cash flow assets	(683,163)	-	(683,163)
Other pre-recognition cash flows	(38,624)	1,024,519	985,895
	25,406,398	**7,630,529**	**33,036,927**
Insurance contract assets			
Insurance contract assets excluding Insurance acquisition cash flows assets and other pre-recognition cash flows	-	-	-
	-	-	-
Reinsurance contracts			
Reinsurance contract assets	15,300,095	1,470,126	16,770,221
Reinsurance contract liabilities	1,008,840	495,866	1,504,706

Company

31 December 2022 *restated	**Non-Life business**	**Life business**	**Total**
Insurance contract liabilities			
Insurance contract balances	18,059,094	7,893,572	25,952,666
Assets for insurance acquisition cashflows	(514,011)	-	(514,011)
Other pre-recognition cash flows	(313,642)	229,880	(83,762)
	17,231,441	**8,123,452**	**25,354,893**
Insurance contract assets			
Insurance contract assets excluding Insurance acquisition cash flows assets and other pre-recognition cash flows	-	-	-
	-	-	-
Reinsurance contracts			
Reinsurance contract assets	10,407,292	1,358,226	11,765,518
Reinsurance contract liabilities	1,122,403	326,780	1,449,183

Company

31 December 2021 *restated	**Non-Life business**	**Life business**	**Total**
Insurance contract liabilities			
Insurance contract balances	16,411,752	9,182,962	25,594,714
Assets for insurance acquisition cashflows	(620,749)	-	(620,749)
Other pre-recognition cash flows	(239,832)	(366,638)	(606,470)
	15,551,171	**8,816,324**	**24,367,495**
Insurance contract assets			
Insurance contract assets excluding Insurance acquisition cash flows assets and other pre-recognition cash flows	-	-	-
	-	-	-
Reinsurance contracts			
Reinsurance contract assets	9,955,822	800,930	10,756,752
Reinsurance contract liabilities	599,894	66,969	666,863

Notes to the consolidated and separate financial stataments

10a (iii) Life Risk - Insurance contracts issued

	31 December 2023		
	Onerous contracts originated	**Non-onerous contracts originated**	**Total**
Estimates of the present value of future cash outflows	418,999	2,163,998	2,582,996
Insurnace acquisition cash flows	(21,918)	(46,001)	(67,919)
Claims and other directly attributable expenses	(586,880)	(483,173)	(1,070,053)
Estimates of the present value of future cash outflows	-	-	-
Estimates of the present value of future cash inflows	218,545	511,620	730,165
Risk adjustment for non-financial risk	21,635	51,798	73,433
Insurance acquisiton cash flows assets and other pre-recognition cash flows derecognised	(29,587)	33,095	3,508
CSM	-	1,137,846	1,137,846
Increase in insurance contracts liabilities from contracts recognised in the period	**20,794**	**3,369,182**	**3,389,976**

	31 December 2022		
	Onerous contracts originated	**Non-onerous contracts originated**	**Total**
Estimates of the present value of future cash outflows	491,124	1,939,963	2,431,087
Insurnace acquisition cash flows	(39,246)	(55,144)	(94,391)
Claims and other directly attributable expenses	(900,616)	(443,877)	(1,344,493)
Estimates of the present value of future cash outflows	-	-	-
Estimates of the present value of future cash inflows	353,590	511,955	865,544
Risk adjustment for non-financial risk	34,798	70,261	105,059
Insurance acquisiton cash flows assets and other pre-recognition cash flows derecognised	-	-	-
CSM	-	1,175,488	1,175,488
Increase in insurance contracts liabilities from contracts recognised in the period	**(60,351)**	**3,198,646**	**3,138,295**

	31 December 2021		
	Onerous contracts originated	**Non-onerous contracts originated**	**Total**
Estimates of the present value of future cash outflows	-	-	2,711,068
Insurnace acquisition cash flows	-	-	-
Claims and other directly attributable expenses	-	-	-
Estimates of the present value of future cash outflows	-	-	-
Estimates of the present value of future cash inflows	-	-	-
Risk adjustment for non-financial risk	-	-	151,463
Insurance acquisiton cash flows assets and other pre-recognition cash flows derecognised	-	-	-
CSM	-	-	567,343
Increase in insurance contracts liabilities from contracts recognised in the period	**-**	**-**	**3,429,874**

Notes to the consolidated and separate financial stataments

10a (iv) Contractual service margin

The following table sets out when the Group exepcts to recognise the remaining CSM in profit or loss after the reporting date for contracts not measured under the PAA.

Group & Company
31 December 2023

	Life business	
	Insurance contracts	**Reinsurance contracts**
Less than one year	642,148	3,905
One to two years	54,592	2,138
Two to three years	11,064	2,070
Three to four years	1,682	2,000
Four to five years	618	1,930
Five to ten years	531	1,880
More than 10 years	427,211	29,358

Group & Company
31 December 2022

	Life business	
	Insurance contracts	**Reinsurance contracts**
Less than one year	7,058	55,069
One to two years	9,190	21,230
Two to three years	8,968	19,936
Three to four years	8,769	18,720
Four to five years	8,570	17,148
Five to ten years	8,377	16,535
More than 10 years	152,986	295,231

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

10b Movements in insurance and reinsurance contract balances - Analysis by remaining coverage and incurred claims

i ***Life business - Insurance Contract***

		31-December-2023					31-December-2022 *Restated					31-December-2021 *Restated			
		Individual Life		Group Life			Individual Life		Group Life			Individual Life		Group Life	
		Liabilities for remaining coverage					Liabilities for remaining coverage					Liabilities for remaining			
	Note	**Excluding loss component**	**Loss component**	**Liabilities for incurred claims**		**Total**	**Excluding loss component**	**Loss component**	**Liabilities for incurred claims**		**Total**	**Excluding loss component**	**Loss component**	**Liabilities for incurred claims**	**Total**
Opening assets		-	-	-	-	-	-	-	-		-	-	-	-	-
Opening liabilities		4,459,014	(573,006)	4,237,445		8,123,452	2,983,795	(24,404)	5,856,933		8,816,324	2,509,447	-	5,132,482	7,641,929
Net opening balance		**4,459,014**	**(573,006)**	**4,237,445**	**-**	**8,123,452**	**2,983,795**	**(24,404)**	**5,856,933**	**-**	**8,816,324**	**2,509,447**	**-**	**5,132,482**	**7,641,929**
Changes in statement of profit or loss and OCI				-		-									
Insurance revenue															
Contracts under the modified retrospective transition approach		-	-	-	-	-	-	-	-		-	3,158,438	-	5,837,631	8,996,069
Contract under the fair value transition approach		-	-	-		-	-	-	-		-	-	-	-	-
Other contracts		10,462,760	(335,061)	7,176,141		17,303,840	6,234,099	(215,274)	7,267,130		13,285,955	-	-	-	-
		10,462,760	**(335,061)**	**7,176,141**	**-**	**17,303,840**	**6,234,099**	**(215,274)**	**7,267,130**	**-**	**13,285,955**	**3,158,438**	**-**	**5,837,631**	**8,996,069**
				-											
Insurance service expenses															
Incurred claims and other insurance service expenses		-	(8,277,723)	(3,744,705)		(12,022,428)	(2,571,572)	(333,328)	(6,244,086)		(9,148,986)	(2,684,090)	(24,404)	(2,670,217)	(5,378,711)
Amortisation of insurance acquisition cashflows		-	-	(1,238,746)	-	(1,238,746)	-	-	(1,383,411)		(1,383,411)	-	-	-	-
Losses and reversals of losses on onerous contracts		-	(192,568)	-		(192,568)	-	-	-		-	-	-	-	-
Adjustments to liabilities for incurred claims		-	-	(456,096)		(456,096)	-	-	23,690		23,690	-	-	(345,555)	(345,555)
		-	(8,470,292)	(5,439,546)	-	(13,909,838)	**(2,571,572)**	**(333,328)**	**(7,603,807)**	**-**	**(10,508,707)**	**(2,684,090)**	**(24,404)**	**(3,015,772)**	**(5,724,266)**
Insurance service results		**10,462,760**	**(8,805,353)**	**1,736,595**	**-**	**3,394,002**	**3,662,527**	**(548,602)**	**(336,677)**	**-**	**2,777,248**	**474,348**	**(24,404)**	**2,821,859**	**3,271,803**
Total changes in statement of profit or loss and OCI		**10,462,760**	**(8,805,353)**	**1,736,595**	**-**	**3,394,002**	**3,662,527**	**(548,602)**	**(336,677)**	**-**	**2,777,248**	**474,348**	**(24,404)**	**2,821,859**	**3,271,803**
Cash flows															
Premium received			-	1,702,627		1,702,627	1,488,979	-			1,488,979		-	581,803	581,803
Claims and other insurance service expenses paid, including investment components		(4,895,672)	-	(693,881)	-	(5,589,553)	(3,676,287)	-	(1,282,811)		(4,959,098)	-	-	(2,679,211)	(2,679,211)
Total cash flows		(4,895,672)	-	1,008,747	-	(3,886,925)	(2,187,309)	-	(1,282,811)	-	(3,470,120)	-	-	(2,097,408)	(2,097,408)
Closing assets		-	-	-		-	-	-	-		-	-	-	-	-
Closing liabilities		10,026,102	(9,378,359)	6,982,786	-	7,630,529	4,459,014	(573,006)	4,237,445	-	8,123,452	2,983,795	(24,404)	5,856,933	8,816,324
Net closing balance		**10,026,102**	**(9,378,359)**	**6,982,786**	**-**	**7,630,529**	**4,459,014**	**(573,006)**	**4,237,445**	**-**	**8,123,452**	**2,983,795**	**(24,404)**	**5,856,933**	**8,816,324**

Notes to the consolidated and separate financial stataments

ii ***Life business - Reinsurance Contract***

31-December-2023

	Note	Individual Life – Assets for remaining coverage: Excluding loss-recovery component	Individual Life – Assets for remaining coverage: Loss-recovery component	Group Life: Assets for incurred claims		Total
Opening assets		(457,932)	-	1,568,944		1,111,012
Opening liabilities		-	-	(326,780)		(326,780)
Net opening balance		**(457,932)**	**-**	**1,242,164**		**784,232**
Changes in statement of profit or loss and OCI						
Amounts recoverable from reinsurers		(150,791)	-	466,663		315,872
Recoveries of incurred claims and other insurance service expenses		-	-	(259,002)		(259,002)
Recoveries and reversals of recoveries of losses on onerous underlying contracts		-	-	9		9
Adjustments to assets for incurred claims		-	-	128,518		128,518
		(150,791)	-	336,188	-	185,397
Investment components and premium refunds		-				
Effects of changes in non-performance risk of reinsurers		713,351	-	(1,298)		712,054
Net expense from reinsurance contracts		**562,560**	**-**	**334,891**		**897,451**
		-	-	-		-
Net finance expenses from reinsurance contracts		(20,695)	-	(25,711)		(46,406)
Effects of movements in exchange rates		-	-	-		-
Total changes in statement of profit or loss and OCI		**541,865**	**-**	**309,180**	**-**	**851,045**
Cash flows						
Premiums paid			-	572,675		572,675
Amounts received		(86,392)	-	(409,474)		(495,866)
Total cash flows		**(86,392)**	**-**	**163,201**	**-**	**76,809**
Closing assets		83,933	-	881,854		1,423,720
Closing liabilities		(86,392)	-	(409,474)		(495,866)
Net closing balance		**(2,459)**	**-**	**472,381**		**927,854**

31-December-2022 *Restated

	Individual Life – Assets for remaining coverage: Excluding loss-recovery component	Individual Life – Assets for remaining coverage: Loss-recovery component	Group Life: Assets for incurred claims		Total
Opening assets	(247,214)	-	1,048,144		800,930
Opening liabilities	-	-	(66,969)		(66,969)
Net opening balance	**(247,214)**	**-**	**981,175**		**733,961**
Changes in statement of profit or loss and OCI					
Amounts recoverable from reinsurers	(250,357)	-	480,561		230,204
Recoveries of incurred claims and other insurance service expenses	39,502	-	108,228		147,730
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	110,217		110,217
Adjustments to assets for incurred claims	-	-	9,856		9,856
	(210,855)	-	708,863	-	498,008
Investment components and premium refunds	12,568	-	-		12,568
Effects of changes in non-performance risk of reinsurers	-	-	-		
Net expense from reinsurance contracts	**(198,287)**	**-**	**708,863**		**510,576**
Net finance expenses from reinsurance contracts	(21,627)	-	-		(21,627)
Effects of movements in exchange rates	-	-	-		
Total changes in statement of profit or loss and OCI	**(219,914)**	**-**	**708,863**		**488,949**
Cash flows					
Premiums paid	9,196	-	860,081		869,277
Amounts received	-	-	(326,780)		(326,780)
Total cash flows	**9,196**	**-**	**533,301**		**542,497**
Closing assets	(457,932)	-	1,568,944		1,358,226
Closing liabilities	-	-	(326,780)		(326,780)
Net closing balance	**(457,932)**	**-**	**1,242,164**		**1,031,446**

31-December-2021 *Restated

	Individual Life – Assets for remaining coverage: Excluding loss-recovery component	Individual Life – Assets for remaining coverage: Loss-recovery component	Group Life: Assets for incurred claims		Total
Opening assets	-	-	-		-
Opening liabilities	-	-	-		-
Net opening balance	**-**	**-**	**-**		**-**
Changes in statement of profit or loss and OCI					
Amounts recoverable from reinsurers	-	-	-		-
Recoveries of incurred claims and other insurance service expenses	(401,268)	-	-		(401,268)
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	2,219		2,219
Adjustments to assets for incurred claims	-	-	5,489		5,489
	(401,268)	-	7,709	-	(393,559)
Investment components and premium refunds	-	-	-		
Effects of changes in non-performance risk of reinsurers	-	-	-		
Net expense from reinsurance contracts	**(401,268)**	**-**	**7,709**		**(393,559)**
Net finance expenses from reinsurance contracts	-	-	-		
Effects of movements in exchange rates	-	-	-		
Total changes in statement of profit or loss and OCI	**(401,268)**	**-**	**7,709**		**(393,559)**
	-	-	-		-
Cash flows					
Premiums paid	154,054	-	1,040,436		1,194,489
Amounts received		-	(66,969)		(66,969)
Total cash flows	**154,054**	**-**	**973,467**	**-**	**1,127,520**
Closing assets	(247,214)	-	1,048,144		800,930
Closing liabilities	-	-	(66,969)		(66,969)
Net closing balance	**(247,214)**	**-**	**981,175**		**733,961**

Notes to the consolidated and separate financial stataments

iii ***Non-Life business - Insurance Contract***

		31-December-2023					31-December-2022 *Restated					31-December-2021 *Restated				
				Contracts under PAA					Contracts under PAA					Contracts under PAA		
	Note	Liabilities for remaining coverage	Contracts not under PAA	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total	Liabilities for remaining coverage	Contracts not under PAA	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total	Liabilities for remaining coverage	Contracts not under PAA	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening liabilities		118,300,746	-	(101,356,947)	287,642	17,231,441	64,003,961	-	(48,667,767)	214,977	15,551,171	11,908,558	-	-	-	11,908,558
Changes in statement of profit or loss and OCI																- -
Insurance revenue		33,137,164	-	-	-	33,137,164	29,661,322				29,661,322	25,058,724	-	-	-	25,058,724
Insurance service expense																
Incurred claims and other insurance service expenses		-	-	(5,875,852)	-	(5,875,852)	-	-	(7,133,166)	-	(7,133,166)	-	-	(7,725,053)	-	(7,725,053)
Amortisation of insurancce acquisition cash flows		(4,337,056)	-	-		(4,337,056)	(3,142,969)	-	-	-	(3,142,969)	(2,771,509)	-	-	-	(2,771,509)
Adjustment to liabilities for incurred claims		-	-	-	(80,961)	(80,961)	-	-	-	72,665	72,665	-		-	214,977	214,977
		(4,337,056)	-	(5,875,852)	(80,961)	(10,293,869)	(3,142,969)	-	(7,133,166)	72,665	(10,203,470)	(2,771,509)	-	(7,725,053)	214,977	(10,281,585)
Insurance service results		28,800,108	-	(5,875,852)	(80,961)	22,843,295	26,518,353	-	(7,133,166)	72,665	19,457,852	22,287,215	-	(7,725,053)	214,977	14,777,139
Net finance expense from insurance contracts		-	-	55,647	-	55,647	-	-	83,348	-	83,348	-	-	94,265	-	94,265
Total changes in statement of profit or loss and OCI		28,800,108	-	(5,820,205)	(80,961)	22,898,942	26,518,353	-	(7,049,818)	72,665	19,541,200	22,287,215	-	(7,630,788)	214,977	14,871,404
Cash flows																
Premiums received		36,471,078	-		-	36,471,078	27,778,432	-	-	-	27,778,432	29,808,188	-	-	-	29,808,188
Claims and other insurance service expenses paid		-	-		(51,195,063)	(51,195,063)	-	-	(45,639,362)	-	(45,639,362)	-	-	(41,036,979)	-	(41,036,979)
Total Cash flows		**36,471,078**	**-**	**-**	**(51,195,063)**	**(14,723,985)**	**27,778,432**	**-**	**(45,639,362)**	**-**	**(17,860,930)**	**29,808,188**	**-**	**(41,036,979)**	**-**	**(11,228,791)**
Closing liabilities		**183,571,932**	**-**	**(107,177,152)**	**(50,988,382)**	**25,406,398**	**118,300,746**	**-**	**(101,356,947)**	**287,642**	**17,231,441**	**64,003,961**	**-**	**(48,667,767)**	**214,977**	**15,551,171**

