

# **INTERNATIONAL ENERGY INSURANCE PLC**

**AUDITED FINANCIAL STATEMENTS**  
for the year ended December 31 2025

**DOYIN OWOLABI & CO.**  
(Chartered Accountants)  
14, Falolu Street,  
Off Itire Road,  
Surulere,  
Lagos.

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**Corporate Information**

<b>Directors</b>	Alhaji Bukar Goni Aji, OON, CFR Mr. Olasupo Sogelola Mr. Anthony Uzodinma Edeh Alhaji Mohammed N. Mijindadi Dr. Chamberlain S. Peterside Dr. Adeyinka Hassan Mr. Oluwateniola O. Eleoramo Dr. Joyce Odiachi	Chairman Managing Director/CEO - Resigned on 11th November, 2025 Non-Executive Director Non-Executive Director Independent Non-Executive Director Non-Executive Director Non-Executive Director Ag. Managing Director - Appointed on 11th November, 2025
<b>Company Secretary</b>	Detail Nominees Company FRC/2014/00000004789 DCS Place, 8, DCS Street, Off Remi Olowude Way Lekki Phase 1, Lagos	
<b>Registered Office</b>	FF Towers, 13/14, Ligali Ayorinde Street, 9th Floor, Victoria Island, Lagos	
<b>RC No</b>	6126	
<b>FRC Number</b>	FRC/2012/00000000374	
<b>Solicitors</b>	AARNDALE 15, Adedeji Adekola Street. Off Freedom Way Lekki Phase 1, Lagos  Solola & Akpana 3B, Tokunbo Omisore Street, Off Wole Olateju, Lekki Phase 1, Lagos	
<b>Auditors</b>	Doyin Owolabi & Co. (Chartered Accountants) FRC/2012/PRO/ICAN/004/00000000101 14, Falolu Street, Surulere, Lagos.	
<b>Bankers</b>	Keystone Bank Limited United Bank for Africa Plc. Zenith Bank Plc. First Bank of Nigeria Access Bank Plc. GT Bank Plc. Clearpay Microfinance Bank Limited	
<b>Actuaries</b>	Wayne van Jaarsveld (FIA FASSA) FRC/2022/002/00000024507 Alexander Forbes Nigeria Limited P.O. Box 74858, 3rd Floor, Lennox Mall Block 10 Plot 283, Admiralty Way, Lekki 1, Lagos	
<b>Tax Identification Number</b>	01399975-0001	
<b>Registrars</b>	Meristem Registrars Limited 213 Herbert Macaulay Way, Yaba, Lagos	

**Financial Highlights**

for the year ended 31 December 2025

**FINANCIAL POSITION**

In thousands of naira

	31-Dec-25	31-Dec-24	Changes	%
Cash and cash equivalents	7,359,813	5,321,370	2,038,443	38
Financial assets	972,004	1,046,139	(74,135)	(7)
Premium receivables	26,095	19,978	6,118	31
Other receivables and prepayments	342,251	280,714	61,537	22
Reinsurance contract assets	169,858	273,692	(103,834)	(38)
Investment properties	5,220,000	8,275,056	(3,055,056)	(37)
Intangible assets	317,073	227,822	89,251	39
Property, plant and equipment	728,366	1,087,477	(359,111)	(33)
Statutory deposit	322,500	322,500	-	-
<b>Total Assets</b>	<b>15,457,961</b>	<b>16,854,747</b>		

Insurance contract liabilities	1,330,864	2,367,897	(1,037,032)	(44)
Other Technical liabilities	7,046	215,538	(208,493)	(97)
Provisions and other payables	1,556,670	2,760,812	(1,204,142)	(44)
Current income tax payable	544,006	337,026	206,980	61
Deferred tax liabilities	-	206,209	(206,209)	(100.00)
Lease obligations	-	9,004	(9,004)	(100)
Borrowings	2,778,099	16,494,183	(13,716,084)	(83.16)
Deposit for shares	-	2,066,039	(2,066,039)	(100)
<b>Total liabilities</b>	<b>6,216,685</b>	<b>24,456,708</b>		

Share capital	1,267,043	642,043	625,000	97.35
Share premium	2,338,097	963,097	1,375,000	142.77
Other Reserves	5,636,136	(9,207,101)	14,843,236	(161)
<b>Total Equity</b>	<b>9,241,276</b>	<b>(7,601,961)</b>		

<b>Total liabilities and equity</b>	<b>15,457,961</b>	<b>16,854,747</b>		
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**INCOME STATEMENT**

	31-Dec-25	31-Dec-24	Changes	%
Insurance Revenue	4,689,427	5,625,358	(935,931)	(17)
Insurance Service expenses	(2,217,690)	(1,875,778)	(341,912)	18
Net expenses on Reinsurance contracts	(560,614)	(332,610)	(228,004)	69
<b>Insurance Service Result</b>	<b>1,911,123</b>	<b>3,416,971</b>	<b>(1,505,847)</b>	<b>(44)</b>
Investment return	1,349,617	2,496,124	(1,146,507)	(46)
Operating expenses and other expenses	(2,236,554)	(3,273,625)	1,037,071	(32)
Profit on disposal of associate company	-	523,478		
<b>Profit before taxation</b>	<b>1,024,186</b>	<b>3,162,948</b>	<b>1,037,071</b>	
Income tax expense	(155,519)	(208,590)	53,071	(25)
<b>Profit for the year after tax</b>	<b>868,667</b>	<b>2,954,358</b>	<b>1,090,142</b>	
Total other comprehensive income/(loss) for the year ended	(118,271)	-	(118,271)	
<b>Total comprehensive income/(loss) for the year ended</b>	<b>750,396</b>	<b>2,954,358</b>	<b>971,871</b>	

Earnings per share (Kobo)	34	230	(196)	(85)
Basic and diluted earnings per share (Kobo)	34	230	(196)	(85)

Shareholding Structure and Free float Status  
for the year ended 31 December 2025

Company name  
Year end  
Reporting Period  
Share Price at end of reporting period

International Energy Insurance Plc  
31st December  
31-Dec-25  
N2.50 (31 December 2024: N1.70)

Description	31-Dec-25		31-Dec-24	
	Units	Percentage (in relation to Issued Share Capital)	Units	Percentage (in relation to Issued Share Capital)
<b>Substantiated Shareholding (5% &amp; above)</b>				
NORRENBERGER ADVISORY PARTNERS	1,907,098,995	75.26%	657,098,995	51.17%
ENEH CHINYERE	78,794,058	3.11%	78,794,058	6.14%
<b>Substantial Shareholding</b>	<b>1,985,893,053</b>	<b>78.37%</b>	<b>735,893,053</b>	<b>57.31%</b>
<b>Directors Shareholding (Direct &amp; Indirect), Excluding directors with Substantial interests</b>				
	-	0.00%	0.00%	0.0000%
<b>Total Directors' Shareholding</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Details of Other influential shareholdings, if any (E.g. Government, Promoters)</b>				
BAYELSA STATE GOVERNMENT	6,582,000	0.26%	6,582,000	0.51%
AIMS ASSET MANAGEMENT LIMITED	5,069,408	0.20%	5,069,408	0.40%
STANBIC NOM,/AMCON/BANK PHB PLC	1,606,487	0.06%	1,606,487	0.13%
<b>Total of Other Influential Shareholdings</b>	<b>13,257,895</b>	<b>0.52%</b>	<b>13,257,895</b>	<b>1.03%</b>
<b>Free Float in Units and percentage</b>	<b>534,914,541</b>	<b>21.11%</b>	<b>534,914,541</b>	<b>41.66%</b>
<b>Total</b>	<b>2,534,065,489</b>	<b>100%</b>	<b>1,284,065,489</b>	<b>100%</b>
<b>Free Float in value</b>	<b>N1,337,286,352.50k</b>		<b>N909,354,719.70k</b>	

**Declaration:**

(A) International Energy Insurance Plc with a free float percentage of 21.11% as at 31 December 2025, is compliant with The Exchange's Free Float requirements for companies listed on the Main Board.

