# SUNU ASSURANCES NIGERIA PLC

# EARNINGS FORECAST
# DECEMBER 31 2026

**SUNU ASSURANCES NIGERIA PLC**

**EARNING FORECAST FOR THE YEAR ENDING DECEMBER 31 2026**

**ASSUMPTIONS**

1. Gross Premium Written for the year ending 31 December 2026 was projected at ₦17.07 billion representing 0.36% growth over ₦17 billion in 2025. This translates to 15.78% increase above ₦14.74 billion projected for the period ended 30 September 2026

2. Gross claims incurred relating to businesses of 2026 underwriting year was projected based on 3 years claims experience.

3. Investment income arising from placement with banks, treasury bills and statutory deposits with central bank was projected at an average return on investment of 13.9%, 12.2% and 21.2% per annum respectively.

4. The following non cash transactions were included in the Statement of Profit or Loss and Other Comprehensive Income

   - Provision for Depreciation in line with the Company's depreciation policy
   - Amortization of investment in Equity Resort Hotel based on the remaining concession year
   - Amortization of intangible assets
   - Impairment on placement and treasury bills

5. The underwriting expenses were projected as indicated below:

   (i) Commission expenses was projected at 19.80% of Gross Premium Income
   (ii) Claims incurred was arrived at after taking cognizance of claims recovered from reinsurers, salvages and adjustment for outstanding claims and related recoveries
   (iii) Maintenance expenses was projected at 3.56% of gross premium written

6. Accretion to Contingency reserve was based on 3% of Gross Premium Written

SUNU ASSURANCES NIGERIA PLC

## EARNING FORECAST
## FOR THE YEAR ENDING DECEMBER 31 2026

| | ₦ |
|---|---|
| Insurance Revenue | 16,187,889,565 |
| Insurance Service Expenses | (8,772,969,874) |
| Net Expenses from Reinsurance Contract | (3,307,513,016) |
| **Insurance service result** | **4,107,406,674** |
| | |
| Profit from concessionary arrangement | 33,358,000 |
| Investment income | 1,894,739,808 |
| Net fair value gains/(loss) on financial assets | 168,053,558 |
| Other operating income | (121,967,000) |
| Foreign Exchange Gains/(Loss) | - |
| Impairment loss | (69,642,649) |
| Operating expenses | (4,513,705,383) |
| **Results of operating activities** | **1,498,243,008** |
| | |
| **Profit/(loss) before tax** | **1,498,243,008** |
| | |
| Income tax | (261,415,136) |
| | |
| **Profit/(loss) for the year** | **1,236,827,872** |

**SUNU ASSURANCES NIGERIA PLC**

**CASHFLOW FORECAST**
**AS AT THE YEAR ENDING DECEMBER 31 2026**

| | |
|---|---|
| **Cashflow from Operating Activities** | **₦** |
| Premium Received from policy holders | 16,591,616,933 |
| Commission paid | (3,060,379,653) |
| Reinsurance premium paid | (4,887,241,791) |
| Direct Claims paid | (4,334,554,257) |
| Cash paid to and on behalf of employees | (1,834,412,234) |
| Other operating cash payments | (3,157,760,280) |
| Interest & dividend received | 209,738,326 |
| Company's income tax paid | (333,481,343) |
| **Net Cash flows from operating activities** | **(806,474,298)** |
| **Cash from Investing Activities** | |
| Purchase of fixed assets | (618,920,000) |
| Proceed from sale of fixed assets | 1,663,467 |
| (Purchase)/Redemption of investment | 8,368,204,654 |
| **Net cash flows from investing activities** | **7,750,948,121** |
| **Cash Flow from Financing Activities** | |
| Equity Capital Increase | 9,334,000,000 |
| Dividend paid to shareholders | - |
| **Net cashflows from financing activities** | **9,334,000,000** |
| Net increase/(decrease) in cash and cash equivalent | 16,278,473,823 |
| Cash and cash equivalent at the beginning of the year | 11,408,486,466 |
| **Cash and cash equivalent at the end of the period** | **27,686,960,289** |
| **Cash and cash equivalent** | |
| Cash and bank balances | 394,007,345 |
| Short Term Placements | 27,292,952,944 |
| **Cash and cash equivalent at the end of the period** | **27,686,960,289** |