Notes to the consolidated and separate financial stataments

iv ***Non life business - Reinsurance Contract***

	Note	31-December-2023				31-December-2022 *Restated				31-December-2021 *Restated			
			Assets for incurred claims				Assets for incurred claims				Assets for incurred claims		
		Liabilities for remaining coverage	**Estimates for present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**	**Liabilities for remaining coverage**	**Estimates for present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**	**Liabilities for remaining coverage**	**Estimates for present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**
Opening assets		11,087,284	(679,992)	-	10,407,292	9,234,855	720,967	-	9,955,822	5,668,389			5,668,389
Opening Liabilities		1,122,403	-	-	1,122,403	599,894	-	-	599,894	226,984			226,984
Changes in statement of profit or loss and OCI													
Allocation of reinsurance premium paid		(22,454,526)	-	-	(22,454,526)	(21,428,096)	-	-	(21,428,096)	(17,118,214)	-	-	(17,118,214)
Recoveries of incurred claims and other insurance service expenses		-	1,675,828	-	1,675,828	-	6,388,689	-	6,388,689	-	4,878,909	-	4,878,909
Adjustments to assets for incurred claims		-	2,030,170	-	2,030,170	-	(230,342)	-	(230,342)	-	548,441	-	548,441
		(22,454,526)	3,705,998	-	(18,748,528)	(21,428,096)	6,158,347	-	(15,269,749)	(17,118,214)	5,427,350	-	(11,690,864)
Effects of changes in non-performance risk of reinsurers		-	158,422	-	158,422	-	(33,686)	-	(33,686)	-	(65,306)	-	(65,306)
Net expense from reinsurance contracts		(22,454,526)	3,864,420	-	(18,590,106)	(21,428,096)	6,124,661	-	(15,303,435)	(17,118,214)	5,362,044	-	(11,756,170)
Net finance expenses from reinsurance contracts		-	22,643	-	22,643	-	(39,334)	-	(39,334)	-	(36,110)	-	(36,110)
Total changes in statement of profit or loss and OCI		**(22,454,526)**	**3,887,063**	**-**	**(18,567,463)**	**(21,428,096)**	**6,085,327**	**-**	**(15,342,769)**	**(17,118,214)**	**5,325,934**	**-**	**(11,792,280)**
Cash flows													
Premiums paid		24,161,979	-	-	24,161,979	23,280,525	-	-	23,280,525	20,684,680	-	-	20,684,680
Amounts received		-	(701,713)	-	(701,713)	-	(7,486,286)	-	(7,486,286)	-	(4,604,967)	-	(4,604,967)
Total cash flows		24,161,979	(701,713)	-	23,460,266	23,280,525	(7,486,286)	-	15,794,239	20,684,680	(4,604,967)	-	16,079,713
Closing assets		12,794,737	2,505,358	-	15,300,095	11,087,284	(679,992)	-	10,407,292	9,234,855	720,967	-	9,955,822
Closing liabilities		1,008,840	-	-	1,008,840	1,122,403	-	-	1,122,403	599,894	-	-	599,894

Notes to the consolidated and separate financial stataments

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v ***Health Maintenance business - Insurance Contract***

		31-December-2023					**31-December-2022 *Restated**					**31-December-2021 *Restated**				
				Contracts under PAA					**Contracts under PAA**					**Contracts under PAA**		
	Note	**Liabilities for remaining coverage**	**Contracts not under PAA**	**Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**	**Liabilities for remaining coverage**	**Contracts not under PAA**	**Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**	**Liabilities for remaining coverage**	**Contracts not under PAA**	**Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**
Opening liabilities		46,211,728	-	(32,425,107)	(58,288)	13,728,333	45,809,551	-	(34,518,565)	(51,224)	11,239,762	10,047,357	-	-	-	10,047,357
Changes in statement of profit or loss and OCI																
Insurance revenue		32,489,711	-	-	-	32,489,711	26,271,917	-	-	-	26,271,917	14,009,966	-	-	-	14,009,966
Insurance service expense																
Incurred claims and other insurance service expenses		-	-	(27,934,615)	-	(27,934,615)	-	-	(24,764,037)	-	(24,764,037)	-	-	(17,830,918)	-	(17,830,918)
Amortisation of insurancce acquisition cash flows		61,719	-	-	-	61,719	216,499	-	-	-	216,499	62,202	-	-	-	62,202
Adjustment to liabilities for incurred claims		-	-	-	27,610	27,610		-	-	7,065	7,065	-	-	-	(51,224)	(51,224)
		61,719	-	(27,934,615)	27,610	(27,845,286)	216,499	-	(24,764,037)	7,065	(24,540,473)	62,202	-	(17,830,918)	(51,224)	(17,819,940)
Insurance service results		**32,551,430**	**-**	**(27,934,615)**	**27,610**	**4,644,425**	**26,488,416**	**-**	**(24,764,037)**	**7,065**	**1,731,443**	**14,072,168**	**-**	**(17,830,918)**	**(51,224)**	**(3,809,974)**
Net finance expense from insurance contracts		-	-	8,071	-	8,071	-	-	(5,770)	-	(5,770)	-	-	12,985	-	12,985
Effects of movement in exchange rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total changes in statement of profit or loss and OCI		**32,551,430**	**-**	**(27,926,544)**	**27,610**	**4,652,496**	**26,488,416**	**-**	**(24,769,807)**	**7,065**	**1,725,673**	**14,072,168**	**-**	**(17,817,933)**	**(51,224)**	**(3,796,989)**
Cash flows																
Premiums received		33,314,524	-	-	-	33,314,524	26,890,593	-	-	-	26,890,593	21,690,026	-	-	-	21,690,026
Claims and other insurance service expenses paid		-	-	(24,770,658)	-	(24,770,658)	-	-	(22,676,348)	-	(22,676,348)	-	-	(16,700,632)	-	(16,700,632)
Insurance acquisition cash flows		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash flows		**33,314,524**	**-**	**(24,770,658)**	**-**	**8,543,866**	**26,890,593**	**-**	**(22,676,348)**	**-**	**4,214,245**	**21,690,026**	**-**	**(16,700,632)**	**-**	**4,989,394**
Closing liabilities		46,974,822	-	(29,269,221)	(85,898)	17,619,703	46,211,728	-	(32,425,107)	(58,288)	13,728,333	45,809,551	-	(34,518,565)	(51,224)	11,239,762

Notes to the consolidated and separate financial stataments

vi ***Health Maintenace business - Reinsurance Contract***

		31-December-2023				31-December-2022 *Restated				31-December-2021 *Restated			
			Assets for incurred claims				Assets for incurred claims				Assets for incurred claims		
	Note	**Liabilities for remaining coverage**	**Estimates for present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**	**Liabilities for remaining coverage**	**Estimates for present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**	**Liabilities for remaining coverage**	**Estimates for present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**
Opening assets		(30,228)	206,165	-	175,937	128,736	171,564	-	300,300	172,388	-	-	172,388
Opening liabilities		(75,324)	-	-	(75,324)	353,740	-	-	353,740	164,294	-	-	164,294
Changes in statement of profit or loss and OCI													
Allocation of reinsurance premium paid		(332,299)			(332,299)	(269,224)		-	(269,224)	(262,512)	-	-	(262,512)
Amounts recoverable from reinsurers			144,754		144,754	-	55,040	-	55,040	-	107,382	-	107,382
Recoveries of incurred claims and other insurance service expenses			150,943		150,943	-	202,669	-	202,669	-	43,355	-	43,355
Adjustments to assets for incurred claims			87,110		87,110	-	(98,745)	-	(98,745)	-	23,450	-	23,450
		(332,299)	382,807	-	50,508	(269,224)	158,964	-	(110,260)	(262,512)	174,187	-	(88,325)
Effects of changes in non-performance risk of reinsurers			2,163			-	3,236	-	3,236	-	(1,075)	-	(1,075)
Net expense from reinsurance contracts		**(332,299)**	**384,970**	**-**	**50,508**	**(269,224)**	**162,200**	**-**	**(107,024)**	**(262,512)**	**173,112**	**-**	**(89,400)**
Net finance expenses from insurance contracts			(8)		(8)	-	3,096	-	3,096	-	(1,548)	-	(1,548)
Effects of movements in exchange rates													
Total changes in statement of profit or loss and OCI		**(332,299)**	**384,962**	**-**	**50,500**	**(269,224)**	**165,296**	**-**	**(103,928)**	**(262,512)**	**171,564**	**-**	**(90,948)**
Cash flows													
Premiums paid		514,051	-	-	514,051	110,261	-	-	110,261	218,860	-	-	218,860
Amounts received		-	-	-	-	-	(130,696)	-	(130,696)	-	-	-	-
Total cash flows		**514,051**	**-**	**-**	**514,051**	**110,261**	**(130,696)**	**-**	**(20,435)**	**218,860**	**-**	**-**	**218,860**
Closing assets		151,525	591,127	-	742,651	(30,228)	206,165	-	175,937	128,736	171,564	-	300,300
Closing liabilities		(467,648)			(467,648)	(75,324)	-	-	(75,324)	353,740	-	-	353,740

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

10c Movements in insurance and reinsurance contract balances - Analysis by measurement component (Contracts not measured under the PAA)

i ***Life business - Insurance Contract***

		31-December-2023					31-December-2022					31-December-2021				
				CSM					CSM					CSM		
	Note	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective transition approach	Contracts under fair value transition approach	Total	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective transition approach	Contracts under fair value transition approach	Total	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective transition approach	Contracts under fair value transition approach	Total
		N'000	N'000	N'000	N'000	N'000	N'000		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Opening assets		-	-	-	-		-		-		-	-	-	-	-	
Opening liabilities		2,431,087	105,059	1,175,488	-	3,711,634	2,711,068	151,463	567,343	-	3,429,874	-	-	-	-	
Net opening balance		**2,431,087**	**105,059**	**1,175,488**	**-**	**3,711,634**	**2,711,068**	**151,463**	**567,343**	**-**	**3,429,874**	**-**	**-**	**-**	**-**	**-**
Changes in statement of profit or loss and OCI																
Changes that relate to current services		(847,394)	(52,642)	(1,661,160)	-	(2,561,196)	(1,064,588)	(68,058)	(741,438)	-	(1,874,084)	-	-	-	-	
CSM recognised for services provided		-	-	(1,661,160)	-	(1,661,160)	-	-	(741,438)	-	(741,438)	-	-	-	-	
Changes in risk adjustments for non-financial riskfor		-	(52,642)	-	-	(52,642)	-	(68,058)	-	-	(68,058)	-	-	-	-	
Experience adjustments		(847,394)	-	-	-	(847,394)	(1,064,588)	-	-	-	(1,064,588)	-	-	-	-	
Changes that relate to future services		**(1,049,641)**	**21,016**	**1,512,294**	**-**	483,670	**(919,482)**	**21,654**	**1,289,598**	**-**	**391,770**					
Contracts initially recognised in the year		121,649	-	138,273	-	259,922	218,972	-	114,356	-	333,328	-	-	-	-	
Changes in estimates that adjust the CSM		(1,354,902)	(17,666)	1,372,568	-	-	(1,147,801)	(27,440)	1,175,241	-	-	-	-	-	-	
Changes in estimates that result in losses and reversals of losses on onereous contracts		192,605	(37)	-	-	192,568	27,239	5,547	-	-	-	-	-	-	-	
Changes that relate to past services		(8,993)	38,719	1,453	-	31,179	(17,891)	43,547	-	-	-	-	-	-	-	
Adjustments to liabilities for incurred claims		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Insurance service result		**(1,897,035)**	**(31,626)**	**(148,866)**	**-**	**(2,077,527)**	**(1,984,070)**	**(46,404)**	**548,160**	**-**	(1,482,314)					
Net finance expenses from insurance contracts		346,317	-	111,223	-	457,540	215,111	-	59,985	-	275,095	-	-	-	-	
Effects of movement in exchange rates		-	-	-	-	-	-	-	-	-	-					
Total changes in the statement of profit or loss and OCI		**(1,550,718)**	**(31,626)**	**(37,642)**	**-**	(1,619,987)	(1,768,959)	(46,404)	608,144	-	(1,207,219)					
Cash flows		1,702,627	-	-	-		1,488,979	-	-	-		-	-	-	-	
Transfer to other items in the statement of financial position		-	-	-	-	-	-	-	-	-		-	-	-	-	
Net closing balance		2,582,996	73,433	1,137,846	-	-	2,431,087	**105,059**	**1,175,488**		3,711,634					
Closing assets		-	-	-		-	-	-			-					
Closing liabilities		2,582,996	73,433	1,137,846		3,794,275	2,431,087	105,059	1,175,488		3,711,634	2,711,068	151,463	-	567,343	3,429,874
Net closing balance		**2,582,996**	**73,433**	**1,137,846**		**3,794,275**	**2,431,087**	**105,059**	**1,175,488**		**3,711,634**	**2,711,068**	**151,463**	**-**	**567,343**	**3,429,874**

Notes to the consolidated and separate financial stataments

ii ***Life business - Reinsurance Contract***

		31-December-2023					31-December-2022					31-December-2021				
				CSM					CSM					CSM		
	Note	**Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Contracts under modified retrospective transition approach**	**Contracts under fair value transition approach**	**Total**	**Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Contracts under modified retrospective transition approach**	**Contracts under fair value transition approach**	Total	**Estimates of present value of future cash flows**	**Risk adjustment for non-financial risk**	**Contracts under modified retrospective transition approach**	**Contracts under fair value transition approach**	**Total**
		N'000		**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Opening assets		-	-	-	-											
Opening liabilities		(282,120)	(114,167)	61,645	-	(334,642)	(116,798)	(67,135)	(63,282)	-	(247,214)					
Net opening balance		**(282,120)**	**(114,167)**	**61,645**	**-**	**(334,642)**	**(116,798)**	**(67,135)**	**(63,282)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in statement of profit or loss and OCI																
Changes that relate to current services		**257**	**(4,891)**	**(146,157)**		**(150,791)**	**(169,735)**	**(4,641)**	**(75,981)**		**(250,357)**					
CSM recognised for services provided		-	-	(146,157)	-	(146,157)	-	-	(75,981)	-	(75,981)					
Changes in risk adjustments for non-financial riskfor		-	(4,891)	-	-	(4,891)	-	(4,641)	-	-	(4,641)					
Experience adjustments		257	-	-	-	257	(169,735)	-	-	-	(169,735)					
Changes that relate to future services		**397,844**	**53,887**	**138,476**		**590,206**	**(71,990)**	**(42,392)**	**153,884**		**39,502**					
Contracts initially recognised in the year		184,007	-	(184,007)	-	-	938,092	-	(898,590)	-	39,502					
Changes in estimates that adjust the CSM		(336,224)	13,742	322,482	-	0	(1,010,082)	(42,392)	1,052,473	-	-					
Changes in estimates that result in losses and reversals of losses on onereous contracts		-	-	-	-	-	-	-	-	-	-					
Changes that relate to past services		550,061	40,145	-		590,206	-	-	-		-					
Adjustments to liabilities for incurred claims		-	-	-	-	-	-	-	-	-	-					
Insurance service result		**398,100**	**48,996**	**(7,682)**		**439,415**	**(241,724)**	**(47,033)**	**77,902**		**(210,855)**					
Net finance expenses from insurance contracts		(10,013)	-	(10,682)	-	(20,695)	54,639	-	(76,266)	-	(21,627)					
Effects of movement in exchange rates		-	-	-	-	-	-	-	-	-	-					
Total changes in the statement of profit or loss and OCI		**388,087**	**48,996**	**(18,364)**	**-**	**418,720**	**(187,086)**	**(47,033)**	**1,637**		**-**					
Cash flows		64,254	-	-	-	-	21,764	-	-	-	-					
Transfer to other items in the statement of financial position		-	-	-	-		-	-	-	-						
Net closing balance		**170,221**	**(65,171)**	**43,282**		**148,332**	**(282,120)**	**(114,167)**	**(61,645)**							
Closing assets		-	-	-		-	-	-	-		-					
Closing liabilities		170,221	(65,171)	43,282	-	148,332	(282,120)	(114,167)	(61,645)		(457,932)	(116,798)	(67,135)	-	(63,282)	(247,214)
Net closing balance		**170,221**	**(65,171)**	**43,282**		**148,332**	**(282,120)**	**(114,167)**	**(61,645)**		**(457,932)**	**(116,798)**	**(67,135)**		**(63,282)**	**(247,214)**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Naira unless otherwise stated)