(B) International Energy Insurance Plc with a free float value of N1,337,286,352.50k as at 31st December 2025, is compliant with The Exchange's Free Float requirements for companies listed on the Main Board

**Securities Trading Policy**

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) International Energy Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorised as insiders as to their dealings in the company's securities. The policy is periodically reviewed by the Board and updated. The Company has made specific inquiries to all its director and other insiders and is not ware of any infringement of the policy during the period under review.

**Rules Governing Free Float Requirements**

**In accordance with Rule 2,2 - Rules Governing Free Float Requirement:**

**International Energy Insurance Plc complies with the Exchange's free Float requirement.**

## Directors' Report

For the year ended 31st December 2025

The Directors present their Financial Statements on the affairs of **International Energy Insurance Plc** ("The Company") together with the Company Audited Financial Statements and the Auditors' Report for the year ended December 31, 2025.

### Principal activities and Business review

The principal activities of International Energy Insurance Plc are the provision of general business risk underwriting and related financial services to corporate and retail customers.

### Operating results:

The following is a summary of the Company's operating results:

*In thousands of naira*

	Dec-25	Dec-24
<b>Profit before income tax expense</b>	<b>1,024,186</b>	<b>3,162,948</b>
Income tax expense	(155,519)	(208,590)
<b>Profit for the year</b>	<b>868,667</b>	<b>2,954,358</b>
Other comprehensive income for the year, net of tax	(118,271)	219,874
<b>Total comprehensive income for the year</b>	<b>750,396</b>	<b>3,174,232</b>

### Board of Directors

The following are members of the Board of Directors who held office during the year and at the date of this report, these directors were:

Alhaji Buka Goni Aji, OON, CFR	Chairman
Mr. Olasupo Sogelola	Managing Director/CEO - Resigned on 11th November, 2025
Dr. Joyce Odiachi	Ag. Managing Director - Appointed on 11th November, 2025
Mr. Anthony Uzodinma Edeh	Non-Executive Director
Alhaji Mohammed N. Mijindadi	Non-Executive Director
Dr. Chamberlain S. Peterside	Independent Non-Executive Director
Dr. Adeyinka Hassan	Non-Executive Director
Mr. Oluwateniola O. Eleoramo	Non-Executive Director

### Directors' interest in contracts

The disclosure that Dr. Adeyinka Hassan is the Managing Partner at H. Michael & Co, the Company's Legal Advisers. Declaration was made in pursuant to Section 303 of the Companies and Allied Matters Act, 2020.

### Directors' interest in shares

The Directors had no interest in, nor held shares in the Company.

### Agents and Brokers

The Company maintains a network of licensed agents. The Company also renders services directly to its customers as well as through a varied network of brokers who are licensed by the National Insurance Commission (NAICOM) contracts during the year.

## Directors' Report (Continued)

### Complaints Management Policy Framework

Complaint Management Policy has been prepared in compliance with the requirement of the Nigerian Capital Market (SEC Rules) issued by the Securities & Exchange Commission and the Nigerian Stock Exchange Directives (the NSE Directives) as well as in recognition of the importance of effective engagement in promoting shareholders/investors' confidence in the Company and the capital market.

### Reinsurance

The Company had reinsurance treaty arrangements with the following companies during the year ended:

African Reinsurance Corporation	Continental Reinsurance Plc.
FBS Reinsurance Limited	Nigerian Reinsurance Corporation
NCA Reinsurance Company	ZEP Reinsurance Company
CICA Reinsurance Company	

### Post balance sheet events

There has been no material change in the Company's financial position since 31st December 2025 that would have affected the true and fair view of the Company's state of affairs as at that date.

### Property and Equipment

Investment in property and equipment during the period is limited to the amounts shown in the Note 26 to the financial statements. In the opinion of the directors, the market value of property and equipment is not less than the value indicated in the financial statements.

### Research and Development

The Company is not involved in any research and development activities.

### Employment and Employees:

#### *Employment of disabled persons*

The Company believes in giving full and fair consideration to all current and prospective staff. No disabled person (2024: Nil) is currently employed by The Company. There are procedures in respect for those employees who became disabled, to be assigned duties that are commensurate to their disabilities.

#### *Employees' Involvement and Training*

The Company is committed to keeping employees fully informed as much as possible regarding the Company's performance and progress. Views of employees are sought, where practicable, on matters which particularly affect them as employees. The Company runs an open door management policy. Management, professional and technical expertise are the Company's major assets and investment in developing such skills is continuous. The Company's expanding skills base is being brought about by a wide range of in-house and external training. Opportunities for career development within the Company have also been broadened. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of these schemes include productivity bonus, promotion and salary review.

**Employees' health, safety and environment**

The Company places a high premium on the health and welfare of its employees. Medical facilities are provided for the staff and their families at private hospitals retained within the respective localities of the staff residence through Company's appointed Health Management Organization (HMO). Firefighting equipment has also been installed in strategic positions within the offices of the Company. The Company incurred a sum of N41.50million (Dec 2024: N29.5 million) in providing such medical benefits during the period.

**Dividend**

The Directors do not recommend payment of any dividend for the year ended December 31, 2025 (2024: Nil)

**Donations/Sponsorship**

Donations during the year ended 31st December 2025 amounted to N16.9million (2024: N10.8million) as follows:

*In thousands of naira*

	<b>Dec-25</b>
Nnmadi Azikwe University, Awka	3,745
National Association of Nigeria Travel Agencies (NANTA)	400
The Nigerian Council of Registered Insurance Brokers (NCRIB)	9,000
Actuarial Science and Insurance Students Association	250
Chartered Insurance Institute of Nigeria (CIIN)	2,480
Centre for Enterprise Governance	1,000
	<b>16,875</b>

*In thousands of naira*

	<b>Dec-24</b>
Chartered Insurance Institute of Nigeria (CIIN)	2,300
Amalgamated Union of APP- Based Transporters of Nigeria	500
Professional Insurance Ladies Association (PILA)	500
The Nigerian Council of Registered Insurance Brokers (NCRIB)	2,500
Cross Rivers State Carnival Commission (Calabar Carnival)	5,000
	<b>10,800</b>

**Auditors**

Messrs Doyin Owolabi & Co. (Chartered Accountants) have indicated their willingness to continue in office as Auditors to the Company and have therefore been re-appointed in accordance with Section 401 (2) of the Companies and Allied Matters Act of Nigeria.

**BY THE ORDER OF THE BOARD OF DIRECTORS**

 **DETAIL NOMINEES**

**Company Secretary**  
Detail Nominees Company  
FRC/2014/00000004789  
Lagos, Nigeria  
**10th March, 2026**

**Management Discussion and Analysis**  
**For the year ended 31st December 2025**

**Management objectives**

This Management Discussion and Analysis (“MD & A”) is designed to provide the readers with an overview of the Company’s profile, business strategies, performance update and its forward-looking statements.

The Management Discussion and Analysis has been prepared as at 31 December 2025 and should be read in conjunction with the audited financial statements and the related notes to the audited financial statements.