Movements in insurance and reinsurance contract balances - Analysis by measurement component (Contracts not measured under the PAA)

i *Life business - Insurance Contract*

		31-December-2023						31-December-2022						31-December-2021					
						CSM						CSM						CSM	
		Estimates of present value of future cash flows		Risk adjustment for non-financial risk		Contracts under modified retrospective transition approach		Estimates of present value of future cash flows		Risk adjustment for non-financial risk		Contracts under modified retrospective transition approach		Estimates of present value of future cash flows		Risk adjustment for non-financial risk		Contracts under modified retrospective transition approach	
	Note	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity	Individual Life	Annuity
		N'000		N'000		N'000		N'000		N'000		N'000		N'000		N'000		N'000	N'000
Opening assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening liabilities		**617,018**	**1,814,069**	**84,156**	**20,903**	**1,013,591**	**161,896**	**762,691**	**1,948,376**	**120,307**	**31,156**	**414,677**	**152,667**	-	-	-	-	-	-
Net opening balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in statement of profit or loss and OCI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes that relate to current services		**(773,524)**	**(73,870)**	**(50,322)**	**(2,320)**	**(1,652,911)**	**(8,248)**	**(1,037,299)**	**(27,289)**	**(65,771)**	**(2,287)**	**(731,228)**	**(10,210)**	-	-	-	-	-	-
CSM recognised for services provided		-	-	-	-	(1,652,911)	(8,248)	-	-	-	-	(731,228)	(10,210)	-	-	-	-	-	-
Changes in risk adjustments for non-financial risk for risk expired		-	-	(50,322)	(2,320)	-	-	-	-	(65,771)	(2,287)	-	-	-	-	-	-	-	-
Experience adjustments		(773,524)	(73,870)	-	-	-	-	(1,037,299)	(27,289)	-	-	-	-	-	-	-	-	-	-
Changes that relate to future services		**(1,107,083)**	**57,442**	**28,189**	**(7,173)**	**1,562,563**	**(50,269)**	**(925,874)**	**6,392**	**29,619**	**(7,965)**	**1,288,024**	**1,573**	-	-	-	-	-	-
Contracts initially recognised in the year		121,649	-	-	-	138,273	-	218,972	-	-	-	114,356	-	-	-	-	-	-	-
Changes in estimates that adjust the CSM		(1,412,345)	57,442	(10,493)	(7,173)	1,422,838	(50,269)	(1,154,194)	6,392	(19,475)	(7,965)	1,173,668	1,573	-	-	-	-	-	-
Changes in estimates that result in losses and reversals of losses on onereous contracts		192,605	-	(37)	-	-	-	27,239	-	5,547	-	-	-	-	-	-	-	-	-
Changes that relate to past services		(8,993)	-	38,719	-	1,453	-	(17,891)	-	43,547	-	-	-	-	-	-	-	-	-
Adjustments to liabilities for incurred claims		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance service result		**(1,880,607)**	**(16,428)**	**(22,133)**	**(9,493)**	**(90,348)**	**(58,518)**	**(1,963,173)**	**(20,897)**	**(36,151)**	**(10,252)**	**556,797**	**(8,637)**	-	-	-	-	-	-
Net finance expenses from insurance contracts		103,866	242,451	-	-	92,277	18,947	63,330	151,780	-	-	42,118	17,867	-	-	-	-	-	-
Effects of movement in exchange rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total changes in the statement of profit or loss and OCI		**(1,776,742)**	**226,024**	**(22,133)**	**(9,493)**	**1,929**	**(39,571)**	**(1,899,843)**	**130,883**	**(36,151)**	**(10,252)**	**598,915**	**9,230**	-	-	-	-	-	-
Cash flows		1,919,265	(216,638)	-	-	-	-	1,754,169	(265,190)	-	-	-	-	-	-	-	-	-	-
Transfer to other items in the statement of financial position		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net closing balance		**759,542**	**1,823,455**	**62,023**	**11,410**	**1,015,520**	**122,326**	**617,018**	**1,814,069**	**84,156**	**20,903**	**1,013,591**	**161,896**	-	-	-	-	-	-
Closing assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing liabilities		759,542	1,823,455	62,023	11,410	1,015,520	122,326	617,018	1,814,069	84,156	20,903	1,013,591	161,896	-	-	-	-	-	-
Net closing balance		**759,542**	**1,823,455**	**62,023**	**11,410**	**1,015,520**	**122,326**	**617,018**	**1,814,069**	**84,156**	**20,903**	**1,013,591**	**161,896**	**762,691**	**1,948,376**	**120,307**	**31,156**	**414,677**	**152,667**

ii *Life business - Reinsurance Contract*

	Note	31-December-2023			31-December-2022			31-December-2021		
				CSM			CSM			CSM
		Estimates of present value of future cash flows N'000	Risk adjustment for non-financial risk N'000	Contracts under modified retrospective transition approach N'000	Estimates of present value of future cash flows N'000	Risk adjustment for non-financial risk N'000	Contracts under modified retrospectiv N'000	Estimates of present value of future cash flows N'000	Risk adjustment for non-financial risk N'000	Contracts under modified retrospective transition approach N'000
Opening assets		-	-	-	-	-	-	-	-	-
Opening liabilities		**(282,120)**	**(114,167)**	**61,645**	**(116,798)**	**(67,135)**	**(63,282)**	**-**	**-**	**-**
Net opening balance		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-	-	-	-
Changes in statement of profit or loss and OCI		-	-	-	-	-	-	-	-	-
Changes that relate to current services		**257**	**(4,891)**	**(146,157)**	**(169,735)**	**(4,641)**	**(75,981)**	**-**	**-**	**-**
CSM recognised for services provided		-	-	(146,157)	-	-	(75,981)	-	-	-
Changes in risk adjustments for non-financial risk for risk expired		-	(4,891)	-	-	(4,641)	-	-	-	-
Experience adjustments		257	-	-	(169,735)	-	-	-	-	-
Changes that relate to future services		**397,844**	**53,887**	**138,476**	**(71,990)**	**(42,392)**	**153,884**	**-**	**-**	**-**
Contracts initially recognised in the year		184,007	-	(184,007)	938,092	-	(898,590)	-	-	-
Changes in estimates that adjust the CSM		(336,224)	13,742	322,482	(1,010,082)	(42,392)	1,052,473	-	-	-
Changes in estimates that result in losses and reversals of losses on		-	-	-	-	-	-	-	-	-
Changes that relate to past services		550,061	40,145	-	-	-	-	-	-	-
Adjustments to liabilities for incurred claims		-	-	-	-	-	-	-	-	-
Insurance service result		**398,100**	**48,996**	**(7,682)**	**(241,724)**	**(47,033)**	**77,902**	**-**	**-**	**-**
Net finance expenses from insurance contracts		(10,013)	-	(10,682)	54,639	-	(76,266)	-	-	-
Effects of movement in exchange rates		-	-	-	-	-	-	-	-	-
Total changes in the statement of profit or loss and OCI		**388,087**	**48,996**	**(18,364)**	**(187,086)**	**(47,033)**	**1,637**	**-**	**-**	**-**
Cash flows		64,254	-	-	21,764	-	-	-	-	-
Transfer to other items in the statement of financial position		-	-	-	-	-	-	-	-	-
Net closing balance		**170,221**	**(65,171)**	**43,282**	**(282,120)**	**(114,167)**	**(61,645)**	**-**	**-**	**-**
Closing assets		-	-	-	-	-	-	-	-	-
Closing liabilities		170,221	(65,171)	43,282	(282,120)	(114,167)	(61,645)	-	-	-
Net closing balance		**170,221**	**(65,171)**	**43,282**	**(282,120)**	**(114,167)**	**(61,645)**	**(116,798)**	**(67,135)**	**-**

10d. Significant judgements and estimates

i. Fulfilment cashflows

Fulfilment cash flows comprise:
- estimates of cash flows
- an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and
- a risk adjustment for no-financial rsik.

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenarios are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economice scenarios for market variables such as interest rates and equity returns.

Estimates of future cash flows
In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available wothout undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Group takes into account current expectations of future events that affect those cash flows. However, expectations of future changes in legislation is substantively enacted. The Group derives cost inflation assumptions from the difference between the yield on nominal and inflation-linked government bonds.

Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the roup has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfillinf the contracts include:
- claims handling, maintenance and administration costs;
- recurring commissions payable on installment premiums receivable withon the contract boundary;
- costs that the Group will incur in providing investment services;
- costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs; and
- income tax and other costs specifically chargeable to the policyholder under the terms of the contracts.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfillment activities and other activities using activity-based costing techniques. Cash flows attributable to acquisition and other fulfillment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. The Group generally allocates insurance acquisition cash flows to groups of contracts based on the total premiums for each group, claims handling costs based on the number of in-force contracts within each group. Other costs are recognised in profit or loss as they are incurred.

Notes to the consolidated and separate financial stataments

Contract boundaries
The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

Insurance contracts
Some term assurance and critical illness contracts issued by the Group have annual terms that are renewable each year. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separatelu from the initial contract, when the recognition criteria are met.

Reinsurance contracts

Each of the Group's quota share reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate the cession of new business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling threem-month notice period.

Each of the Group's excess of loss and stop loss reinsurance contracts has an annual term and covers claims from underlying contracts incurred within the year (i.e. loss-occuring). Cash flows within the contract boundary are those arising from underlying claims incurred during the year.

Individual Life
Assumptions about mortality/longevity, morbidity and policyholder behaviour that are used in estimating future cash flows are developed by product type, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality/longevity and morbidity assumptions are generally developed using a blend of industry trends and the Group's recent experience. Experience is monitored through regular studies, the results of which are reflected bith in pricing new products and in the measurement of existing contracts.

Mortality/longevity is a key assumption in the measurement of immediate fixed annuities. Mortality tables are used and adjusted to reflect expected mortality improvements, as set out below.

	Mortality projections model	Mortality table used and adjustments	term mortality improvements
2023			
Individual Life (excluding Annuities)		UK’s Mortality of Assured	
Annuities		PA90(-6)	
2022			
Individual Life (excluding Annuities)		UK’s Mortality of Assured	
Annuities		PA90(-6)	

Disclosure of mortality/longevity assumptions for other countries that may have a material impact on estimates of future cash flows.

Policyholder behaviour is a key assumption in the measurement of life savings. Each type of policyholder behaviour is estimated by product type, based on trends in recent experience. The following table sets out the assumptions about surrender rates (expressed as weighted averages) by policy anniversary for life savings and participating contracts, other than annuity contracts.

	2023					2022				
	1 year	5 years	10 yeas	15 years	20 years	1 year	5 years	10years	15 years	20 years
Life savings										
Individual Life	7.50%	2.50%	2.50%	2.50%	2.50%	7.50%	2.50%	2.50%	2.50%	2.50%

For deferred fixed annuity, crediting rates and discount rates (see 'Discount rates' below) are key assumptions in measuring those contracts. The assumed estimated crediting rates are generally based on the actual rates applied in the current year. The crediting rates applied vary between products and Group entities. In the current econimic environment, the amounts credited are often determined by interest rate guarantees.

To determine how to identify changes in discretionary cash flows for these contracts, the Group generally regards its commitment to be return implicit in the estimates of the fulfilment cash flows on initial recognition, updated to reflect current financial risk assumptions.

Non-Life contracts
The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques -e.g. the chain-ladder and Bornhuetter-Ferguson methods. These techniques assume that the Group's own claim experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately from other claims.

The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

Discount rates
All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group adopts the yield curve provided by the Nigerian Actuarial Society as directed by NAICOM.

The tables below set out the yield curves used to discount the cash flows of insurance contracts for major currencies.

	2023					2022				
	1 year	5 years	10 yeas	15 years	20 years	1 year	5 years	10years	15 years	20 years
All Insurance contracts										
NGN	2.56%	13.57%	14.95%	15.41%	15.64%	3.32%	12.53%	13.68%	14.07%	14.26%

Notes to the consolidated and separate financial stataments

10d. Significant judgements and estimates (continued)
i. Fulfilment cash flows (continued)

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a correlation matrix technique."
The risk adjustments for non-financial risk are determined using a confidence level technique.

To determine the risk adjustments for non-financial risk for reinsurance contracts, the Group applies this technique both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

Applying a confidence level technique, the Group estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 65th percentile (the target confidence level) over the expected present value of the future cash flows.

The risk adjustment for non-financial risk for life corresponds to the 75th percentile confidence level.

ii. Contractual service margin

Determination of coverage units
The CSM of a group of contracts is recognised in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.
The Group determines the quantity of the benefits provided under each contract as follows.

Product	Basis for determining quantity of benefits provided
Term assurance Non-participating whole-life	Sum assured payable on death
Critical illness	Maximum amount payable (including any premiums waived on detection of illness)
Immediate fixed annuity	Annuity amount payable in each period
Non-life contracts acquired in their claims settlement period	Expected amount of claims to be settled in each period
Quota share reinsurance	The same basis as the underlying contracts, including expected new business within the reinsurance contract boundary
Excess of loss and stop loss reinsurance	Expected amount of claims to be settled in each period

For insurance contracts that provide both insurance coverage and investment services, the assessment of the quantity of benefits entails determining the relative weighting of the benefits provided to the policyholder by these services, determining how the benefits provided by each service change over the coverage period and aggregating those different benefits.

Notes to the consolidated and separate financial stataments

iii. Investment components

The Group identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

Non-participating whole-life contracts have explicit surrender values. The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms less any accrued fees and surrender charges.

The Group's other contracts do not contain investment components. These include deferred fixed annuity contracts that provide policyholders with a right to surrender the contract during the accumulation period and receive the current account value less any surrender charges. The Group determines that these contracts do not include any investment component, because the Group is not required to pay any amount if the policyholder does not surrender the contract and does not survive until the first annuity payment date. Consequently, any surrender payments are treated as premium refunds for unused coverage. Even though the premium refunds do not represent repayments of investment components, the Group has disclosed them together with investment components in Note 9.3.

iv. Fair value of insurance contracts

The Group has measured the fair value of insurance contracts when it acquired contracts in a business combination and when it applied the fair value approach on transition to IFRS 17. The Group has measured the fair value of insurance contracts as the sum of (a) the present value of the net cash flows expected to be generated by the contracts, determined using a discounted cash flow technique; and (b) an additional margin, determined using a confidence level technique.

The cash flows considered in the fair value measurement are consistent with those that were within the contract boundary. Therefore, the cash flows related to expected future renewals of insurance contracts are not considered in determining the fair value of those contracts if they are outside the contract boundary.

The Group's approach to measuring fair value differs from the IFRS 17 requirements for measuring fulfilment cash flows in certain respects. These differences gave rise to a CSM at the date of acquisition or transition. In particular, in measuring fair value the Group:

- considers the cash flows included in the measurement of fulfilment cash flows but adjusts them to reflect the perspective of market participants. For example, expense cash flows are increased to cover a reasonable level of general overheads that are not directly attributable to fulfilling the insurance contracts but that a market participant acquiring the contracts would expect to bear;

- uses the discount rates applied in measuring fulfilment cash flows but increases the rates to reflect the effect of the Group's non-performance risk; and

- includes a margin comprising a risk premium to reflect what market participants would demand as compensation for the uncertainty inherent in the cash flows and a profit margin to reflect what market participants would require to assume the obligations to service the insurance contracts. In determining the risk premium, the Group allows for certain risks that were not reflected in the fulfilment cash flows but would be considered by market participants - e.g. general operational risk.

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

11 Trade receivable

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Premium receivable (see 11.1 below)	5,249,523	7,473,045	5,955,650	97,199	135,343	138,744
Coinsurance receivable (see 11.2 below)	278,746	318,738	1,057,709	278,746	318,738	1,057,709
	5,528,269	**7,791,783**	**7,013,359**	**375,945**	**454,081**	**1,196,453**

All trade receivables fall due within one year.

11.1 Premium receivables

		Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
(a)	Premium receivables	6,022,264	7,900,649	6,127,502	266,741	320,210	167,861
	Less: ECL Allowance	(772,741)	(427,604)	(171,854)	(169,542)	(184,867)	(29,117)
		5,249,523	**7,473,045**	**5,955,648**	**97,199**	**135,343**	**138,744**

Analysis of premium receivables:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Life contracts insurance receivable	2,532	296	25,325	2,532	296	25,325
Non-life contracts insurance receivable	94,667	135,047	113,418	94,667	135,047	113,419
AXA Mansard Health (HMO) receivable	5,152,324	7,337,702	5,816,906	-	-	-
	5,249,523	7,473,045	5,955,649	97,199	135,343	138,744

Counter party categorization of insurance receivable:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Brokers and agents	266,741	320,210	167,861	266,741	320,210	167,861
Contract holders	5,755,523	7,580,439	5,959,641	-	-	-
Total insurance receivables	6,022,264	7,900,649	6,127,502	266,741	320,210	167,861
Less impairment of receivables:						
– Brokers and agents	(169,542)	(184,867)	(29,117)	(169,542)	(184,867)	(29,117)
– Contract holders	(603,199)	(242,737)	(142,737)	-	-	-
Total impairment	(772,741)	(427,604)	(171,854)	(169,542)	(184,867)	(29,117)

There is no concentration of credit risk with respect to trade receivables, as the Group has a non-symmetrical portfolio dispersed across many industries in Nigeria.

The aging analysis of gross premium receivable as at the end of the year is as follows:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
0 – 30 days	3,864,193	3,792,846	3,792,846	266,741	116,592	116,592
31 – 90 days	318,667	765,900	765,900	-	23,385	23,385
91 – 180 days	56,712	171,581	171,581	-	3,107	3,107
Above 180 days	1,782,692	3,170,322	1,397,175	-	177,127	24,778
Total	6,022,264	7,900,649	6,127,502	266,741	320,211	167,862

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(All amounts in thousands of Naira unless otherwise stated)

The movement in impairment of insurance receivable is as follows:

(b) Impairment of premium receivable

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of the year	427,604	171,854	154,977	184,867	29,117	41,067
Additional impairment/(write back) during the year	345,137	257,850	86,050	(15,325)	155,750	(11,950)
Balance, end of year	772,741	427,604	171,854	169,542	184,867	29,117

11.2 Co-insurance receivable

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Co-insurers’ share of outstanding claims	278,746	318,738	1,057,709	278,746	318,738	1,057,709
	278,746	318,738	1,057,709	278,746	318,738	1,057,709

(a) The movement in co-insurance recoverable on claims paid

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of the year	318,738	1,057,709	923,762	318,738	1,057,709	923,762
Additions in the year	-	55,340	418,346	-	55,340	418,346
Receipts during the year	(39,992)	(794,311)	(284,399)	(39,992)	(794,311)	(284,399)
	278,746	318,738	1,057,709	278,746	318,738	1,057,709

12 Other receivables

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Prepayment (see note (i) below)	1,573,334	1,451,167	988,150	762,787	746,791	522,838
Accrued income (see note (ii) below)	838,951	429,834	420,374	829,378	1,399,775	227,428
Other account receivables (see note (iii) bel	2,455,050	1,768,820	2,656,517	329,873	933,836	2,366,425
Gross	4,867,335	3,649,821	4,065,041	1,922,038	3,080,402	3,116,691
Less: ECL allowance on other receivables (see (a) below)	(351,351)	(142,182)	(135,155)	(135,156)	(135,155)	(135,155)
Net receivables	4,515,984	3,507,639	3,929,886	1,786,882	2,945,247	2,981,536

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

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

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

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

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of the year	142,182	135,155	137,525	135,155	135,155	137,525
Charge/write back for the year	209,169	7,027	(2,370)	-	-	(2,370)
Balance end of year	351,351	142,182	135,155	135,155	135,155	135,155
Current	3,148,800	2,411,647	2,205,479	1,691,127	2,426,716	1,460,193
Non-current	1,718,535	1,238,174	1,859,562	230,911	653,686	1,656,498
	4,867,335	3,649,821	4,065,041	1,922,038	3,080,402	3,116,691

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(All amounts in thousands of Naira unless otherwise stated)

13 Loans and receivables at amortised costs	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Loans and advances to related party	4,161,412	3,254,656	1,388,631	5,093,929	4,036,258	2,425,274
Staff loans and advances	208,303	519,329	266,454	170,935	193,325	241,184
Gross	**4,369,715**	**3,773,985**	**1,655,085**	**5,264,864**	**4,229,583**	**2,666,458**
Less:						
ECL allowance on staff loans and advances	(54)	-	-	(18)	-	-
	(54)	-	-	(18)	-	-
Net loans and receivables	**4,369,661**	**3,773,985**	**1,655,085**	**5,264,846**	**4,229,583**	**2,666,458**

Increase in loans and advances to related party during the year relates to inter-company transactions between the Company, AXA Mansard Health Limited (AMHL), AXA Mansard Investments Limited (AMIL) and APD Limited (APD) which occurred close to the year end and will be settled in the short term during the normal course of business.

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Current	4,439,150	3,947,095	1,743,903	5,321,842	4,294,025	2,746,853
Non-current	(69,488)	(173,110)	(88,818)	(56,996)	(64,442)	(80,395)
	4,369,661	**3,773,985**	**1,655,085**	**5,264,846**	**4,229,583**	**2,666,458**

(a) Movement in loans and advances to related party:

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of the year	3,254,656	1,388,631	226,254	4,036,258	2,425,274	786,138
Additions during the year	906,756	1,866,025	1,162,377	1,559,474	2,766,464	1,864,689
Payments during the year	-	-	-	(501,803)	(1,155,480)	(225,553)
Balance end of year	**4,161,412**	**3,254,656**	**1,388,631**	**5,093,929**	**4,036,258**	**2,425,274**

(b) Movement in staff loans and advances:	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of the year	519,329	266,454	244,018	193,325	241,184	228,239
Additions during the year	(224,280)	329,621	92,574	68,314	28,845	77,773
Accrued Interest during the year	18,576	18,576	21,902	10,326	18,326	19,525
Payments during the year	(105,322)	(95,322)	(92,040)	(101,030)	(95,030)	(84,092)
Balance end of year	**208,303**	**519,329**	**266,454**	**170,935**	**193,325**	**241,184**

14 Investment property

(a)	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Office property (Office building located at Bishop Aboyade Cole Street, VI - Lagos)	20,874,577	14,009,209	14,560,934	-	-	-
Balance, end of year	20,874,577	14,009,209	14,560,934	-	-	-
Non-current	20,874,577	14,009,209	14,560,934	-	-	-
	20,874,577	14,009,209	14,560,934	-	-	-

Investment properties comprise landed and office properties held for the purpose of capital appreciation and rental income. Investment property is carried at fair value which is determined by independent professional valuers; Osas & Oseji Estate Surveyors & Valuers (FRC/2012/000000000052) revalued the office property using the discounted income capitalisation cashflow approach and direct comparison approach. Valuation report was signed by Hyacinth Oseji(FRC/2019/004/000000/20162).

Rental income on investment property included in the statement of comprehensive income for the year was N833million (2022: N873million). See note 35.

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

The movement in investment property is analysed as follows:

	Group 2023	**Group 2022**	**Group 2021**	**Parent 2023**	**Parent 2022**	**Parent 2021**
Balance, beginning of year	14,009,208	14,560,934	13,694,760	-	-	-
Foreign exchange gain	10,254,466	804,429	826,193	-	-	-
Change in fair value	(3,389,097)	(1,356,155)	39,981	-	-	-
Investment property at fair value	20,874,577	14,009,208	14,560,934	-	-	-

The fair value measurement for the landed property has been categorised as a level 2 fair value while the measurement of the office property has been based categorized as level 3 fair value based on the inputs to the valuation technique used (see below). The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Investment Properties	**Valuation technique**	**Fair value at 31 December 2023**	**Unobservable inputs**	**Range of unobservable inputs (probability weighted average)**	**Relationship of unobservable inputs to fair value**
Landed Property	Market Valuation approach	-	NA	NA	NA
Office Property	Discounted Income Capitalisation Cashflow approach	20,874,577	Forecast price per square metre	$500 per metre square	The higher the price per square metre, the higher the fair value
			Capitalisation rate	6%	The higher the capitalisation rate, the lower the fair value

15 Investment in subsidiaries

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

	Parent 2023	**Parent 2,022**	**Parent 2021**
Cost			
AXA Mansard Investments Limited	940,000	940,000	940,000
AXA Mansard Health Limited	712,000	712,000	712,000
APD Limited (See note (c) below)	-	-	-
	1,652,000	1,652,000	1,652,000
Less: impairment on investment	-	-	-
	1,652,000	**1,652,000**	**1,652,000**

All investment in subsidiaries are non-current.

Notes to the consolidated and separate financial statamentss

(All amounts in thousands of Naira unless otherwise stated)

(b) *Principal subsidiary undertakings:*

The Parent of the Group is AXA Mansard Insurance Plc “the parent” (incorporated in Nigeria). The controlling interest of AXA Mansard Insurance Plc in the Group entities is disclosed in the table below:

Company name	*Nature of business*	*Country of origin*	*% of equity capital controlled*
AXA Mansard Investments Limited	Asset management services	Nigeria	100
AXA Mansard Health Limited	Health Maintenance	Nigeria	100
AXA Mansard Pensions Limited	Pension Funds Administration	Nigeria	60

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

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

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

(c) The movement in investment in subsidiaries during the year as follows:

	Parent 2023	**Parent 2022**	**Parent 2021**
Balance, beginning of year	1,652,000	1,652,000	1,652,000
Additions, during the year	-	-	-
Disposal, during the year	-	-	-
Balance, end of year	**1,652,000**	**1,652,000**	**1,652,000**

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

(d) The table below summarises the information relating to the Group's subsidiary that are financially significant before any intra-group eliminations.

(i) *APD Limited*

	Group 2023	**Group 2022**	**Group 2021**
NCI percentage	44.3%	44.3%	44.3%
Cash and cash equivalents	188,112	276,965	844,532
Other receivables	122,759	27,815	82,346
Investment securities	161,503	471,858	78,784
Investment properties	20,874,577	14,009,208	14,560,934
Property and equipment	97,010	69,084	55,009
Intangible assets	35	140	245
Borrowings	(9,150,709)	(4,131,074)	(4,193,835)
Other liabilities	(1,750,087)	(1,453,966)	(1,674,311)
Net assets	10,543,200	9,270,030	9,753,704
Carrying amount of NCI	4,670,638	4,106,623	4,320,891

	2023	**2022**	**2021**
Income	(2,966,822)	47,753	1,933,017
Expenses	(1,059,511)	(258,180)	(242,822)
Profit before tax	(1,907,311)	305,933	2,175,839
Profit/ (loss) after tax	1,273,169	(387,434)	1,287,372
Profit/ (loss) allocated to NCI (44.3%)	564,013	(213,942)	570,306

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

(ii) *AXA Mansard Health Limited*

	Group 2023	Group 2022	Group 2021
Cash and cash equivalents	6,086,378	1,789,137	1,975,880
Loans and other receivables	3,918,445	3,387,204	2,377,529
Investment securities	6,099,967	1,068,963	3,022,458
Property and equipment	293,187	364,428	406,319
Intangible assets	25,130	21,210	14,327
Other liabilities	(1,922,076)	(2,340,081)	(1,420,220)
Net assets	14,501,031	4,290,861	6,376,292

	2023	2,022	2,021
Income	**2023**	**2022**	**2021**
Expenses	(25,116,561)	(27,065,625)	(19,879,769)
Profit before tax	5,894,055	(27,063,603)	3,243,675
Profit/ (loss) after tax	4,027,653	(585,065)	2,285,451

(e) Significant restrictions and impairment

Other than the equitable mortgage on the Group's investment property (office building) which was used to secure the borrowing from RMB (see note 25), the Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities asides those resulting from the regulatory frameworks within which the insurance business operates.

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

The Company's investment in subsidiaries was assessed for impairment as at 31 December 2023 with no trigger of impairment identified. Consequently, no impairment charge was recognised.

16 Intangible assets

Analysis of intangible assets:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Computer software acquired (see note (a) b	943,750	433,595	388,647	898,846	391,201	354,896
Goodwill (see note (b) below)	12,000	12,000	12,000	-	-	-
Total	955,750	445,595	400,647	898,846	391,201	354,896

(a) **Group**

2023	**Computer software**	**Goodwill**	**Total**
Cost:			
Balance, beginning of year	1,137,742	12,000	1,149,742
Additions	646,939	-	646,939
Disposal	-	-	-
Balance, end of year	1,784,681	12,000	1,796,681
Amortization:			
Balance, beginning of year	704,148	-	704,148
Amortisation charge	136,783	-	136,783
Accumulated amortization on disposed assets	-	-	-
Balance, end of year	840,930	-	840,931
Closing net book value	943,751	12,000	955,750

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(All amounts in thousands of Naira unless otherwise stated)

2022	**Computer software**	**Goodwill**	**Total**
Cost:			
Balance, beginning of year	988,605	12,000	1,000,605
Additions	149,137	-	149,137
Disposal	-	-	-
Balance, end of year	1,137,742	12,000	1,149,742
Amortization:			
Balance, beginning of year	599,958	-	599,958
Amortisation charge	104,190	-	104,190
Accumulated amortization on disposed assets	-	-	-
Balance, end of year	704,147	-	704,147
Closing net book value	433,595	12,000	445,595

2021	**Computer software**	**Goodwill**	**Total**
Cost:			
Balance, beginning of year	799,991	12,000	811,991
Additions	159,135	-	159,135
Disposal	(16,183)	-	(16,183)
Balance, end of year	942,943	12,000	954,943
Amortization:			
Balance, beginning of year	481,974	-	599,958
Amortisation charge	117,985	-	104,190
Accumulated amortization on disposed assets	(45,663)	-	-
Balance, end of year	554,296	-	704,147
Closing net book value	388,647	12,000	250,796

Parent	**2023**	**2022**	**2021**
Cost:			
Balance, beginning of year	1,002,581	876,123	716,988
Additions	632,015	126,458	159,135
Balance, end of year	1,634,596	1,002,581	876,123
Amortization:			
Balance, beginning of year	611,380	521,227	411,545
Amortisation charge	124,370	90,153	109,682
Balance, end of year	735,750	611,380	521,227
Closing net book value	898,846	391,201	354,896

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(All amounts in thousands of Naira unless otherwise stated)

(b) **Goodwill**

(i) *AXA Mansard Health Limited*

On 1 May 2013, AXA Mansard Insurance Plc acquired 99.9% of the share capital of AXA Mansard Health Limited for N12 million. The principal activity of AXA Mansard Health Limited is the provision of health care services through health care providers and for that purpose is accredited with the National Health Insurance Scheme.

As a result of this acquisition, the Group has access to the local health insurance market thereby growing the Group's insurance network. The goodwill of N12m arising represents the fair value of the consideration transferred as AXA Mansard Health Limited had a zero carrying value of its net assets at acquisition date. Cash was paid as consideration and there was no contingent consideration. None of the goodwill recognised is expected to be deductible for income tax purposes.

Annual impairment testing of goodwill

In accordance with the requirements of IAS 36 ‘Impairment of Assets’, goodwill was tested annually for impairment in previous years for each CGU, by comparing the carrying amount of each CGU to its recoverable amount, being the higher of that CGU’s value-in-use or fair value less costs to sell. An impairment charge is recognised when the recoverable amount is less than the carrying value.

No impairment test was done in 2023 as the remaining goodwill is immaterial to the Group's financial statements

*Notes to the consolidated and separate financial statament*s

(All amounts in thousands of Naira unless otherwise stated)

17 Property and equipment

(a) Group

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
Cost								
Balance, 1 January 2023	389,664	657,165	1,638,791	1,992,274	763,307	1,757,651	167,154	7,366,007
Additions	-	-	409,088	438,590	285,028	93,538	214,135	1,440,378
Disposals	-	-	-	-	-	-	-	-
Balance, 31st December 2023	389,664	657,165	2,047,880	2,430,864	1,048,335	1,851,189	381,289	8,806,385
Accumulated depreciation								
Balance, 1 January 2023	-	124,091	957,651	1,423,585	526,861	1,234,254	-	4,266,442
Charge for the period	-	10,953	197,016	298,372	155,174	50,907	-	712,422
Disposals								-
Balance, 31st December 2023	-	135,045	1,262,289	1,721,957	682,036	1,285,161	-	4,978,864
Net book value								
Balance, 1 January 2023	389,664	533,073	681,140	568,689	236,446	523,396	167,154	3,099,565
At 31st December 2023	389,664	522,119	785,591	708,907	366,299	566,028	381,289	3,827,521

Parent

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
Cost								
Balance, 1 January 2023	389,664	657,165	1,333,179	1,813,013	562,983	1,456,273	167,153	6,379,429
Additions	-	-	266,353	393,151	131,162	165,907	235,663	1,192,236
Disposals	-	-	-	-	-	-	-	-
Balance, 31st December 2023	389,664	657,165	1,599,532	2,206,164	694,145	1,622,180	402,816	7,571,665
Accumulated depreciation								
Balance, 1 January 2023	-	125,188	798,420	1,306,071	390,889	1,041,395	-	3,661,964
Charge for the period	-	14,239	152,282	313,344	147,903	49,451	-	677,220
Disposals	-	-	-	-	-	-	-	-
Balance, 31st December 2023	-	139,428	950,703	1,619,416	538,792	1,090,846	-	4,339,184
Net book value								
Balance, 1 January 2023	389,664	531,977	534,759	506,942	172,094	414,878	167,153	2,717,465
At 31st December 2023	389,664	517,737	648,829	586,748	155,353	531,334	402,816	3,232,481

(i) In the opinion of the directors, the market value of the Company's property and equipment is not less than the value shown in the financial statements
(ii) There were no capitalised borrowing cost related to the acquisition of property and equipment during the year (December 2022: nil)
(iii) All items of property and equipment are non-current
(iv) There was no leased asset included in property and equipment (December 2022: nil)
(v) The company had no capital commitment (December 2022: nil)
(vi) The company had no items pledged for borrowings included in property and equipment (December 2022: nil)
(vii) There were no impairment losses on any class of property and equipment

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(All amounts in thousands of Naira unless otherwise stated)