International Energy Insurance Plc is a registered Company incorporated in Nigeria and its major business activities are provision of Insurance risk underwriting to Public Sector, corporate and individuals customers in Nigeria. The Company is also established and run in such a way that it will become one of the major operators in the Insurance Industry in Nigeria with future outlook to expand and to diversify its business.

Management focus in the period to come is to adopt initiatives and actions that will guarantee the growth of the Company including introducing additional capital necessary to reposition the Company

**Business Strategy of the Company and Overall Performance**

IEI Plc is running a (5) five year strategic cycle plan from 2023 - 2027. Our ambition is to be a major key player in the Insurance Industry in Nigeria, focusing on more revenue generation and market share within the corporate and retail market segments. We would pay more attention to improving Operational Efficiency to deliver quality service, Simple and unique customer experience across all selling points. We will seek to maintain best practice in business ethics. Our Brokers remain our biggest partners, we would strive to strengthen our relationships with them. We will continue to grow the market by pursuing new customer segments and distribution channels. We can only serve these new segments by understanding the customer and coming up with innovative products that meet their needs, that is within their budget and easily accessible. We believe that the Retail and Travel Insurance segments will deliver the next phase of our growth. We would work towards driving insurance uptake by segment by becoming the Insurer they think of in moments that matter.

**Financial performance**

The following is a summary of the Company’s operating results:

<i>In thousands of naira</i>	<b>Dec-25</b>	<b>Dec-24</b>	<b>Changes</b>	<b>%</b>
Insurance Revenue	4,689,427	5,625,358	(935,931)	(17)
Insurance Service Result	1,911,123	3,416,971	(1,505,847)	(44)
Net Investment Income	1,111,865	2,470,979	(1,359,115)	(55)
Other Income	255,509	60,358	195,151	323
Operating expenses including employee benefit expenses	(2,157,835)	(2,657,340)	499,505	(19)
Profit before tax	1,024,186	3,162,948	(2,138,762)	(68)
Earnings per share in kobo	34	230	(196)	(85)

The Company reported profit of N1.024Billion for the year ended 31st December 2025 compared to the profit of N3.162Billion experienced in the prior year 2024 and Insurance Revenue declined by 17% compared to that of 2024.

## **Management Discussion and Analysis (Continued)**

The Company reported an insurance result at the end of the year amounted to an insurance service result of N1.911Billion compare to an insurance service result of N3.416Billion reported during the year ended of 31st December 2025.

Operating expenses for the period ended totalled N2.150Billion (31st December 2024: N2.657Billion), representing 19% decrease when compared to prior year expense. The Company has continued to put structures in place to ensure costs 220 incurred are optimised and value created.

### **Forward Looking Statements**

The Management Discussion and Analysis contains factual statements relating to International Energy Insurance Plc's 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. These statement reflect management's current belief and are based on information available to International Energy Insurance Plc and are subject to certain risk, uncertainties and assumptions.

Some aspects of the statement above relate to the Company's future outlook. Reference to the Company's or Management's budget, estimates, expectations, forecasts, predictions or projections constitute aspect of the "forward looking statements". Such statements may also be deduced from the use of conditional or forward-looking terminologies including but not limited to words such as "anticipates", "believes", "estimates", "expects". "may", "plans", "projects", "should", "will", or the adverse varliants of such which appear within the body of this document.

Many factors and assumptions may affect the manifestation of the Company's projections, including, but not limited to, production rate, claims rate, employee turnover, relationships with brokers, agents and suppliers, economic and political conditions, non-compliance with laws or regulations by the Company's employees, brokers, agents, suppliers, and/or partners, and other factors that are beyond its control.

Without prejudice to the Company, such forward looking statements reflect Management's current belief and are based on available information which are subject to risks and uncertainties as identified. Therefore, the eventual action and /or outcome could differ materially from those expressed or implied in such forward-looking statements, or could affect the extent to which a particular projection materializes.

The forward-looking statements in this document reflect the Company's expectations at the time the Company's Board of Directors approved this document, and are subject to change after this date. The Company does not undertake any obligation to update publicly or to revise any such forward-looking statements, unless required by applicable legislation or regulation.

## Corporate Governance Report

The Board of Directors (the "Board") of International Energy Insurance Plc ("IEI" or "the Company") is firmly dedicated to maintaining exemplary standards in corporate governance, ethical conduct, and professionalism. The Board understands its core responsibility to nurture a corporate culture founded on integrity, openness, and accountability throughout the organisation. To achieve this, the Board vigilantly ensures adherence to all relevant ethical guidelines, laws, regulations, and sector-specific requirements governing the insurance industry in Nigeria, thus advancing the sustainable realisation of our corporate objectives.

In executing its responsibilities, the Board has consistently prioritised regulatory compliance and active engagement with relevant authorities. Through corporate governance reporting frameworks, the Board has ensured prompt communication and transparent disclosures to regulators, underscoring its steadfast commitment to ethical practices and transparency in business operations.

The Company operates within a comprehensive regulatory framework guided by the laws under which it was established. The Company adheres to corporate governance codes and directives implemented by key regulatory bodies including the National Insurance Commission ("NAICOM"), the Financial Reporting Council of Nigeria ("FRCN"), the Nigerian Exchange Group ("NGX"), the Securities and Exchange Commission ("SEC"), and the Corporate Affairs Commission ("CAC"). Additionally, IEI aligns its governance protocols with internationally recognised best practices to ensure operational excellence and promote long-term sustainability.

At IEI, good corporate governance is perceived as more than just a regulatory requirement; it is a strategic asset essential for building stakeholder trust, enhancing business' resilience, and gaining a competitive edge. Effective governance is deeply woven into IEI's daily operations, helping the Company strengthen client relationships, boost investor confidence, and solidify its position in the market. IEI continually adapts and improves its internal systems to address new risks and capitalise on emerging opportunities within its dynamic operating environment.

The Company operates within a comprehensive regulatory framework guided by the laws under which it was established. The Company adheres to corporate governance codes and directives implemented by key regulatory bodies including the National Insurance Commission ("NAICOM"), the Financial Reporting Council of Nigeria ("FRCN"), the Nigerian Exchange Group ("NGX"), the Securities and Exchange Commission ("SEC"), and the Corporate Affairs Commission ("CAC"). Additionally, IEI aligns its governance protocols with internationally recognised best practices to ensure operational excellence and promote long-term sustainability.

The Company has strengthened its business through strategic initiatives including targeted recruitment at both senior and junior levels, innovative product development, and the integration of technology into key business operations. These efforts have delivered measurable results such as increased premium income, enhanced public perception, and an expanding market share, reflecting the success of its growth strategy.

### STRENGTHENING CONTROLS AND ACCOUNTABILITY

The Company has reinforced its commitment to prudent risk management by elevating internal control systems to protect stakeholder interests and uphold operational integrity. As highlighted in the Statement of Directors' Responsibilities and accompanying financial disclosures, IEI adheres strictly to internationally recognised accounting standards, ensuring that financial reporting is accurate, transparent, and reliable. This robust risk management framework enables the Company to effectively identify, assess, and mitigate risks, thereby supporting sustainable and ethical business practices.

### ETHICAL STANDARDS

The Board remains unwavering in its dedication to ethical leadership and integrity throughout all facets of the Company's operations. IEI fosters a corporate culture where ethics and due process are integral to decision-making at every level. In alignment with this commitment, all directors and employees must disclose any potential conflicts of interest, especially those related to affiliations within the insurance sector. To uphold these standards, the Company has established a comprehensive framework of governance and ethics policies designed to guide behaviour and promote accountability across the entire organisation.