17 Property and equipment

(a) Group

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
Cost								
Balance, 1 January 2022	389,664	657,165	1,462,305	1,535,783	635,789	1,574,591	100,687	6,355,985
Additions	-	-	265,613	460,099	128,129	199,155	66,467	1,119,463
Disposals	-	-	(89,127)	(3,608)	(611)	(16,095)	-	(109,441)
Balance, 31st December 2022	389,664	657,165	1,638,791	1,992,274	763,307	1,757,651	167,154	7,366,007
Accumulated depreciation								
Balance, 1 January 2022	-	109,852	771,078	1,116,872	461,307	1,094,416	-	3,553,526
Charge for the period	-	14,239	224,077	310,321	66,165	155,933	-	770,735
Disposals	-	-	(37,504)	(3,608)	(611)	(16,095)	-	(57,819)
Balance, 31st December 2022	-	124,091	957,651	1,423,585	526,861	1,234,254	-	4,266,442
Net book value								
Balance, 1 January 2022	389,664	547,313	691,227	418,911	174,482	480,175	100,687	2,802,459
At 31st December 2022	389,664	533,073	681,140	568,689	236,446	523,398	167,154	3,099,565

Parent

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
Cost								
Balance, 1 January 2022	389,664	657,165	1,179,517	1,394,453	454,312	1,303,907	100,686	5,479,704
Additions	-	-	230,928	422,168	109,282	168,461	66,467	997,306
Disposals	-	-	(77,267)	(3,608)	(611)	(16,095)	-	(97,581)
Balance, 31st December 2022	389,664	657,165	1,333,179	1,813,013	562,983	1,456,273	167,153	6,379,429
Accumulated depreciation								
Balance, 1 January 2022	-	110,949	659,349	1,037,989	345,014	922,037	-	3,075,338
Charge for the period	-	14,239	176,576	271,691	46,485	135,453	-	644,444
Disposals			(37,504)	(3,608)	(611)	(16,095)		(57,819)
Balance, 31st December 2022	-	125,188	798,420	1,306,071	390,889	1,041,395	-	3,661,964
Net book value								
Balance, 1 January 2022	389,664	546,216	520,168	356,464	109,298	381,870	100,686	2,404,365
At 31st December 2022	389,664	531,977	534,759	506,942	172,094	414,878	167,153	2,717,465

(i) In the opinion of the directors, the market value of the Company's property and equipment is not less than the value shown in the financial statements

(ii) There were no capitalised borrowing cost related to the acquisition of property and equipment during the year (December 2021: nil)

(iii) All items of property and equipment are non-current

(iv) There was no leased asset included in property and equipment (December 2021: nil)

(v) The company had no capital commitment (December 2021: nil)

(vi) The company had no items pledged for borrowings included in property and equipment (December 2021: nil)

(vii) There were no impairment losses on any class of property and equipment

(All amounts in thousands of Naira unless otherwise stated)

17 Property and equipment

(b) Group

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
Cost								
Balance, 1 January 2021	389,664	657,165	1,166,343	1,288,449	592,680	1,260,797	91,646	5,446,743
Additions	-	-	368,775	250,439	59,179	316,657	9,041	1,004,091
Disposals	-	-	(72,813)	(3,105)	(16,070)	(2,862)	-	(94,851)
Balance, 31st December 2021	389,664	657,165	1,462,305	1,535,783	635,789	1,574,591	100,687	6,355,983
Accumulated depreciation								
Balance, 1 January 2021	-	96,709	627,003	894,021	434,765	965,958	-	3,018,456
Charge for the period	-	13,143	194,883	225,957	42,611	130,761	-	607,355
Disposals	-	-	(50,808)	(3,105)	(16,070)	(2,303)	-	(72,286)
Balance, 31st December 2021	-	109,852	771,078	1,116,872	461,307	1,094,416	-	3,553,525
Net book value								
Balance, 1 January 2021	389,664	560,456	539,340	394,429	157,915	294,839	91,646	2,428,287
At 31st December 2021	389,664	547,313	691,227	418,911	174,482	480,175	100,687	2,802,458

Parent

	Land	Building	Motor vehicle	Computer equipment	Office equipment	Furniture and fittings	Work in progress	Total
Cost								
Balance, 1 January 2021	389,664	657,165	979,590	1,205,461	415,510	1,048,110	91,645	4,787,145
Additions	-	-	264,558	192,097	54,872	256,640	9,041	777,208
Disposals	-	-	(64,631)	(3,105)	(16,070)	(843)	-	(84,648)
Balance, 31st December 2021	389,664	657,165	1,179,517	1,394,453	454,312	1,303,907	100,686	5,479,704
Accumulated depreciation								
Balance, 1 January 2021	-	97,805	548,619	839,524	325,831	820,564	-	2,632,343
Charge for the period	-	13,144	154,482	201,570	35,253	102,302	-	506,751
Disposals	-	-	(43,752)	(3,105)	(16,070)	(829)	-	(63,756)
Balance, 31st December 2021	-	110,949	659,349	1,037,989	345,014	922,037	-	3,075,338
Net book value								
Balance, 1 January 2021	389,664	559,360	430,971	365,937	89,679	227,546	91,645	2,154,802
At 31st December 2021	389,664	546,216	520,168	356,464	109,298	381,870	100,686	2,404,365

(i) In the opinion of the directors, the market value of the Company's property and equipment is not less than the value shown in the financial statements
(ii) There were no capitalised borrowing cost related to the acquisition of property and equipment during the year (December 2020: nil)
(iii) All items of property and equipment are non-current
(iv) There was no leased asset included in property and equipment (December 2020: nil)
(v) The company had no capital commitment (December 2020: nil)
(vi) The company had no items pledged for borrowings included in property and equipment (December 2020: nil)
(vii) There were no impairment losses on any class of property and equipment

Notes to the consolidated and separate financial stataments

(All amounts in thousands of Naira unless otherwise stated)

18 Right of Use Assets

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Cost						
As at January 1	1,459,692	1,326,177	1,326,177	1,316,009	1,150,139	1,326,177
Additions	656,255	133,515	-	656,256	165,870	(176,038)
Disposals	-	-	-		-	-
As at December 31	2,115,947	1,459,692	1,326,177	1,972,265	1,316,009	1,150,139
Accumulated Depreciation						
As at January 1	(676,188)	(528,420)	(357,654)	(643,833)	(496,065)	(283,873)
Charge for the year	(254,019)	(147,768)	(170,766)	(221,664)	(147,768)	(212,192)
As at December 31	(930,208)	(676,188)	(528,420)	(865,497)	(643,833)	(496,065)
Carrying amount	**1,185,740**	**783,504**	**797,757**	**1,106,768**	**672,176**	**654,074**

The Right of Use assets relate to leased properties and are measured in line with IFRS 16

19 Statutory deposit

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

(All amounts in thousands of Naira unless otherwise stated)

20 Investment contract liabilities

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

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Investment Contract Liabilities - At amortised cost:						
- Guaranteed investment (interest-linked)	9,253,802	3,512,487	5,646,114	9,253,802	3,512,487	5,646,114
- Bonus Life investible (interest-linked)	459,250	698,714	1,222,054	459,250	5,552,693	1,222,054
	9,713,052	9,065,180	6,868,168	9,713,052	9,065,180	6,868,168
Investment Contract Liabilities - Liabilities designated at fair value:						
- Unitized funds	2,496,669	2,505,441	4,374,805	2,496,669	2,505,441	4,374,805
	12,209,721	11,570,621	11,242,973	12,209,721	11,570,621	11,242,973
Current	5,208,297	3,539,837	6,020,629	5,208,297	8,393,816	6,020,629
Non-current	7,001,424	8,030,784	5,222,344	7,001,424	3,176,805	5,222,344
	12,209,721	**11,570,621**	**11,242,973**	**12,209,721**	**11,570,621**	**11,242,973**

Movements in amounts payable under investment contracts liabilities during the year are as shown below. The liabilities are shown inclusive of interest accumulated to 31 December 2023. The movement in interest-linked funds during the year was as follows:

20.1 Movement in interest linked products:

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	9,065,180	6,868,167	5,153,518	9,065,180	6,868,167	5,153,521
Contributions	459,250	410,886	1,222,054	459,250	410,886	1,222,052
Withdrawal	(571,743)	(3,211,434)	(450,985)	(571,743)	(3,211,434)	(450,986)
Interest accrued during the year	760,365	143,582	943,581	760,365	4,997,561	943,581
Balance, end of year	9,713,052	9,065,180	6,868,168	9,713,052	9,065,180	6,868,168

The N9.7 billion (2022: N9.1 billion) for Parent and Group refer to the Guaranteed investment (interest-linked) and Bonus life investible (interest linked) contracts shown in note 20. These are the financial liabilities presented at amortised cost in the Group financial statements (the fair value of the financial liabilities being equal to the amortised cost at the reporting date).

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

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	2,505,441	4,374,805	4,485,246	2,505,441	4,374,805	4,485,246
Contributions		-	-		-	-
Withdrawals	(8,772)	(1,869,364)	(110,441)	(8,772)	(1,869,364)	(110,441)
Balance, end of year	**2,496,669**	**2,505,441**	**4,374,805**	**2,496,669**	**2,505,441**	**4,374,805**
Currrent	2,496,669	2,505,441	4,374,805	2,496,669	2,505,441	4,374,805
Total Investment Contract Liabilities	**12,209,721**	**6,716,642**	**11,242,973**	**12,209,721**	**6,716,642**	**11,242,973**

20.3 The movement in investment contract liabilities during the year was as follows

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	11,570,621	11,242,972	9,638,764	11,570,621	11,242,972	9,638,767
Contributions	459,250	410,886	1,222,054	459,250	410,886	1,222,052
Withdrawals	(580,515)	(5,080,798)	(561,426)	(580,515)	(5,080,798)	(561,427)
Interest accrued during the year	760,365	143,582	943,581	760,365	4,997,561	943,581
Balance, end of year	**12,209,721**	**6,716,642**	**11,242,973**	**12,209,721**	**6,716,642**	**11,242,973**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Naira unless otherwise stated)

21 Trade payable

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Coinsurance payable	1,527,891	431,131	1,062,069	1,527,891	431,131	1,062,069
Due to agents and brokers	9,245,286	6,186,176	4,574,061	9,245,286	6,110,990	4,221,962
	10,773,177	**6,617,307**	**5,636,130**	**10,773,177**	**6,542,121**	**5,284,031**
Current	4,100,356	2,349,479	2,232,733	4,100,356	2,324,417	2,115,367
Non-current	6,672,821	4,267,828	3,403,397	6,672,821	4,217,704	3,168,664
	10,773,177	**6,617,307**	**5,636,130**	**10,773,177**	**6,542,121**	**5,284,031**

22 Other liabilities

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Deferred income	1,252,716	801,267	931,062	536,493	272,689	295,895
Due to investment brokers	1,209	1,208	-	-	-	-
Creditors and accruals (see (i) below)	2,488,233	1,657,833	2,504,646	1,304,695	1,421,150	1,905,456
Unclaimed dividend	129,432	98,011	74,551	129,432	98,011	74,551
Cash settled share based payment liability (see note 43 (b))	426,150	194,773	114,248	426,150	194,773	114,248
Lease Liability (see 20.1 below)	1,287,422	851,786	888,858	1,205,369	753,924	751,083
	5,587,185	**3,604,878**	**4,513,365**	**3,604,162**	**2,740,547**	**3,141,233**
Current	2,905,805	1,924,922	2,815,000	1,483,526	1,512,046	2,004,088
Non-current	2,681,380	1,679,956	1,698,365	2,120,636	1,228,501	1,137,145
	5,587,185	**3,604,878**	**4,513,365**	**3,604,162**	**2,740,547**	**3,141,233**

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

22.1 Lease Liability

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Opening Balance	851,786	888,565	653,864	753,924	751,083	653,864
Interest Expense	302,921	91,363	124,227	282,867	132,117	74,227
Lease Payments	(120,570)	(171,670)	(43,693)	(66,980)	(164,834)	(18,693)
Recognition of new leases	253,285	43,528	154,167	235,558	35,558	41,685
Balance	**1,287,422**	**851,786**	**888,565**	**1,205,369**	**753,924**	**751,083**
Current	429,141	283,929	296,188	401,790	251,308	250,361
Non-current	858,281	567,857	592,377	803,579	502,616	500,722
	1,287,422	**851,786**	**888,565**	**1,205,369**	**753,924**	**751,083**

23 Other Technical Liabilities

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Unallocated premiums & refunds (see (a) be	3,017,256	2,805,550	2,550,027	3,017,256	2,805,550	2,550,027
Premium received in advance	5,795,866	2,812,408	2,327,761	5,795,866	2,812,408	2,327,761
	8,813,122	**5,617,958**	**4,877,788**	**8,813,122**	**5,617,958**	**4,877,788**

(All amounts in thousands of Naira unless otherwise stated)

24 Current income tax liabilities

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Balance, beginning of year	1,129,928	1,962,020	1,648,795	674,215	645,958	125,911
Current year charge						
- Non-Life	584,134	327,859	329,341	584,134	327,859	329,341
- Life & Savings	449,526	229,171	294,517	449,526	229,171	294,517
- AXA Mansard Investments Limited	29,114	112,235	49,573	-	-	-
- AXA Mansard Health Limited	788,778	134,994	941,074	-	-	-
- APD Limited	4,577	214,805	315,089	-	-	-
Cash Payments during the year	(1,128,016)	(1,851,156)	(1,616,369)	(668,009)	(528,773)	(103,811)
Balance, end of year	**1,858,041**	**1,129,928**	**1,962,020**	**1,039,866**	**674,215**	**645,958**

The balance in current income tax liability is due within 12 months.

25 Borrowings

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Bank borrowings	5,126,878	2,161,791	2,435,870	-	-	-
Loan note	130,792	19,087	18,273	-	-	-
Total borrowings	**5,257,670**	**2,180,878**	**2,454,143**	**-**	**-**	**-**
Current	5,180,980	2,104,188	2,377,453	-	-	-
Non-current	76,690	76,690	76,690	-	-	-
	5,257,670	**2,180,878**	**2,454,143**	**-**	**-**	**-**

(a) **Bank borrowings**

The bank borrowing represents a USD6,300,000 facility granted to APD limited by Rand Merchant Bank. The original facility agreement is dated 30 August 2018 (as amended on 13 May 2020). In 2021, the loan initial repayment date of 1 July 2021 was amended to 1 February 2022 per a duly signed amendment agreement. Interest payment date is now 31 March, 30 June, 30 September and 31 December in each year of the subsistence of the amendment agreement at a rate of 10%. A further 5-year extension of the loan was finalised in September 2023. The Investment property of the Company located at plot 927/928 Bishop Aboyade Cole, Victoria Island, Lagos has been used as collateral for this facility.

(b) **Loan note**

Loan note were granted by Karsang Ltd to APD Ltd payable in 7.5 years commencing September 2014. Interest is accrued at a rate of 10.41% and payable at maturity with the principal. A further extension of the loan has finalised and the loan maturity has been extended to September 2024.

The movement in borrowing during the year is as follows:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of the year	2,180,878	2,454,143	2,994,361	-	-	
Aditional loans	-	-	-	-	-	
Impact of foreign exchange rate changes	2,630,158	519,667	(20,199)	-	-	
Accrued interest	948,437	122,605	195,520	-	-	
Payments during the year	(501,803)	(915,538)	(715,538)	-	-	
	5,257,670	2,180,878	2,454,143	-	-	

26 Deferred tax liability

(a) ***Liabilities***

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of year	855,631	932,573	818,666	-	-	-
Charge/(Credit) in income statement for the year	1,725,715	(76,942)	113,907	-	-	-
Balance, end of year	2,581,346	855,631	932,573	-	-	-
Deferred income tax liability/(assets) is attributable to the following:						
Property and equipment	1,108,368	12,219	51,362	-	-	-
Fair value gain on investment property	1,472,978	843,412	881,211	-	-	-
Balance, end of year	2,581,346	855,631	932,573	-	-	-

Notes to the consolidated and separate financial statements

(All amounts in thousands of Naira unless otherwise stated)

2023
Group

Movement in deferred tax liability/ (assets):	Opening Balance	Income statement	Other Comprehensive Income	Closing balance
Property and equipment	12,219	1,096,149	-	1,108,368
Fair value gains on Investment property	843,412	629,566	-	1,472,978
	855,631	1,725,715	-	2,581,346

2022 restated
Group

Movement in deferred tax liability/ (assets):	Opening Balance	Income statement	Other Comprehensive Income	Closing balance
Property and equipment	51,362	(39,143)	-	12,219
Fair value gains on Investment property	881,211	(37,799)	-	843,412
	932,573	(76,942)	-	855,631

2021 restated
Group

Movement in deferred tax liability/ (assets):	Opening Balance	Income statement	Other Comprehensive Income	Closing balance
Property and equipment	25,187	26,175	-	51,362
Fair value gains on Investment property	793,479	87,732	-	881,211
	818,666	113,907	-	932,573

27 Share capital:

27.1 Share capital comprises:

		Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
(a)	***Issued and fully paid***						
	9,000,000,000 Ordinary shares of N2 each	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000

Movement in issued and fully paid shares

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of year	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
Additional shares during the year	-	-		-	-	-
Balance, end of year	18,000,000	18,000,000		18,000,000	18,000,000	18,000,000

(i) Non-Life Business

Share capital comprises:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
5,000,000,000 Ordinary shares of N2 each	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000

(ii) Life Business

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
4,000,000,000 Ordinary shares of N2 each	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

Notes to the consolidated and separate financial statements

(All amounts in thousands of Naira unless otherwise stated)

27.2 Share premium

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Share Premium	78,256	78,255	78,255	78,256	78,255	78,255

27.3 Contingency reserves

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

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

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of the year	5,118,869	4,816,716	4,345,125	5,118,869	4,816,716	4,345,125
Transfer from retained earnings	1,397,848	302,153	471,591	1,397,848	302,153	471,591
Balance, end of year	6,516,717	5,118,869	4,816,716	6,516,717	5,118,869	4,816,716

Analysis per business segment

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Non-life business	5,341,320	4,116,614	3,970,257	5,341,320	4,116,614	3,970,257
Life business	1,175,397	1,002,255	846,459	1,175,397	1,002,255	846,459
Balance, end of year	6,516,717	5,118,869	4,816,716	6,516,717	5,118,869	4,816,716

(i) Non-Life Business

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of year	4,116,614	3,970,257	3,591,032	4,116,614	3,970,257	3,591,032
Transfer from retained earnings	1,224,706	146,357	379,225	1,224,706	146,357	379,225
Balance, end of year	5,341,320	4,116,614	3,970,257	5,341,320	4,116,614	3,970,257

(ii) Life Business

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of year	1,002,255	846,459	754,092	1,002,255	846,459	754,093
Transfer from retained earnings	173,142	155,796	92,367	173,142	155,796	92,366
Balance, end of year	1,175,397	1,002,255	846,459	1,175,397	1,002,255	846,459

27.4 Treasury shares

Treasury shares represent the 55,738,227 (2021: 55,738,227 at N2 each) N2 ordinary shares held by the Company under the AXA Mansard Share Option Plan (MSOP). Details of the Share Option Plan are as disclosed in note 45.

Treasury shares' balances as at 31 December 2022 are as analysed below:

	Group 2023	Group 2022	Group 2021	Parent 2023	Parent 2022	Parent 2021
Balance, beginning of year	(111,476)	(111,476)	(304,924)	(111,476)	(111,476)	(304,924)
Value of vested portion of treasury shares	-	-	193,448	-	-	193,448
Balance, end of year	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)	(111,476)

(All amounts in thousands of Naira unless otherwise stated)

27.5 Fair value reserves

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

Movements in the fair value reserve:

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
At beginning of year	(1,193,180)	168,981	5,264,806	(535,144)	292,629	5,032,542
IFRS 9 adjustments	-	(83,780)	315,089	-	(91,223)	301,393
ECL allowance	283,408	-	-	231,535	-	-
Changes in available-for-sale financial assets (net of taxes)	(1,012,765)	(1,278,381)	(5,410,915)	(2,289,609)	(736,551)	(5,041,306)
Balance, end of year	(1,922,537)	(1,193,180)	168,981	(1,922,537)	(535,144)	292,629

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

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
At beginning of year	(1,193,180)	168,981	5,264,806	(535,144)	292,629	5,032,542
IFRS 9 adjustments	-	(83,780)	315,089	-	(91,223)	301,393
ECL allowance	283,408	-	-	231,535	-	-
Net unrealised changes in fair value of assets	(1,012,765)	(1,226,976)	(4,433,225)	(2,289,609)	(685,146)	(4,063,616)
Realised (losses)/gains transferred to income statement	-	(51,405)	(977,690)	-	(51,405)	(977,690)
Balance, end of year	(1,922,537)	(1,193,180)	168,981	(1,922,537)	(535,144)	292,629

27.6 Insurance finance reserve

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Movements in insurance finance reserve:						
At the beginning of the year	50,072	57,180	-	47,430	45,743	-
Net change in OCI stock	7,926	(7,108)	57,180	(248)	1,687	45,743
Insurance finance reserve	57,998	50,072	57,180	47,182	47,430	45,743
Discount effect on LIC - PY	(194,065)	-	-	(194,065)	-	-
Discount effect on Ri share of LIC - PY	135,342	-	-	135,453	-	-
	(725)	50,072	57,180	(11,430)	47,430	45,743

27.7 Retained earnings

The retained earnings represents the amount available for dividend distribution to the equity shareholders of the Company. See movement in retained earnings below

	Group 2023	Group 2022 restated	Group 2021 restated	Parent 2023	Parent 2022 restated	Parent 2021 restated
Opening retained earnings	7,059,009	7,618,988	6,470,482	3,719,624	2,535,531	2,129,200
Adjustment on application of IFRS 17 (net of tax)		-	499,167	-	(365,958)	506,854
Adjustment on application of IFRS 9 (net of tax)		(2,625)	(231,310)	-	91,223	(307,006)
Other comprehensive income	(281,389)	-		603,249	-	-
Profit/(loss) for the year	12,048,664	2,534,799	3,164,859	6,659,839	4,550,981	2,490,693
Transfer to contigency reserves	(1,397,848)	(302,153)	(471,591)	(1,397,848)	(302,153)	(471,591)
Final dividend paid	-	(2,250,000)	(1,980,000)	-	(2,250,000)	(1,980,000)
Interim dividend paid	(3,240,000)	(540,000)	-	(3,240,000)	(540,000)	-
Impact of vesting shares in the equity settled share based payment	-	-	167,381	-	-	167,381
Closing Retained earnings	**14,188,436**	**7,059,009**	**7,618,988**	**6,344,864**	**3,719,624**	**2,535,531**

(All amounts in thousands of Naira unless otherwise stated)

28 Non-controlling interests in equity

	Group 2023	Group 2022 restated	Group 2021 restated
Opening balance	4,106,949	4,320,891	3,750,585
Transfer from the profit or loss account	564,013	(213,942)	570,306
Disposal of subsidiary with NCI	-	-	-
Balance as at year end	4,670,962	4,106,949	4,320,891

Non controlling interest represents 44.3% of the equity holding of the Company's subsidiary, APD Limited (2021: 44.3% of the equity holding of the Company's subsidiaries, APD Limited). The Group did not pay any dividend to Non-Controlling Interest during the year (2021: nil).

APD Limited

Non controlling interest (44.3%)	Group 2023	Group 2022 restated	Group 2021 restated
Opening balance	2,008,389	2,222,331	1,652,025
Transfer from the profit or loss account	564,013	(213,942)	570,306
Balance as at year end	2,572,402	2,008,389	2,222,331

29 Contingencies and commitments

(a) *Litigations and claims*

The Group is presently involved in twenty-eight (28) legal proceedings (2022: eleven (11)). These court cases arose in the normal course of business. In the directors' opinion, after taking appropriate legal advice from the Company's in-house legal counsel (Mrs. Omowunmi Mabel Adewusi - FRC/2013/NBA/00000000967), the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided for in the outstanding claims balance at 31 December 2023.

Summary of Litigations and Claims	**Number**	**Amount**
		N'000
Cases against AXA Mansard Insurance Plc	11	6,119,966
Cases for AXA Mansard Insurance Plc	-	-
Total	**11**	**6,119,966**

*Notes to the consolidated and separate financial statament*s

30 Insurance Revenue

December 31, 2023 **Group**	**Non life** N'000	**Life** N'000	**Health** N'000	**Total** N'000
Approach)				
Amounts relating to changes in liabilities for remaining coverage		17,205,060		17,205,060
- CSM (Contractual Service Margin) recognised for services provided	-	(37,642)	-	(37,642)
	-	17,167,418	-	17,167,418
Contracts measured under the PAA (Premium Allocation Approach)	33,137,164	-	32,448,851	65,586,015
Total Insurance Revenue	**33,137,164**	**17,167,418**	**32,448,851**	**82,753,433**

31 December 2022 *restated **Group**	**Non life** N'000	**Life** N'000	**Health** N'000	**Total** N'000
Contracts not measured under the PAA (Premium Allocation Approach)				
Amounts relating to changes in liabilities for remaining coverage		12,677,811		12,677,811
- CSM (Contractual Service Margin) recognised for services provided	-	608,144	-	608,144
	-	13,285,955	-	13,285,955
Contracts measured under the PAA (Premium Allocation Approach)	29,661,322	-	26,271,917	55,933,239
Total Insurance Revenue	**29,661,322**	**13,285,955**	**26,271,917**	**69,219,194**

December 31, 2023 **Company**	**Non life** N'000	**Life** N'000	**Total** N'000
Contracts not measured under the PAA (Premium Allocation Approach)			
Amounts relating to changes in liabilities for remaining coverage		17,205,060	17,205,060
- CSM (Contractual Service Margin) recognised for services provided	-	(37,642)	(37,642)
	-	17,167,418	17,167,418
Contracts measured under the PAA (Premium Allocation Approach)	33,137,164	-	33,137,164
Total Insurance Revenue	**33,137,164**	**17,167,418**	**50,304,582**

31 December 2022 *restated **Company**	**Non life** N'000	**Life** N'000	**Total** N'000
Contracts not measured under the PAA (Premium Allocation Approach)			
Amounts relating to changes in liabilities for remaining coverage		12,677,811	12,677,811
- CSM (Contractual Service Margin) recognised for services provided	-	608,144	608,144
- Recovery of insurance acquisition cash flows	-	-	-
	-	13,285,955	13,285,955
Contracts measured under the PAA (Premium Allocation Approach)	29,661,322	-	29,661,322
Total Insurance Revenue	**29,661,322**	**13,285,955**	**42,947,277**

Notes to the consolidated and separate financial stataments

31 Insurance service expenses

December 31, 2023 Group	Non life N'000	Life N'000	Health N'000	Total N'000
Incurred claims and other Incurred Insurance Service expenses	5,875,852	12,022,428	26,171,393	44,069,673
Adjustment to Liability for incurred claims	80,961	648,664	(27,610)	702,015
Amortisation of Insurance acquisition cash flows	4,337,056	1,238,746	1,701,503	7,277,305
Insurance service expenses	**10,293,869**	**13,909,838**	**27,845,286**	**52,048,993**

December 31, 2022 Group	Non life N'000	Life N'000	Health N'000	Total N'000
Incurred claims and other Incurred Insurance Service expenses	7,133,166	9,148,986	23,494,695	39,776,847
Adjustment to Liability for incurred claims	(72,665)	(23,690)	(7,065)	(103,420)
Amortisation of Insurance acquisition cash flows	3,142,969	1,383,411	1,052,843	5,579,223
Insurance service expenses	**10,203,470**	**10,508,707**	**24,540,473**	**45,252,650**

December 31, 2023 Company	Non life N'000	Life N'000	Total N'000
Incurred claims and other Incurred Insurance Service expenses	5,875,852	12,022,428	17,898,280
Adjustment to Liability for incurred claims	80,961	648,664	729,625
Amortisation of Insurance acquisition cash flows	4,337,056	1,238,746	5,575,802
Insurance service expenses	**10,293,869**	**13,909,838**	**24,203,707**

December 31, 2022 Company	Non life N'000	Life N'000	Total N'000
Incurred claims and other Incurred Insurance Service expenses	7,133,166	9,148,986	16,282,152
Adjustment to Liability for incurred claims	(72,665)	(23,690)	(96,355)
Amortisation of Insurance acquisition cash flows	3,142,969	1,383,411	4,526,380
Insurance service expenses	**10,203,470**	**10,508,707**	**20,712,177**

32 Net expenses from reinsurance contracts held

December 31, 2023 Group	Non life N'000	Life N'000	Health N'000	Total N'000
Amounts relating to changes in liabilities for remaining coverage				-
- Expected amount recoverable for claims and other insurance service expenses incurred in the period	-	377,750	-	377,750
- Change in risk adjustment for non-financial risk for risk expired	-	501,338	-	501,338
- CSM recognised for services received	-	18,364	-	18,364
Contracts not measured under the PAA	-	897,451	-	897,451
Contracts measured under the PAA	19,970,602	-	332,300	20,302,902
Recoveries of incurred claims and other insurance service expenses	(1,349,663)	-	(382,807)	(1,732,470)
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(30,833)	-	(2,163)	(32,996)
Total net expenses from reinsurance contracts held	**18,590,106**	**897,451**	**(52,670)**	**19,434,887**

Notes to the consolidated and separate financial stataments

December 31, 2022 **Group**	**Non life**	**Life**	**Health**	**Total**
	N'000	N'000	N'000	N'000
Amounts relating to changes in liabilities for remaining coverage				-
- Expected amount recoverable for claims and other insurance service expenses incurred in the period	-	715,335	-	715,335
- Change in risk adjustment for non-financial risk for risk expired	-	(203,123)	-	(203,123)
- CSM recognised for services received	-	(1,637)	-	(1,637)
Contracts not measured under the PAA	-	510,576	-	510,576
Contracts measured under the PAA	19,392,413	-	269,225	19,661,638
Recoveries of incurred claims and other insurance service expenses	(4,122,664)	-	(158,964)	(4,281,628)
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	33,686	-	(3,235)	30,451
Total net expenses from reinsurance contracts held	**15,303,435**	**510,576**	**107,025**	**15,921,036**

December 31, 2023 **Company**	**Non life**	**Life**	**Total**
	N'000	N'000	N'000
Amounts relating to changes in liabilities for remaining coverage			-
- Expected amount recoverable for claims and other insurance service expenses incurred in the period	-	377,750	-
- Change in risk adjustment for non-financial risk for risk expired	-	501,338	-
- CSM recognised for services received	-	18,364	-
Contracts not measured under the PAA	-	897,451	897,451
Contracts measured under the PAA	19,970,602		19,970,602
Recoveries of incurred claims and other insurance service expenses	(1,349,663)		(1,349,663)
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(30,833)		(30,833)
Total net expenses from reinsurance contracts held	**18,590,106**	**897,451**	**19,487,557**

December 31, 2022 **Company**	**Non life**	**Life**	**Total**
	N'000	N'000	N'000
Amounts relating to changes in liabilities for remaining coverage			-
- Expected amount recoverable for claims and other insurance service expenses incurred in the period	-	715,335	715,335
- Change in risk adjustment for non-financial risk for risk expired	-	(203,123)	(203,123)
- CSM recognised for services received	-	(1,637)	(1,637)
Contracts not measured under the PAA	-	510,576	510,576
Contracts measured under the PAA	19,392,413		19,392,413
Recoveries of incurred claims and other insurance service expenses	(4,122,664)		(4,122,664)
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	33,686		33,686
Total net expenses from reinsurance contracts held	**15,303,435**	**510,576**	**15,814,011**

Notes to the consolidated and separate financial statаments

(All amounts in thousands of Naira unless otherwise stated)

33 Interest revenue calculated using the effective interest method

Investment income comprises the following:

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Financila assets measured at FVOCI				
Government & corporate bonds	3,075,735	2,770,715	2,783,303	2,365,006
Treasury bills	87,249	167,151	85,610	167,152
Financial assets measured at amortised costs				
Cash and cash equivalents	997,820	485,385	838,466	572,635
	4,160,804	**3,423,251**	**3,707,379**	**3,104,793**

34 Other investment income

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Dividend income	899,481	1,625,343	568,400	3,329,820
(Losses)/Gains on financial assets	(299,955)	920,071	(366,328)	(12,095)
Foreign exchange gain/loss	15,979,799	(12,226)	6,861,703	492,757
Profit on investment contract (see note (a) below)	772,843	401,556	772,843	401,553
Fair value through Profit or Loss	335,073	-	335,073	-
Fair value loss on investment property (see note 15)	(3,389,088)	(1,356,155)	-	-
	14,298,153	1,578,589	8,171,691	4,212,035

(a) Profit on investment contracts

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Interest income	1,132,765	650,244	1,132,765	650,244
(Losses)/gains from sale of investments	(55,885)	(2,232)	(55,885)	(2,232)
Total interest income	**1,076,880**	**648,012**	**1,076,880**	**648,012**
Expenses				
Guaranteed interest	(254,497)	(212,436)	(254,497)	(212,436)
Other expenses	(49,540)	(34,020)	(49,540)	(34,020)
Net profit	**772,843**	**401,556**	**772,843**	**401,556**

35 Other income

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Profit from sale of property and equipment	14,843	5,744	14,831	5,579
Sundry income	275,250	241,248	44,252	20,995
Rental income	832,564	872,629	-	-
Asset management fees (see note (a) below)	1,077,953	672,537	-	-
Total	2,200,610	1,792,157	59,083	26,574

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

*Notes to the consolidated and separate financial statament*s

36 Expenses for marketing and administration

	Group 2023	Group 2022	Parent 2023	Parent 2022
Marketing and administrative expenses	1,875,224	1,156,560	1,622,397	1,396,007
Direct selling cost	767,226	500,197	767,226	500,214
	2,642,450	1,656,757	2,389,623	1,896,221

37 Employee benefit expense

	Group 2023	Group 2022	Parent 2023	Parent 2022
Wages and salaries	3,894,245	4,000,586	1,820,247	1,804,653
Other employee costs	700,596	187,885	553,097	132,950
Pension costs – defined contribution plans	106,166	103,265	80,256	77,447
Performance-based expenses	649,022	527,470	481,140	478,061
Equity and Cash settled share-based payments	235,000	80,524	235,000	80,524
	5,585,029	4,899,730	3,169,740	2,573,635

In accordance with Pension Reform Act 2014, the Group contributes 10.0% each of the qualifying staff's salary (Basic, transport, and housing). The contributions are recognised as employee benefits expense when they are due.