### CORPORATE STRUCTURE

#### Shareholders' Meeting

As provided in the Memorandum and Articles of Association of the Company, the shareholders are regarded as the highest decision-making authority in the Company, in accordance with the Company's commitment to achieve sound corporate governance practices. The Annual General Meeting ("AGM") of the Company, a statutory obligation, is to be held annually while an Extra-Ordinary General Meeting ("EGM") may be convened at the request of the Board or shareholders holding at least one-tenth, i.e., ten percent (10%) of the Company's paid-up share capital.

All shareholders and/or their duly appointed proxies are entitled to attend the meetings with adequate notice given to them to encourage shareholder participation.

The Company's 2025 AGM was scheduled to hold on Thursday, 10th April 2025 at Haitel Hotel Dutse, Government House Road, Dutse, Jigawa State, Nigeria. Prior to the AGM, the Company held a stakeholder engagement meeting with shareholders on Monday, 7th April 2025 to enlighten them on the resolutions to be deliberated upon and passed at the AGM. Following this stakeholder engagement meeting, the Company held its 2025 AGM on Thursday, 10th April 2025, with Thirty-Nine (39) shareholders attending in person, and one hundred and ninety (190) shareholders attending by proxy.

An EGM was scheduled to hold virtually on Wednesday, 31st December 2025. Similarly, in preparation for the EGM, the Company had a stakeholder engagement meeting with shareholders on Tuesday, 14th October 2025 to discuss the resolutions that were to be deliberated upon and passed at the EGM. Following this stakeholder engagement meeting, the Company held its EGM on Wednesday, 31st December 2025 with twenty-one (21) shareholders attending in person, and two hundred and seventy-eight (278) shareholders attending by proxy.

The Board of the Company has the overall responsibility of ensuring that the highest standards and principles of corporate governance are maintained and adhered to by the Company. The following structures have been put in place for the execution of an effective corporate governance strategy:

#### Governance Structure

The Board of Directors bears ultimate responsibility for ensuring that the Company adheres to the highest standards of corporate governance. In furtherance of this responsibility, the Company has instituted a multi-tiered governance framework comprising:

1. Board of Directors
2. Board Committees
3. Management and;
4. Consultants (where necessary)

## Corporate Governance Report

### BOARD OF DIRECTORS

During the year under review, the Board met to set policies for the operations of the Company and ensured that it maintained a professional relationship with the Company's Auditors to promote transparency in the financial and non-financial reporting of the Company.

The Board Members are:

S/No	Director	Designation
1.	Alhaji Bukar Goni Aji, OON, CFR	Chairman
2.	Dr. Chamberlain S. Peterside	Independent Non-Executive Director
3.	Mr. Anthony Uzodinma Edeh	Non-Executive Director
4.	Mr. Mohammed N. Mijindadi	Non- Executive Director
5.	Dr. Adeyinka Hassan	Non- Executive Director
6.	Mr. Oluwateniola O. Eleoramo	Non- Executive Director
7.	Mr. Olasupo Sogelola*	Managing Director/CEO
8.	Dr. Joyce Odiachi**	Executive Director, Technical / Acting MD/CEO
9	Detail Nominees Company	Company Secretary

\*Mr. Olasupo Sogelola resigned as the Managing Director/CEO ("MD/CEO") of the Company by a letter dated 11th November 2025 which was accepted by the Board by a resolution dated 21st November 2025.

\*\*Dr. Joyce Odiachi was appointed as Executive Director, Technical for the Company by a resolution dated 14th October 2025. Following Mr. Olasupo Sogelola's resignation as the MD/CEO of the Company, Dr. Joyce Odiachi assumed the role of Acting MD/CEO.

### ROLES OF THE CHAIRMAN AND MANAGING DIRECTOR

In compliance with the NAICOM Guidelines on Corporate Governance for the Insurance Industry ("NAICOM Guidelines") and the Nigerian Code of Corporate Governance, 2018, IEI maintains a clear delineation of the roles of the Chairman and the MD/CEO. This structure promotes an appropriate balance of power and ensures effective oversight.

The Chairman is primarily responsible for the leadership and overall effectiveness of the Board. Working closely with the MD/CEO and the Company Secretary, the Chairman sets the agenda for Board meetings and ensures that discussions are conducted in a structured and productive manner. The Chairman fosters a cohesive Board culture, thereby ensuring the availability of accurate and timely information to all the directors, and encouraging active participation and accountability. The Chairman also acts as the principal liaison between the Board and the MD/CEO and presides over the general meetings of the shareholders.

The MD/CEO is charged with the day-to-day management of the Company and is accountable for implementing the strategic objectives and policies approved by the Board. The MD/CEO leads the execution of the long-term business strategy of the Company, oversees the operational efficiency of the Company, and ensures that business decisions align with the Company's overall vision to deliver sustainable value to stakeholders.

By maintaining this separation of roles and clear delineation of responsibilities, the Company continues to enhance the effectiveness of its governance structure and decision-making processes.

### ROLE OF THE BOARD

The Board of Directors of the Company is charged with providing overall strategic direction and oversight to ensure the long-term success, sustainability, and ethical operation of the Company. It is responsible for promoting sustainable shareholder value while balancing the interests of all stakeholders, including regulators, employees, clients, and the wider community.

In discharging its oversight responsibilities, the Board:

- \* defines the Company's corporate strategy, objectives, and performance metrics, and monitors their implementation by Management.
- \* provides policy direction to Management and ensures alignment between short-term goals and the Company's long-term strategic vision.
- \* reviews and approves the annual budget and major business plans, including investments, acquisitions, and divestments.
- \* ensures the integrity and reliability of the Company's accounting and financial reporting systems, including the approval of quarterly, half-yearly, and annual
- \* oversees the internal control environment, ensuring that robust risk management and compliance frameworks are in place and effectively implemented.
- \* formulates and reviews risk policies to ensure that business growth is achieved in a controlled and sustainable manner.
- \* approves significant changes in accounting policies and practices in line with applicable standards and regulations.
- \* conducts performance evaluations of the Managing Director and Executive Management team.
- \* ensures that the Company's operations reflect high ethical standards and comply with all applicable laws and regulations.
- \* promotes transparency, disclosure, and effective communication with shareholders and other stakeholders

### BOARD MEETINGS

The Board meets every quarter to deliberate on key matters related to the Company's performance, strategic direction, risk oversight, and governance responsibilities. Emergency meetings are also convened as needed to address urgent issues requiring immediate attention.

In line with good governance practices, all directors receive timely notice of meetings, together with the agenda and comprehensive meeting packs, to enable adequate preparation and effective participation. Where a director is unable to attend a meeting, the meeting materials are still made available to such director, and they retain the right to provide input or raise concerns through the Chairman ahead of the meeting.

Where certain decisions of the Company require urgent actions between scheduled meetings, such decisions may be taken through written resolutions, as permitted under the Company's Articles of Association.

#### Directors' Board Meeting Attendance as at December 31, 2025

The record of the Directors' attendance at Board meetings during the period under review is as shown below.

The Board met ten (10) times in 2025 as shown below.

Corporate Governance Report

Key	
✓	Present
X	Absent

Board Meeting Dates

S/N	Names of Directors		Mar 10, 2025	Mar 25, 2025	Apr 09, 2025	Jun 17, 2025	Jun 23, 2025	Aug 07, 2025	Aug 28, 2025	Oct 31, 2025	Nov 21, 2025	Dec 31, 2025
1	Alhaji Bukar Goni Aji, OON, CFR	Chairman	✓	✓	X	✓	✓	✓	✓	✓	✓	X
2	Dr. Chamberlain S. Peterside	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr. Anthony Uzodinma Edeh	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Alhaji Mohammed N. Mijindadi	Non-Executive Director	✓	✓	✓	X	✓	✓	✓	✓	✓	✓
5	Dr. Adeyinka Hassan	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Mr. Oluwateniola O. Eleoramo	Non-Executive Director	✓	✓	X	✓	✓	✓	✓	✓	✓	✓
7	Mr. Olasupo Sogelola*	Managing Director/CEO	✓	✓	✓	✓	✓	✓	✓			
8	Dr. Joyce Odiachi**	Ag. Managing Director								✓	✓	✓

\*Mr. Olasupo Sogelola resigned as the Managing Director/CEO ("MD/CEO") of the Company by a letter dated 11th November 2025 which was accepted by the Board by a resolution dated 21st November 2025.

\*\*Dr. Joyce Odiachi was appointed as Executive Director, Technical for the Company by a resolution dated 14th October 2025. Following Mr. Olasupo Sogelola's resignation as the MD/CEO of the Company, Dr. Joyce Odiachi assumed the role of Acting MD/CEO.

BOARD COMMITTEES

The Board carries out its oversight responsibilities through five (5) standing committees ("Committees"), each established to support the effective discharge of specific governance functions. The Committees operate in accordance with formal charters that clearly define their purpose, composition, authority, meeting frequency, tenure, and reporting obligations to the Board.

In line with corporate governance best practices, the Chairman of the Board does not sit on any of the Committees, thereby maintaining independence and clarity in oversight responsibilities.

The Committees of the Board are:

1. Statutory Audit and Compliance Committee
2. Finance, Investment & General-Purposes Committee
3. Enterprise Risk Management Committee
4. Nominations, Governance & Remuneration Committee
5. Board Audit and Compliance Committee

1. STATUTORY AUDIT & COMPLIANCE COMMITTEE

Statutory Audit and Compliance Committee (the "SAC Committee") is established in compliance with Section 404 of the Companies and Allied Matters Act (CAMA) 2020 and plays a vital role in supporting the Board's oversight of the Company's financial reporting and compliance framework. The Committee is responsible for monitoring the integrity of the Company's financial statements, reviewing internal and external audit processes, and ensuring adherence to legal and regulatory requirements.

The SAC Committee is composed of five members: two (2) Non-Executive Directors and three (3) shareholder representatives, in accordance with statutory provisions. It works closely with the internal and external auditors to ensure that the Company maintains effective internal controls and risk management systems.

The Statutory Audit & Compliance Committee also reviews the adequacy of financial disclosures and makes recommendations on matters related to the appointment, remuneration, and performance of the external auditors.

The members of the Statutory Audit & Compliance Committee are:

S/No	Name	Designation
1	Mr. Moses Igbrude	Shareholders' Representative / Chairman
2	Dr. Chamberlain S. Peterside	Independent Non-Executive Director/Member
3	Mr. Anthony Uzodinma Edeh	Non-Executive Director/Member
4	Mr. Oyinwola Mosunmola	Shareholders' Representative / Chairman
5	Mr. Omotola Osomo	Shareholders' Representative / Chairman

## Corporate Governance Report

The Statutory Audit & Compliance Committee met five (5) times during the year under review as shown below.

Key	
✓	Present
X	Absent

S/N	Name	Designation	Mar 20, 2025	Jun 04, 2025	Aug 01, 2025	Oct 27, 2025	Dec 27, 2025
1	Mr. Moses Igbrude	Chairman/ Shareholders' Representative	✓	✓	✓	✓	✓
2	Mr. Oyinwola Mosunmola	Member/ Shareholders' Representative	✓	✓	✓	✓	✓
3	Mr. Omotola Osomo	Member/ Shareholders' Representative	*	✓	✓	✓	✓
4	Dr. Chamberlain S. Peterside	Member/Independent Non- Executive Director	✓	✓	✓	✓	✓
5	Mr. Anthony Uzodinma Edeh	Member/Non-Executive Director	✓	✓	✓	✓	✓

\* Mr. Omotola Osomo was appointed as a member of the SAC Committee by a resolution which was passed at the 44th Annual General Meeting of the Company that held on 10th April 2025.

### 2. FINANCE, INVESTMENT & GENERAL PURPOSES COMMITTEE

The Finance, Investment & General Purposes Committee (the "FIGP Committee") supports the Board in fulfilling its strategic and financial oversight responsibilities. The Committee serves as a delegated forum for evaluating and making informed recommendations on investment opportunities, capital allocation, and the optimal utilization of the Company's financial resources.

Specifically, the Committee advises the Board on strategic financial planning, including the review of Key Performance Indicators, capital structure, funding strategies, and the approval of capital expenditure and specific capital projects. It plays a critical role in ensuring that investment decisions are supported by sound analysis and align with the Company's long-term objectives.

The FIGP Committee also performs oversight functions to ensure that the Company's financial resources are deployed efficiently and in compliance with applicable laws, regulatory requirements, and Board-approved policies. By providing informed guidance and oversight, the Committee contributes to strengthening the Company's financial health and driving sustainable growth.

The members of the Finance, Investment & General Purposes Committee are:

S/N	Name	Designation
1	Mr. Anthony Uzodinma Edeh	Chairman
2	Mr. Oluwateniola O. Eleoramo	Member
3	Mr. Olasupo Sogelola*	Member/Managing Director/CEO

The FIGP Committee met six (6) times during the year under review as shown below.

Key	
✓	Present
X	Absent

S/N	Name	Designation	Mar 07, 2025	May 22, 2025	Jul 28, 2025	Aug 27, 2025	Oct 10, 2025	Dec 11, 2025
1	Mr. Anthony Uzodinma Edeh	Chairman	✓	X	✓	✓	✓	✓
2	Mr. Oluwateniola O. Eleoramo	Member	✓	✓	✓	✓	✓	✓
3	Mr. Olasupo Sogelola*	Member	✓	✓	✓	✓	✓	X

\* As noted earlier, Mr. Olasupo Sogelola resigned from the Company as the MD by a letter dated 11th November 2025 and same was accepted by the Board by a resolution dated 21st November 2025.

### 3. ENTERPRISE RISK MANAGEMENT COMMITTEE

The Enterprise Risk Management Committee ("ERM Committee") is delegated by the Board to provide oversight of the Company's risk management framework and ensure the effective governance of enterprise-wide risks. The ERM Committee is responsible for identifying, assessing, and monitoring all material risks that could impact the Company's operations, strategy, and reputation.

The ERM Committee plays a central role in defining the Company's risk appetite and tolerance levels, ensuring that these are aligned with strategic objectives. It oversees the development and implementation of systems, processes, and internal controls designed to manage risks across all facets of the business.

In fulfilling its mandate, the Committee monitors and provides guidance on the management of various categories of risk, including strategic, operational, financial, regulatory, reputational, environmental, and ethical risks. It also ensures the Company's risk management practices are compliant with applicable laws, regulations, and internal policies.

The members of the Enterprise Risk Management Committee are:

S/N	Name	Designation
1	Dr. Adeyinka Hassan	Chairman
2	Dr. Chamberlain S. Peterside	Member
3	Alhaji Mohammed N. Mijindadi	Member

## Corporate Governance Report

The Enterprise Risk Management Committee met four (4) times during the year under review as shown below.

Key	
✓	Present
X	Absent

S/N	Name	Designation	Mar 05, 2025	Jun 02, 2025	Jul 30, 2025	Oct 28, 2025
1	Dr. Adeyinka Hassan	Chairman	✓	✓	✓	✓
2	Dr. Chamberlain S. Peterside	Member	✓	✓	✓	✓
3	Alhaji Mohammed N. Mijindadi	Member	✓	✓	✓	✓

### 4. NOMINATIONS, GOVERNANCE & REMUNERATION COMMITTEE

The Nominations, Governance & Remuneration Committee ("NGR Committee") is responsible for advising the Board on matters relating to Board composition, corporate governance practices, and the remuneration framework for Directors and staff. The Committee plays a critical role in ensuring that the Company maintains high standards of leadership, accountability, and ethical conduct.