38 Other operating expenses

	Group 2023	Group 2022	Parent 2023	Parent 2022
Depreciation and amortisation charges	1,033,065	880,910	872,912	734,598
Depreciation on ROU	238,719	180,123	206,364	147,768
Professional fees	371,441	215,133	267,623	143,918
Directors' emolument and expenses	79,500	60,355	48,914	36,460
Contract services cost**	1,877,664	1,265,168	1,555,859	1,230,884
Auditor's remuneration*	53,428	43,802	42,728	36,366
Bank charges	119,141	84,626	82,985	62,118
Stamp duty charge on bank transactions	1,209	2,167	723	2,167
Insurance related expenses	357,511	363,303	396,218	362,454
Training expenses	195,294	173,898	151,178	136,330
Asset management fees expense	71,646	308	324,878	274,350
Information technology and maintenance expenses	1,017,638	538,796	909,443	508,802
Rental Expense	5,913	-	-	-
Other expenses	200,638	395,061	90,938	274,431
	5,622,807	4,203,650	4,950,763	3,950,646

* The external auditors, KPMG Professional Services were engaged to perform a limited assurance on the internal control over financial reporting of AXA Mansard Insurance Plc. Non-audit fees of N7.5million (2022: Nil) were paid to the external auditor.

** Contract service costs relates to payments made to outsourced personnel (e.g.,transaction officers, technicians, cleaners, creche personnel, security men, and drivers)

39 Net impairment/(writeback) on financial assets

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Government bonds & Corporate bonds	640,033	(11,426)	225,284	(119,757)
Treasury bills	11,659	606	11,659	576
Tenored deposits	(5,408)	17,666	(5,408)	27,958
Other receivables	209,169	7,027	-	-
	855,453	**13,873**	**231,535**	**(91,223)**

40 Finance expense from insurance contracts

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Recognised in OCI				
At the beginning of the year	89,118	107,250	83,348	94,265
Unwinding of OCI stock - Ins	(19,630)	(18,132)	(27,701)	(10,917)
	69,488	**89,118**	**55,647**	**83,348**
Discount effect on LIC - PY	(194,065)	325,078	(194,065)	343,832
	(213,695)	**306,946**	**(221,766)**	**332,915**

41 Finance income/(expense) from reinsurance contracts

	Group 2023	Group 2022 restated	Parent 2023	Parent 2022 restated
Recognised in profit or loss				
Change in default risk	23,094	(57,481)	23,098	(39,334)
Unwinding of OCI stock - Ri share	(1,777)	2,066	-	-
	21,317	**(55,415)**	**23,098**	**(39,334)**
Recognised in OCI				
At the beginning of the year	(12,912)	(37,465)	(12,887)	(35,917)
Unwinding of OCI stock	(1,425)	24,553	(1,417)	23,030
	(14,337)	**(12,912)**	**(14,304)**	**(12,887)**
Discount effect on Ri Share of LIC - PY	135,453	(268,944)	135,453	(270,517)
	134,028	**(244,391)**	**134,036**	**(247,487)**

42 Finance cost

The ₦154m finance cost in 2023 relates to capitalized lease liability (2022: ₦132m) while the group figures for 2023 and 2022 primarily relate to interest expense on external Loans.

	Group 2023	Group 2022	Parent 2023	Parent 2022
Interest expense	1,126,882	275,308	154,735	132,117
	1,126,882	**275,308**	**154,735**	**132,117**

43 Income tax expense

	Group 2023	Group 2022	Parent 2023	Parent 2022
Company income tax				
- Non life	499,962	294,455	499,962	294,455
- Life	449,524	209,780	449,524	209,780
- AXA Mansard Investments Limited	22,733	108,035	-	-
- APD Limited	4,577	214,805	-	-
- AXA Mansard Health Limited	788,778	134,994	-	-
National Information Technology Development Agency (NITDA)				
- APD Limited	-	-	-	-
- AXA Mansard Health Limited	-	-	-	-
- AXA Mansard Investments limited	6,381	4,200	-	-
- General	84,173	33,404	84,173	33,404
- Life		19,391		19,391
	1,856,128	**1,019,064**	**1,033,659**	**557,030**
Deferred tax				
- Non life	-	-	-	-
- Life	-	-	-	-
- AXA Mansard Investments limited	160,697	(2,662)	-	-
- APD Limited	629,566	(37,798)	-	-
- AXA Mansard Health Limited	1,077,624	(36,481)	-	-
	1,867,887	**(76,941)**	**-**	**-**
Total tax charge for the year	**3,724,015**	**942,123**	**1,033,659**	**557,030**

Notes to the consolidated and separate financial stataments

Tax on the Group's profit before tax differ from the theoretical amount that would arise using the weighted average tax rate applicable to profit of the consolidated entities as follows:

Effective tax rate reconciliation analysis	**Group 2023**	**Group 2022**	**Parent 2023**	**Parent 2022**
Profit before income tax	15,772,679	3,476,922	7,693,498	5,108,011
Tax calculated at domestic rate applicable in Nigeria at 30% (2020:30%)	4,731,804	1,043,078	2,308,049	1,532,403
Effect of:				
Tax exempt income	(3,082,290)	(1,225,826)	(3,176,553)	(2,918,926)
Expenses not deducted for tax purposes	1,034,462	580,750	868,505	-
Impact of minimum tax	-	66,339	-	180,239
NITDA Levy	90,554	75,805	84,173	54,097
Police Trust Fund Levy	421	256	421	270
Impact of Dividend tax	917,394	302,940	917,394	594,887
Tertiary education tax	31,669	98,781	31,669	-
	3,724,015	942,123	1,033,659	557,030

44 Earnings per share

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

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

	Group 2023	**Group 2022 *Restated**	**Parent 2023**	**Parent 2022 *Restated**
Profit attributable to equity holders	11,484,651	2,748,741	6,659,839	4,550,981
Weighted average number of ordinary shares in issue (thousands) (see note (a) (i) below)	9,000,000	9,000,000	9,000,000	9,000,000
Basic earnings per share (kobo per share)	128	31	74	51
Basic earnings per share (kobo per share); Continued operations	128	31	74	51

(i) **Weighted average number of ordinary shares (basic)**

	Group 2023	**Group 2022 *Restated**
Issued ordinary shares at 1 January	9,000,000	9,000,000
Effect of treasury shares held	-	-
Weighted effect of increase in nominal value of shares during the year	-	-
Weighted-average number of ordinary shares at 31 December	9,000,000	9,000,000

Notes to the consolidated and separate financial stataments

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

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

	Group 2023	Group 2022 *Restated	Parent 2023	Parent 2022 *Restated
Profit attributable to equity holders	11,484,651	2,748,741	6,659,839	4,550,981
Weighted average number of ordinary shares in issue (thousands) (see note (a) (i) below)	9,000,000	9,000,000	9,000,000	9,000,000
Diluted earnings per share (kobo per share)	128	31	74	51
Basic earnings per share (kobo per share)	128	31	74	51

(i) **Average number of ordinary shares (diluted)**

	Group 2023	Group 2022 *Restated
Issued ordinary shares at 1 January	9,000,000	9,000,000
Effect of treasury shares held	-	-
Weighted effect of increase in nominal value of shares during the year	-	-
Weighted-average number of ordinary shares at 31 December	9,000,000	9,000,000

(All amounts in thousands of Naira unless otherwise stated)

45 Supplementary income statement information:

(a) i. Employees, other than the executive directors, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contribution and other allowances) in the following ranges:

	Group 2023	Group 2022	Parent 2023	Parent 2022
	Number	Number	Number	Number
N1,400,001 – N2,050,000	-	-	-	-
N2,050,001 – N2,330,000	-	-	-	-
N3,000,001 – N4,500,000	89	100	66	51
N4,500,001 – N5,950,000	62	39	44	32
N5,950,001 – N6,800,000	26	18	15	15
N6,800,001 – N7,800,000	27	30	20	19
N7,800,001 – N8,600,000	15	21	13	20
N8,600,001 – N11,800,000	50	39	38	31
Above N11,800,000	103	111	80	87
	372	358	276	255

ii. The average number of full time persons employed by the Company during the year was as follow:

	Group 2023	Group 2022	Parent 2023	Parent 2022
	Number	Number	Number	Number
Executive directors	4	4	2	2
Management staff	43	28	35	22
Non management staff	325	326	239	231
	372	358	276	255

(b) ***Directors' remuneration:***

i. Remuneration expensed in respect of the directors was as follows:

	Group 2023	Group 2022	Parent 2023	Parent 2022
Executive compensation	414,288	414,288	254,565	254,565
Directors' fees	1,125	671	536	536
Other directors expenses	49,867	39,728	30,828	30,828
Defined contribution	11,000	11,000	5,200	5,200
Equity-settled share-based scheme	-	50,901	-	50,901
Cash-settled share-based scheme	194,773	(31,341)	194,773	(31,341)
	671,053	485,247	485,902	310,689

ii. The directors' remuneration shown above (excluding pension contributions) includes:

	Group 2023	Group 2022	Parent 2023	Parent 2022
Chairman	7,050	6,782	6,782	6,782
Highest paid director:				
Executive compensation and pension contribution	71,282	71,282	71,282	71,282
Equity-settled share-based scheme	-	50,901	-	50,901
Cash-settled share-based scheme	-	-	-	-
	71,282	122,183	71,282	122,183

(All amounts in thousands of Naira unless otherwise stated)

iii. The emoluments of all other directors fell within the following range:

	Group 2023	Group 2022	Parent 2023	Parent 2022
	Number	Number	Number	Number
N300,001 - N350,000	-	-	-	-
N500,001 - N1,000,000	-	-	-	-
N1,000,001- N1,500,000	6	6	6	6
N1,500,001 and above	2	2	2	2
	8	8	8	8

46 Share-based payment arrangements

(a) Equity-settled share based payment : Mansard Staff Share Option Plan (MSOP)

(i) The Group operates an equity settled share-based payment arrangement under which the entity receives services from employees as a consideration for equity instrument of the Company. The eventual value of the right is settled by receipt of value of shares equivalent to the full value of the options.

The Scheme is granted to senior management staff (employees from Managers to Executive Directors) and middle management staff (employees from Senior Executive Officers to Deputy Managers).

The scheme has a number of grant cycles as illustrated by the table below:

Grant cycle	Grant cycle	Expiry date	Vesting Period	Shares per grant ('000)
1	2013- 2015	2017	3 yrs	237,500
2	2014- 2017	2020	4 yrs	79,167
3	2015- 2018	2021	4 yrs	79,167
4	2017- 2020	2023	4 yrs	79,167

The price at which the options are granted to eligible employees, determined on the grant date, is the six-month average market price of AXA Mansard’s shares prior to the grant Date.

All the cycles have a one year restriction period and 1.1/2 years exercise period

(ii) Measurement of fair values

The fair value of the Mansard Share Option Plan has been measured using the Black-Scholes model. The requirement that employees have to be in the Company's employment over the vesting period under the share option scheme has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the staff attrition rate over the period.

The inputs used in the measurement of the fair values at grant dates for the third cycle and the fourth cycle of the equity-settled share option plan were as follows:

	4th Cycle	3rd Cycle
Fair value at grant date (Naira)	2.18	2.07
Share price at grant date (Naira)	0.48	0.48
Exercise price (Naira)	6.00	6.00
Expected volatility (weighted average)	46%	46%
Expected dividends	10.42%	10.42%
Average attrition rate	14%	14%
Risk-free interest rate (based on government treasury bills)	13.09%	13.37%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with expected term.

(All amounts in thousands of Naira unless otherwise stated)

(iii) Reconciliation of outstanding share options

The number and weighted-average prices of share options under the share options plans were as follows:

	Dec 2023		Dec 2022	
	No of options	Weighted-average price (N)	No of options	Weighted-average price (N)
	Numbers (000)		Numbers (000)	
Beginning of year	55,738	-	177,281	-
Options exercised	-		121,543	
Options outstanding at end of year	55,738	-	55,738	-

The weighted average share price for the AXA Mansard Insurance Plc's share as at 31 December 2023 was N2.04 (Dec 2022: N0.88)

(b) Cash settled share based payment- Share Appreciation Rights

(i) In 2015, the Group granted Share Appreciation Rights to certain senior management staff members that entitle the employees to a cash payment. The amount of the cash payment is determined based on the increase in the share price of the Company between grant date and the time of exercise.

The rights are granted to senior management staff (employees from Deputy General Managers to Executive Directors).

The scheme has a number of grant cycles as illustrated by the table below:

Grant cycles	Grant cycle	Expiry date	Vesting Period
1	2015-2017	2018	3 yrs
2	2016-2019	2020	4 yrs
3	2017-2020	2021	4 yrs
4	2018-2021	2022	4 yrs

The price at which the rights are granted to eligible employees, determined on the grant date, is the six-month average market price of AXA Mansard’s shares prior to the Grant Date.

All the cycles have a one year restriction period and a maximum of six years exercise period.

(ii) Measurement of fair values

The fair value of the Share Appreciation Rights has been measured using the Black-Scholes model. The requirement that employees have to be in the Company's employment over the vesting period under the share option scheme has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the attrition rate of staff over the period.

The inputs used in the measurement of the fair values at grant dates for the first grant cycle of the Share Appreciation Rights were as follows:

	2023	2022
Fair value at grant date (Naira)	2.81	2.81
Share price at grant date (Naira)	0.72	0.72
Exercise price (Naira)	6.00	6.00
Expected volatility (weighted average)	53.79%	53.79%
Expected dividends	4.18%	3.37%
Average attrition rate	15%	13%
Risk-free interest rate (based on government treasury bills)	8.05%	7.43%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with expected term.

The weighted average share price for the AXA Mansard Insurance Plc's share as at 31 December 2023 was N2.04 (Dec 2022: N0.88)

(All amounts in thousands of Naira unless otherwise stated)

(c) Equity settled share based payment- Long Term Incentives

During the year, AXA S.A. (the ultimate parent) issued incentives to obtain share options settled on the Group's (AXA Group's) shares. The performance conditions over which the Group's performance was to be assessed included the AXA Group Performance, the AXA Mansard Group performance and the Corporate Social Responsibility over the three year period.

The inputs used in the measurement of the fair values at reporting date for the long term incentives are as shown below;

	2023	**2022**
Share price volatility (Historical three year average)	2.34%	1.22%
Threshold performance	0.81	0.81
Stretch performance	1.30	1.30
Total number of shares awarded	6,843	7,976
Exchange rate (EUR/NGN)	492.54	491.58

(d) The total expenses recognised in respect of the share option scheme are as follows:

	2023	**2022**
Equity-settled share-based scheme- Staff	41,497	16,994
Equity-settled share-based scheme- Directors	38,777	50,901
Cash-settled share-based scheme - Staff	110	(5,104)
Cash-settled share-based scheme- Directors	140	(31,341)

Notes to the consolidated and separate financial stataments

47 Related parties

Parent

The ultimate beneficial of the Company, which is also the ultimate parent company, is Societe Beaujon AXA which owns 76.48% (through Assur Africa Holdings) of the Company’s shares. The ultimate parent company is Societe Beaujon AXA under the Latin America and Meditteranean operations. The remaining 23.52% of the shares are widely held.

Subsidiaries

Transactions between AXA Mansard Insurance Plc and the subsidiaries also meet the definition of related party transactions. Where these are eliminated on consolidation, they are not disclosed in the consolidated financial statements.

Transactions with key management personnel

The Group’s key management personnel, and persons connected with them are considered to be related parties for disclosure purposes. The definition of key management includes close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Group. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with AXA Mansard Insurance Plc.

The volume of related party transactions, outstanding balances at year end, and related expense and income for the year are as follows:

Statement of financial position

(a) **Loans and advances**

(i) *Loans and advances to key management personnel*

In thousands of Nigerian Naira	**Dec-23**	**Dec-22**
Loans outstandings as at 1 January	56,872	26,654
Loans issued during the year	35,000	37,000
Loans repayment during the year	(10,462)	(6,782)
Loan outstanding, end of year	81,410	56,872

These are mortgage loans granted to two Directors of AXA Mansard Investments Limited. No impairment has been recognised in respect of loans given to key management personnel (2022: Nil).

(b) ***Intercompany balances***

In thousands of Nigerian Naira	**Dec-23**	**Dec-22**
Intercompany (payables)/receivables	4,161,412	3,254,656

These balances arise from transactions between the parent Company and other subsidiaries within the Group and related entities in the normal course of business.

(c) ***Income statement***

Intercompany transactions

In thousands of Nigerian Naira	**Dec-23**	**Dec-22**
Interest income earned on intercompany loans	-	-
Asset management fees	(324,878)	(274,350)
Key management personnel		
Directors' remuneration *(See note (44(b) for details)*	(671,053)	(485,247)

Interest income earned on intercompany loans represents interest charged by the parent Company on loans advanced to its subsidiary; APD Limited. The asset management fees are earned by AXA Mansard Investments Limited in respect of funds managed on behalf of the Group.