A key focus of the NGR Committee is the periodic review of the structure, size, diversity, and overall effectiveness of the Board and its Committees. It is mandated to recommend changes as necessary to ensure that the Board is properly constituted to discharge its duties effectively and in line with applicable regulations and best practices.

The NGR Committee oversees a transparent and merit-based nomination process, which includes defining the selection criteria for Board appointments, assessing potential candidates for qualifications, relevant experience, and potential conflicts of interest, and recommending suitable individuals to the Board for approval. It also evaluates existing Directors for re-nomination, considering their performance, contributions, and continued alignment with the Company's strategic goals. All Director appointments recommended by the Committee are subject to the approval of the Board and, where applicable, confirmation by shareholders at the general meeting in accordance with the Company's Articles of Association and applicable regulations.

The members of the Nominations, Governance & Remuneration Committee are:

S/N	Name	Designation
1	Alhaji Mohammed N. Mijindadi	Chairman
2	Dr. Adeyinka Hassan	Member
3	Mr. Anthony Uzodinma Edeh	Member
4	Mr. Oluwateniola O. Eleoramo	Member

The NGR Committee met six (6) times during the year under review as shown below.

Key	
✓	Present
X	Absent

S/N	Name	Designation	Mar 03, 2025	May 19, 2025	Aug 01, 2025	Aug 29, 2025	Oct 7, 2025	Oct 23, 2025
1	Alhaji Mohammed N. Mijindadi	Chairman	✓	✓	✓	✓	✓	✓
2	Dr. Adeyinka Hassan	Member	✓	✓	✓	✓	✓	✓
3	Mr. Anthony Uzodinma Edeh	Member	✓	✓	✓	X	✓	✓
4	Mr. Oluwateniola O. Eleoramo	Member	✓	✓	✓	✓	✓	✓

### 5. BOARD AUDIT AND COMPLIANCE COMMITTEE

The Board Audit and Compliance Committee ("BAC Committee") is responsible for advising the Board on matters relating to the Company's financial statements and the financial reporting process, the systems of internal audit function, the company's compliance with legal and regulatory requirements.

A key focus of the BAC Committee is to ensure the establishment of and exercise oversight over the internal audit function of the Company. On a quarterly basis, the BAC committee obtains and reviews a report by the internal auditor describing the strength and quality of internal controls including identification of any issues or recommendations for improvement raised by the most recent internal audit review of the Company.

In line with NAICOM Guidelines, all members of the Committee have significant and relevant financial expertise to be able to read and understand financial statements and have sufficient financial knowledge to allow them to discharge their duties and actively challenge information presented by management, internal and external auditors.

The members of the BAC Committee are:

S/No	Name	Designation
1.	Dr. Chamberlain S. Peterside	Chairman
2.	Mr. Mohammed Mijindadi	Member
3.	Mr. Oluwateniola O. Eleoramo	Member

The BAC Committee met four (4) times during the year under review as shown below.

Key	
✓	Present
X	Absent

S/N	Name	Designation	Mar 23, 2025	Jun 23, 2025	Aug 28, 2025	Oct 22, 2025
1	Dr. Chamberlain S. Peterside	Chairman	✓	✓	✓	✓
2	Mr. Mohammed Mijindadi	Member	✓	✓	✓	✓
3	Mr. Oluwateniola O. Eleoramo	Member	✓	✓	✓	✓

\*\*Dr. Joyce Odiachi was appointed as Executive Director, Technical for the Company by a resolution dated 14th October 2025. Following Mr. Olasupo Sogelola's resignation as the MD/CEO of the Company, Dr. Joyce Odiachi assumed the role of Acting MD/CEO.

**Certification Pursuant to Section 60(2) of Investment and Securities Act No. 29 of 2007**

We the undersigned, hereby certify the following with regards to our audited financial statements for the year ended December 31, 2025 that:

- (i) We have reviewed the report and to the best of our knowledge, the report does not contain:
- Any untrue statement of a material fact, or
  - Omission to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;
  - To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Company as of, and for the years presented in the report.
- (ii) We:
- are responsible for establishing and maintaining internal controls.
  - have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
  - have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
  - have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- (iii) We have disclosed to the auditors of the Company and audit committee:
- all significant deficiencies in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls, and
  - any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls;

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



**Anthony Uzodinma Edeh**  
Non-Executive Director  
FRC/2015/PRO/FORM C07/003/00000012821  
10th March, 2026



**Uyi Osagie**  
Chief Financial Officer  
FRC/2016/ICAN/00000015704  
10th March, 2026

## Risk Management Declaration

The Board of International Energy Insurance Plc hereby provides a Risk Management Declaration and state that, to the best of its knowledge and belief, having made appropriate enquiries:

- a. The Company have systems in place for the purpose of ensuring compliance with this guideline;
- b. The Board is satisfied with the efficacy of the processes and systems surrounding the production of financial information of The Company;
- c. The Company have in place Risk Management Strategy, developed in accordance with the requirements of this guideline, setting out its approach to risk management; and
- d. The systems that are in place for managing and monitoring risks, and the risk management framework, are appropriate to the Company, having regard to such factors as the size, business mix and complexity of the Company's operations. material respects the financial condition and results of operation of the Company as of, and for the years presented in the report.



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**Anthony Uzodinma Edeh**  
Non-Executive Director  
FRC/2015/PRO/FORM Co7/003/00000012821  
10th March, 2026



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**Dr. Adeyinka Hassan**  
Non - Executive Director  
FRC/2013/NBA/000000001514  
10th March, 2026

**REPORT OF THE STATUTORY & COMPLIANCE AUDIT COMMITTEE**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

To the members of International Energy Insurance Plc.:

In accordance with the provision of Section 359 (6) of the Companies and Allied Matters, Act CAP C20, Laws of the Federation of Nigeria 2004, the members of the Statutory & Compliance Audit Committee of International Energy Insurance Plc hereby report as follows:

- We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters, Act CAP C20, Laws of the Federation of Nigeria 2004 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 Company are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audit for the year ended December 31, 2025 were satisfactory and reinforce The Company's and the internal control systems.
- We have deliberated with the External Auditors, who have confirmed that necessary co-operation was received from management in the course of their statutory audit and we are satisfied with the management's response to the External Auditor's recommendations on accounting and internal control matters and with the effectiveness of The Company's system of accounting and internal control.



.....  
**Mr. Moses Igbrude**

**Chairman, Statutory & Compliance Audit Committee**

FRC/2013/NIMN//00000005585

10th March, 2026

**Members of the Statutory & Compliance Audit Committee are:**

Mr. Moses Igbrude	-	Chairman/Shareholders' representative
Mr. Oyinwola Mosunmola	-	Shareholders' representative
Mr. Omotola Osomo	-	Shareholders' representative
Dr. Chamberlain Peterside	-	Independent Non - Executive Director
Mr. Anthony Uzodinma Edeh	-	Non-Executive Director

**Secretary to the Committee**

Detail Nominees

Company Secretary

FRC/2014/00000004789

Lagos, Nigeria

## **Statement of Directors' Responsibilities in Relation to the Preparation of the Financial Statements for the year ended 31st December 2025**

The Companies and Allied Matters Act, 2020 requires the Directors to prepare financial statements for each financial year that present fairly, in all material respects, the state of financial affairs of the Company at the end of the year and of its profit or loss and other comprehensive income.

The responsibilities include ensuring that the Company:

- keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and its subsidiary and comply with the requirements of the Companies and Allied Matters Act, 2020
- establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates and are consistently applied

The Directors accept responsibility for the preparation and fair presentation of the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards, and the relevant provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pension Reform Act 2014 and Financial Reporting Council of Nigeria Act, 2021.

The Directors are of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the Company as at 31st December 2025, and of their financial performance for the year ended then. Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.



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**Anthony Uzodinma Edeh**  
Non-Executive Director  
FRC/2015/PRO/FORM Co7/003/00000012821  
10th March, 2026



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**Dr. Adeyinka Hassan**  
Non - Executive Director  
FRC/2013/NBA/000000001514  
10th March, 2026

## **Environmental, Social and Governance (ESG) Report**

International Energy Insurance (IEI Plc) demonstrates a steadfast commitment to the principles of Environmental, Social, and Governance (ESG) initiative. The initiative is anchored on the fundamental pillars of environmental protection, social responsibility, and institutional advancement. Guided by the oversight to the company's Board, a robust long-term strategy has been meticulously developed to address all pertinent ESG considerations.

The company has broadened its social impact by actively engaging in endeavours aimed at bolstering client protection principles and support. These efforts encompass transparency initiatives, the development of beneficial products tailored to safeguard diverse client interests, stringent measures to protect client data privacy, and the establishment of an effective feedback mechanism to address client's concerns, thereby enhancing service delivery. IEI Plc is dedicated to preserving and safeguarding the environment through conscientious management of water and electricity resources. Rigorous maintenance practices for generators and vehicles are upheld to minimize fuel consumption. Additionally, the company has implemented safety measures such as the installation of first aid kits and fire safety equipment across all branches and at the head office.

IEI Plc ensures that staff members receive regular training on fire safety and emergency first aid protocols. There are also closed-circuit television cameras in strategic places in the workplace to always ensure the safety of staff members and monitor movement within our facility at every given time.

Initiatives aimed at reducing energy consumption, including the installation of inverters and energy efficient bulbs, are also actively carried out. Industrial printers have been introduced to curtail paper usage, contributing to sustainability efforts. Efforts are also being taken to ensure that staff members are acquainted of their health status through comprehensive training sessions on health awareness and informative lectures facilitated by the company's health services providers.

**Certification of operating effectiveness of Internal Control Over Financial Reporting - Ag. MD/CEO**

To comply with the provisions of Section 11 of SEC Guidance on implementation of Sections 88 - 89 of Investments and Securities Act 2025, I hereby make the following statements regarding the Internal Controls of International Energy Insurance Plc for the year ended 31 December 2025.

***I, Dr. Joyce Odiachi, certify that:***

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of International Energy Insurance Plc ("the Company");

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d) The Company's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, [and its consolidated subsidiaries, is made known to us by others within those entities,] particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;

4) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee:

1) That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

f) The Company's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



**Dr. Joyce Odiachi**  
**Ag. Managing Director/CEO**  
**10th March, 2026**

### Certification of operating effectiveness of Internal Control Over Financial Reporting - CFO

To comply with the provisions of Section 11 of SEC Guidance on implementation of Sections 88 - 89 of Investments and Securities Act 2025, I hereby make the following statements regarding the Internal Controls of International Energy Insurance Plc for the year ended 31 December 2025.

***I, Mr. Uyi Osagie, certify that:***

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of International Energy Insurance Plc ("the Company");

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d) The Company's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, [and its consolidated subsidiaries, is made known to us by others within those entities,] particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;

4) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee:

1) That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

f) The Company's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



**Mr. Uyi Osagie (Chief Financial Officer)**  
FRC/2016/ICAN/00000015704  
10th March, 2026

### Management's Report on the Assessment of Internal Control Over Financial Reporting as at 31 December 2025

The management of International Energy Insurance Plc ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Securities and Exchange Act, 2025 and the Financial Reporting Council (Amendment) Act, 2023

The management of International Energy Insurance Plc assessed the effectiveness of our internal control over financial reporting of the Company as of 31 December 2025 using the criteria set forth in Internal Control - Integrated Framework, 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission, ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Sections 88 – 89 of Investments and Securities Act, 2025.

As of December 31, 2025, the management International Energy Insurance Plc did not identify any material weakness in the design and the operating effectiveness of its internal control over financial reporting. As a result, management has concluded that the Company's internal control over financial reporting was effective.

The Company's independent auditor, Messrs Doyin Owolabi & Co. Chartered Accountants, who audited the financial statements included in this Audited Financial Statements, issued an unmodified conclusion on the effectiveness of the Company's internal control over financial reporting as of 31 December 2025 based on the limited assurance engagement performed by them. Doyin Owolabi & Co. limited assurance report appears on pages "..... – ....." of this Financial Statements.

### Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Company's internal control over financial reporting.



**Dr. Joyce Odiachi**  
Ag. Managing Director/CEO  
10th March, 2026



**Uyi Osagie**  
Chief Financial Officer  
10th March, 2026



# Doyin Owolabi & Co.

Chartered Accountants

Independent Auditor's Limited Assurance Report

To the Shareholders of International Energy Insurance Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

## Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of International Energy Insurance Plc as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that International Energy Insurance Plc internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

## Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Other matter

We have audited the financial statements of International Energy Insurance Plc in accordance with the International Standards on Auditing, and our report dated March 10, 2026 expressed an unmodified opinion of those financial statements.

Our conclusion is not modified in respect of this matter.

## Responsibilities for Internal Control over Financial Reporting

The Board of Directors of International Energy Insurance Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

# Doyin Owolabi & Co.

## Our Responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

### Summary of the work we performed as the basis for our conclusion.

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Adedoyin Idowu Owolabi, FCA  
FRC/2012/PRO/ICAN/004/0000000101

For: Doyin Owolabi & Co (Chartered Accountants)  
.....10th.....March, 2026  
Lagos, Nigeria



# Doyin Owolabi & Co.

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial Statements of International Energy Insurance Plc ("the Company"), which comprise the statements of financial position as at December 31, 2025, and statements of profit or loss and other comprehensive income, statements of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31 2025, and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003 and relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Investment and Securities Act 2007 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

#### 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 Financial Statements section of our report. We are independent of the Company in accordance with the 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 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 judgement, were of most significance in our audit of the 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, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

# Doyin Owolabi & Co.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS- CONTINUED  
Key audit matters- continued**

The Key Audit Matters apply equally to the audit of the financial statements.