Notes to the consolidated and separate financial stataments

48 Cashflow workings

	Group Dec-23	Group Dec-22 *Restated	Parent Dec-23	Parent Dec-22 *Restated
a Cash premium received				
Opening premium receivables -gross	7,473,045	5,955,650	135,343	138,744
Gross premium income for the year	87,203,623	68,980,045	52,171,844	41,232,119
Premium received in 2021 with respect to 2022 policies	(2,812,408)	(2,327,761)	(2,812,408)	(2,327,761)
Closing balance of premium receivables- gross	(5,249,523)	(7,473,045)	(97,199)	(135,343)
	86,614,737	**65,134,889**	**49,397,580**	**38,907,759**
Changes in impairment				
Opening impairment	(427,604)	(171,854)	(184,867)	(29,117)
Closing impairment	(772,741)	(427,604)	(169,542)	(184,867)
Changes in impairment during the year	(345,137)	(255,750)	15,325	(155,750)
Cash premiums received	**86,269,600**	**64,879,139**	**49,412,905**	**38,752,009**
b Cash paid as reinsurance premium				
Opening balance of reinsurance payables	1,583,222	1,020,603	1,583,222	666,863
Reinsurance expenses	24,349,109	23,310,350	24,016,810	23,041,126
Closing balance of reinsurance payables	(1,905,552)	(1,583,222)	(1,438,053)	(1,583,222)
Cash paid to reinsurers during the year	**24,026,779**	**22,747,731**	**24,161,979**	**22,124,767**
c Fee income received				
Closing deferred commission income	1,252,716	801,267	536,493	272,689
Commission income during the year	2,700,867	2,397,298	2,700,867	2,397,298
Opening deferred commission income	(801,267)	(931,062)	(272,689)	(295,895)
Fee/commission income received during the year	**3,152,316**	**2,267,503**	**2,964,671**	**2,374,092**
d Cash received from reinsurers on recoveries for claims paid				
Opening re-insurers receivables on claims paid	1,247,410	1,509,789	1,169,800	1,381,879
Re insurers recoveries recognised during the year	2,313,421	4,943,058	1,930,614	4,784,095
Closing re-insurers receivables on claims paid	(1,809,880)	(1,247,410)	(1,587,516)	(1,169,800)
Cash received from re insurers on recoveries for claims paid	**1,750,951**	**5,205,437**	**1,512,898**	**4,996,174**

Notes to the consolidated and separate financial stataments

		Group Dec-23	Group Dec-22 *Restated	Parent Dec-23	Parent Dec-22 *Restated
e	**Underwriting expenses paid**				
	Opening balance due to agents and brokers	6,186,176	4,574,061	6,110,990	4,221,962
	Acquisition costs	4,421,287	3,675,073	4,483,006	3,733,701
	Maintenance costs paid	2,856,016	1,770,250	1,092,794	874,779
	Closing balance due to agents and brokers	(9,245,286)	(6,186,176)	(9,245,286)	(6,110,990)
	Underwriting expenses paid	**4,218,193**	**3,833,208**	**2,441,504**	**2,719,452**
f	**Employee benefits paid**				
	Wages and salaries paid	3,894,245	4,000,586	1,820,247	1,804,653
	Other employee costs paid	700,596	187,885	553,097	132,950
	Pension costs – defined contribution plans paid	106,166	103,265	80,256	77,447
	Performance-based expense paid (see analysis in g below)	445,894	658,318	451,866	503,153
		5,146,901	**4,950,054**	**2,905,466**	**2,518,203**
g	*Performance-based expense paid:*				
	Opening balance of accrued performance related expenses	421,861	552,709	425,362	450,454
	Performance pay accrued for during the year	649,022	527,470	481,140	478,061
	Closing balance of accrued performance related expenses	(624,989)	(421,861)	(454,636)	(425,362)
	Performance-based expense paid	**445,894**	**658,318**	**451,866**	**503,153**
h	**Other operating expenses paid**				
	Opening provision for accrued expenses excluding accrued performance related expenses in 9a above	1,235,972	1,951,937	995,788	1,455,002
	Opening Prepayment	1,451,167	988,150	746,791	522,838
	Total other operating expenses	5,622,807	4,203,650	3,871,487	3,068,280
	Expenses for marketing and admin	2,642,450	1,656,757	2,389,623	1,896,221
	Closing provision for accrued expenses excl perf pay	3,113,222	2,079,694	1,759,331	1,846,512
	Closing Prepayment	(1,573,334)	(1,451,167)	(762,787)	(746,791)
	Total cash paid	**12,492,283**	**9,429,021**	**9,000,233**	**8,042,062**
i	**Dividend received**				
	Opening Balance	429,834	420,374	1,399,775	227,428
	Dividend recognised during the year	899,481	1,625,343	568,400	3,329,820
	Closing Balance	(838,951)	(429,834)	(829,378)	(1,399,775)
		490,364	**1,615,883**	**1,138,797**	**2,157,473**
j	**Investment Income Received**				
	Opening Balance	318,564	751,649	177,344	843,067
	Inv Income recognised during the year	4,160,804	3,423,251	3,707,379	3,143,809
	Closing Balance	(240,213)	(318,564)	(96,040)	(177,344)
		4,239,155	**3,856,336**	**3,788,683**	**3,809,532**

Notes to the consolidated and separate financial stataments

k Rent Received

	Group Dec-23	Group Dec-22 *Restated	Parent Dec-23	Parent Dec-22 *Restated
Opening deferred income	199,476	278,841	-	-
Rental income (note 32)	832,564	872,629	-	-
Closing Deferred income	(188,139)	(199,476)	-	-
	843,901	**951,994**	**-**	**-**

L Dividend paid

	Group Dec-23	Group Dec-22 *Restated	Parent Dec-23	Parent Dec-22 *Restated
Final dividend paid	(2,700,000)	(2,250,000)	(2,700,000)	(2,250,000)
Interim dividend	(540,000)	(540,000)	(540,000)	(540,000)
	(3,240,000)	**(2,790,000)**	**(3,240,000)**	**(2,790,000)**

49 Contraventions

The Group and company have complied with laws and regulations regulating its activities except for the payment of fines to NAICOM to the tune of N30.1million (2022: Nil). This was due to the company contravening the provisions of the insurance act.

The contraventions were due to the expired licences held by the company's agents and brokers.

AXA Mansard Insurance Plc and Subsidiary Companies

Other National Disclosures

APPENDIX 1 A (FIVE YEAR FINANCIAL SUMMARY)
(All amounts in thousands of Naira unless otherwise stated)
Group

STATEMENT OF FINANCIAL POSITION	Dec-23	Dec-2022 *Restated	Dec-2021 *Restated	Dec-2020	Dec-2019
	N' 000	N' 000	N' 000	N' 000	N' 000
ASSETS					
Cash and cash equivalents	26,173,322	13,469,877	17,343,344	20,251,719	17,911,416
Investment securities:	-	-	-		
– Fair value through profit or loss	11,056,259	8,700,392	8,942,514	5,407,073	5,302,005
– Fair value through OCI	42,132,258	34,764,986	29,818,546	31,102,632	27,836,825
Financial assets designated at fair value	2,496,669	2,505,441	4,374,805	4,485,246	4,154,695
Reinsurance contract assets	17,512,872	11,941,456	11,057,052	6,668,899	5,418,424
Trade receivable	5,528,269	7,791,783	7,013,359	6,499,653	8,974,246
Other receivables	4,515,984	3,507,639	3,929,886	1,286,603	1,548,652
Loans and receivables	4,369,661	3,773,985	1,655,085	415,717	331,047
Investment property	20,874,577	14,009,209	14,560,934	470,272	403,548
Investment in subsidiaries	-	-	-	13,694,760	15,801,949
Intangible assets	955,750	445,595	400,647	330,017	1,580,297
Property and equipment	3,827,521	3,099,565	2,802,458	2,428,288	1,989,781
Right-of-use asset	1,185,740	783,504	797,757	898,841	535,863
Statutory deposit	500,000	500,000	500,000	500,000	500,000
TOTAL ASSETS	**141,128,882**	**105,293,431**	**103,196,387**	**94,439,720**	**92,288,748**
LIABILITIES					
Insurance contract liabilities	50,656,634	39,083,225	35,607,257	29,597,844	25,162,941
Reinsurance contract liabilities	1,972,354	1,524,507	1,020,603		
Investment contract liabilities:	-	-	-	5,153,521	4,275,765
– At amortised cost	9,713,052	9,065,180	6,868,168	4,485,246	4,154,695
– Liabilities designated at fair value	2,496,669	2,505,441	4,374,805	2,994,361	6,965,804
Trade payable	10,773,177	6,617,307	5,636,130	9,111,737	16,567,712
Other liabilities	5,587,185	3,604,878	4,513,365	2,936,095	3,305,822
Other technical liabilities	8,813,122	5,617,958	4,877,788		
Current income tax liabilities	1,858,041	1,129,928	1,962,020	1,648,795	935,546
Borrowings	5,257,670	2,180,878	2,454,143	818,666	841,496
Deferred tax liability	2,581,346	855,631	932,573		
TOTAL LIABILITIES	**99,709,250**	**72,184,933**	**68,246,852**	**56,746,265**	**62,209,781**
EQUITY					
Share capital	18,000,000	18,000,000	18,000,000	18,000,000	5,250,000
Share premium	78,255	78,255	78,255	-	4,443,453
Contingency reserve	6,516,717	5,118,869	4,816,716	4,345,125	4,270,458
Treasury shares	(111,476)	(111,476)	(111,476)	167,381	2,687,483
Fair value reserves	(1,922,537)	(1,193,180)	168,981	(304,924)	(304,924)
Insurance finance reserve	(725)	50,072	57,180	6,470,482	7,832,957
Retained earnings	14,188,436	7,059,009	7,618,988	5,264,806	1,080,718
SHAREHOLDERS' FUNDS	**36,748,670**	**29,001,549**	**30,628,644**	**33,942,870**	**25,260,145**
Total equity attributable to the owners of the parent	36,748,670	29,001,549	30,628,644	33,942,870	25,260,145
Non-controlling interests in equity	4,670,962	4,106,949	4,320,891	3,750,585	4,818,822
TOTAL EQUITY	**41,419,632**	**33,108,498**	**34,949,535**	**37,693,455**	**30,078,967**
TOTAL LIABILITIES AND EQUITY	**141,128,882**	**105,293,431**	**103,196,387**	**94,439,720**	**92,288,748**

STATEMENT OF COMPREHENSIVE INCOME

	Dec-23	Dec-2022 *Restated	Dec-2021 *Restated	Dec-2020	Dec-2019
	N' 000	N' 000	N' 000	N' 000	N' 000
Insurance service results	11,269,553	8,045,507	9,229,916	7,437,132	6,118,066
Investment return	17,258,367	4,730,117	6,251,251	7,089,381	5,673,080
Profit before taxation	15,772,679	3,476,922	5,784,971	6,038,755	3,833,253
Taxation	(3,724,015)	(942,123)	(2,049,807)	(1,537,671)	(1,009,416)
Profit after taxation	12,048,664	2,534,799	3,735,164	4,540,337	2,823,837
Transfer to contingency reserve	1,397,848	302,153	471,591	74,667	131,368
Earnings per share- Basic (kobo)	128	31	35	14	11
Earnings per share- Diluted (kobo)	128	31	35	14	11

APPENDIX 1 A (FIVE YEAR FINANCIAL SUMMARY)

(All amounts in thousands of Naira unless otherwise stated)

Parent

STATEMENT OF FINANCIAL POSITION	**Dec-23**	**Dec-2022 *Restated**	**Dec-2021 *Restated**	**Dec-2020**	**Dec-2019**
	N' 000	**N' 000**	**N' 000**	**N' 000**	**N' 000**
ASSETS					
Cash and cash equivalents	26,173,482	13,469,877	17,343,344	16,575,948	16,133,274
Investment securities:					
– Fair value through profit or loss	11,056,260	8,700,392	8,942,514	5,407,073	5,302,005
– Fair value through OCI	38,739,047	34,764,986	29,818,546	27,764,440	22,032,646
Financial assets designated at fair value	2,580,777	2,505,441	4,374,805	4,485,246	4,154,695
Reinsurance contract assets	17,934,159	11,801,227	11,025,344	6,327,265	8,895,612
Trade receivable	5,817,186	7,791,783	7,013,359	1,043,004	1,224,373
Deferred acquisition cost	-	-	-	346,212	321,055
Other receivables	4,516,879	3,507,639	3,929,886	726,911	801,891
Loans and receivables	4,368,990	3,773,985	1,655,085	1,014,377	882,168
Investment property	20,874,577	14,009,209	14,560,934	-	1,350,000
Investment in subsidiaries	-	-	-	1,652,000	3,537,247
Intangible assets	955,750	445,595	400,647	305,443	215,450
Property and equipment	3,827,521	3,099,565	2,802,458	2,154,801	1,784,543
Right-of-use asset	982,036	783,504	797,757	722,803	462,082
Statutory deposit	500,000	500,000	500,000	500,000	500,000
TOTAL ASSETS	**138,326,665**	**105,153,202**	**103,164,679**	**69,025,523**	**67,597,041**
LIABILITIES					
Insurance contract liabilities	55,168,584	43,003,773	35,558,930	19,550,486	17,491,746
Reinsurance contract liabilities	1,981,601	1,524,507	1,020,603	-	-
Investment contract liabilities:				-	
– At amortised cost	3,346,962	4,211,201	6,868,168	5,153,521	4,275,765
– Liabilities designated at fair value	2,580,777	2,505,441	4,374,805	4,485,246	4,154,695
Trade payable	13,797,675	9,422,857	8,186,157	8,947,445	16,478,545
Other liabilities	11,530,617	6,417,286	6,841,126	1,393,590	1,894,835
Current income tax liabilities	1,839,666	1,129,928	1,962,020	125,911	203,650
Borrowings	5,257,670	2,180,878	2,454,143	-	-
Deferred tax liability	2,581,346	855,631	932,573	-	-
TOTAL LIABILITIES	**98,084,898**	**71,251,502**	**68,198,525**	**39,656,199**	**44,499,236**
EQUITY					
Share capital	18,000,000	18,000,000	18,000,000	18,000,000	5,250,000
Share premium	78,255	78,255	78,255	-	4,443,453
Contingency reserve	5,292,011	5,118,869	4,816,716	4,345,125	4,270,458
Other reserves	-	-	-	167,381	2,652,077
Treasury shares	(111,476)	(111,476)	(111,476)	(304,924)	(304,924)
Fair value reserves	(1,270,055)	(98,992)	508,711	5,032,542	923,562
Insurance finance reserve	247,084	112,982	57,180	-	-
Retained earnings	13,334,986	6,695,113	7,295,877	2,129,200	5,863,179
SHAREHOLDERS' FUNDS		**29,794,751**	**30,645,263**	**29,369,324**	**23,097,805**
Total equity attributable to the owners of the parent	35,570,805	29,794,751	30,645,263	29,369,324	23,097,805
Non-controlling interests in equity	4,670,962	4,106,949	4,320,891	-	-
TOTAL EQUITY	**40,241,767**	**33,901,700**	**34,966,154**	**29,369,324**	**23,097,805**
TOTAL LIABILITIES AND EQUITY	**138,326,665**	**105,153,202**	**103,164,679**	**69,025,523**	**67,597,041**

STATEMENT OF COMPREHENSIVE INCOME

	Dec-23	**Dec-2022 *Restated**	**Dec-2021 *Restated**	**Dec-2020**	**Dec-2019**
	N' 000	**N' 000**	**N' 000**	**N' 000**	**N' 000**
Insurance service results	11,269,553	8,045,507	5,419,493	2,364,623	3,587,832
Investment return	17,258,367	4,730,117	5,107,387	6,205,116	7,303,233
Profit before taxation	15,772,679	3,476,922	3,114,551	2,553,366	4,978,919
Taxation	(3,724,015)	(942,123)	(623,858)	(80,111)	(139,589)
Profit after taxation	12,048,664	2,534,799	2,490,693	2,473,255	4,839,330
Transfer to contingency reserve	1,397,848	302,153	471,591	74,667	131,368
Earnings per share- Basic (kobo)	128	31	28	7	17
Earnings per share- Diluted (kobo)	128	31	28	7	16

APPENDIX 2 (Statement of Value Added)

(All amounts in thousands of Naira)

	Group				Parent			
	Dec 2023	%	Dec 2022 *Restated	%	Dec 2023	%	Dec 2022 *Restated	%
Insurance revenue	82,753,433		69,219,194		50,304,582		42,947,277	
Insurance service expenses & operating expenses - local	(57,268,305)		(45,986,633)		(28,478,765)		(27,936,083)	
Net expenses from reinsurance contracts held and other income	1,245,997		(9,182,454)		(7,526,306)		(4,351,146)	
Value added	**26,731,125**		**14,050,106**		**14,299,511**		**10,660,048**	
Applied to pay:								
Employee benefits	5,585,029	21%	4,899,730	35%	3,169,740	22%	2,573,635	33%
Government as tax	3,724,015	14%	942,123	7%	1,033,659	7%	557,030	2%
Retained in the business								
Contingency reserve	1,397,848	5%	302,153	2%	1,397,848	10%	302,153	2%
Depreciation and amortisation	1,271,784	5%	1,061,033	8%	1,079,276	8%	882,366	10%
Retained profit for the year	14,188,436	53%	7,059,009	50%	7,618,988	53%	6,344,864	53%
Non-controlling interest	564,013	2%	(213,942)	-2%	-	0%	-	0%
Value added	**26,731,125**	**100%**	**14,050,106**	**100%**	**14,299,511**	**100%**	**10,660,048**	**100%**