Key Audit Matter	How the matter was addressed in the audit
<p><b>Valuation of insurance contract liabilities</b></p> <p>The Company has material insurance contract liabilities of N1.3billion (2024: N2.7billion)</p> <p>Actuarial valuation of these insurance contract liabilities is an area that involves significant judgment over uncertain future outcomes and therefore was an area of significance to our audit.</p> <p>The Company reviews its unexpired risk at reporting date. Provision for reported claims is based on historical experience, however, the eventual liabilities may differ from the estimated amounts, furthermore, the estimated liabilities for claims that have occurred but are yet to be reported involve judgment and economic assumptions.</p> <p>Consistent with the insurance industry practice and regulatory guideline, the Company engaged an independent actuary to test the adequacy of the valuation of insurance contract liabilities as at year-end. The complexity of the valuation models may give rise to errors as a result of inadequate/incomplete data or the design or application of the models.</p> <p>Economic assumptions, such as interest rates and future inflation rates, and actuarial assumptions, such as customer behaviour and uniform risk occurrence throughout the period, are key inputs used to determine these liabilities. Significant judgment is applied in setting these assumptions.</p>	<p>We performed, amongst others, the following audit procedures with the support of our in-house actuarial specialists:</p> <ul style="list-style-type: none"> <li>• Obtained and documented our understanding of the Company's basis of valuation;</li> <li>• Compared schedules to the general ledger and tested the completeness and accuracy of the subledgers;</li> <li>• Assessed the accuracy of contract classifications for reporting under IFRS 17 Insurance Contracts;</li> <li>• Tested data items used as inputs (premium data and claims data) to valuation models, including those involved in retrospective and prospective liability calculations;</li> <li>• Evaluated the appropriateness of disclosures made in the financial statements as regards insurance contract;</li> <li>• Compared schedules to the general ledger and tested the completeness and accuracy of the subledgers;</li> <li>• Evaluated the consistency and accuracy of administration of claims and any other accounting data;</li> <li>• Assessed the reasonability of the assumptions and methodology used in the calculation of the statutory reserves at December 30, 2025 with reference to relevant legislation, professional guidance, and actuarial best</li> <li>• Evaluated the appropriateness of discount rates used as part of the liability for</li> </ul>

# Doyin Owolabi & Co.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS- CONTINUED

Key Audit Matter	How the matter was addressed in the audit
<p>number of these key assumptions could have a material impact on the calculation of the liabilities. Insurance contract liabilities, related accounting policies, and significant judgments and assumptions are disclosed in Note 28, respectively to the financial statements.</p>	<p>incurred claims/reinsurance amount recoverable on incurred claims calculations;</p> <ul style="list-style-type: none"> <li>• Evaluated that the discount rates have been appropriately applied within the calculation of the liability for incurred claims;</li> <li>• Evaluated claims/reinsurance amount recoverable on incurred claims; and</li> <li>• Verified that the risk adjustment factors determined for the liability for incurred claims/reinsurance amount recoverable on incurred claims have been appropriately applied within the calculation of the liability for incurred claims/reinsurance amount recoverable or incurred claims.</li> </ul>
<p><b>Valuation of investment in unquoted equity instrument measured at amortised cost.</b> The Company has a material investment of N600 million (2024:N718million) in unquoted equity instruments measured at fair value through profit or loss. The fair value of the investment is estimated using the price-to-book method, which requires significant estimates and assumptions. The significant judgment involved and assumptions make this an area of significance to our audit. Investment in unquoted equity instruments (including significant assumptions and judgements) and related accounting policies are disclosed in Note 20.2 of the financial statements.</p>	<p>With the assistance of our in-house valuation specialists, we performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the valuation methodology employed by management's expert and assessed the reasonableness of underlying assumptions used in determining the fair value of the investment in an unquoted equity instrument.</li> <li>• We assessed the competence, capability and objectivity of the expert engaged to management, including the expert's qualification and experience.</li> <li>• We evaluated the qualitative and quantitative disclosures for appropriateness or reasonableness to assess conformity with disclosure requirements of relevant accounting standards.</li> </ul>

# Doyin Owolabi & Co.

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS- CONTINUED

### Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "International Energy Insurance Plc Annual Report for the year ended December 31 2025, which includes Corporate Information, Results at a Glance - Directors' Report, Report of the Statutory Audit Committee, Corporate Governance Report, Statement of Directors' Responsibilities in Relation to the Preparation of the Financial Statements, Statement of Corporate Responsibility for the Financial Statements and other National Disclosures. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

### Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003 and relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Investment and Securities Act, 2007 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

# Doyin Owolabi & Co.

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS- CONTINUED

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 the 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 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 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/or the 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.

We communicate with the Directors 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.

# Doyin Owolabi & Co.

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS- CONTINUED

### Auditor's Responsibilities for the Audit of the Financial Statements - continued

We also provide the Directors 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 Directors, we determine those matters that were of most significance in the audit of the 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

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, and Section 28(2) of the Insurance Act 2003, we confirm that:

- 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;
- In our opinion, proper books of account have been kept by the Company, in so far as it appears from our examination of those books;
- The statements of financial position and the statements of profit or loss and other comprehensive income are in agreement with the books of account; and
- In our opinion, the financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its associates.

### Penalty

The Company incurred a penalty of N5.2million in respect of contraventions of the requirements of certain sections of the National Insurance Commission's Operational Guideline 2022 during the financial year and N8.3million in contraventions to section of Nigeria Stock Exchange.

# Doyin Owolabi & Co.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS- CONTINUED

**Report on Other Legal and Regulatory Requirements - continued**

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as at December 31 2025. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report dated 10th March 2026.

Lagos, Nigeria  
10th Mar 2026



Adedoyin Idowu Owolabi, FCA  
FRC/2012/PRO/ICAN/004/00000000101  
For: Doyin Owolabi & Co.  
(Chartered Accountants)

**Statement of Profit or Loss**  
**For the year ended 31st December 2025**

*In thousands of naira*

	Note	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Insurance revenue	6	4,689,427	5,625,358
Insurance service expense	7	(2,217,690)	(1,875,778)
Net expenses from reinsurance contracts held	8	(560,614)	(332,610)
<b>Insurance service result</b>		<u><b>1,911,123</b></u>	<u><b>3,416,971</b></u>
Investment income	9	776,261	429,460
Net gains on FVTPL investments	10	90,321	56,440
Net gains on investment property	10.4	248,535	1,957,849
Net foreign exchange income/(expense)	9	(3,252)	27,231
<b>Net investment income</b>		<u><b>1,111,865</b></u>	<u><b>2,470,979</b></u>
Finance expenses from insurance contracts issued	28.1	(24,544)	(132,063)
Finance income from reinsurance contracts held	22.1	6,788	96,850
<b>Net insurance finance expenses</b>		<u><b>(17,756)</b></u>	<u><b>(35,213)</b></u>
<b>Net insurance and investment result</b>		<b>3,005,232</b>	<b>5,852,737</b>
Other income	11	255,509	60,358
Credit loss reversal/(expense)	12	(78,719)	117
Other finance cost	13	(366,092)	(616,402)
Operating expenses	14.3	(1,791,744)	(2,657,340)
Profit on disposal of associate company	16	-	523,478
<b>Profit before income tax</b>		<u><b>1,024,186</b></u>	<u><b>3,162,948</b></u>
Income tax expense	31.1	(155,519)	(208,590)
<b>Profit for the year</b>		<u><u><b>868,667</b></u></u>	<u><u><b>2,954,358</b></u></u>
<b>Earnings per share</b>			
<b>Basic earning per share (Kobo)</b>	<b>17</b>	<b>34</b>	<b>230</b>

*The accounting policies and the accompanying notes form an integral part of these financial statements.*

**Statement of Comprehensive Income**  
**For the year ended 31st December 2025**

<i>In thousands of naira</i>	Note	<u>31-Dec-25</u>	<u>31-Dec-24</u>
<b>Profit/(Loss) for the year</b>		<b>868,667</b>	<b>2,954,358</b>
<i>Items that may be reclassified to profit or loss</i>			
Net gains on investments in debt securities measured at FVOCI		-	-
Change in Fair value on equity instrument designated at fair value through other comprehensive income	18	(118,271)	219,874
<b>Other comprehensive income, net of tax</b>		<b>(118,271)</b>	<b>219,874</b>
<b>Total comprehensive income for the year</b>		<b>750,396</b>	<b>3,174,232</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		750,396	3,174,232

*The accounting policies and the accompanying notes form an integral part of these financial statements.*

**Statement of Financial Position**  
**As at 31st December 2025**

<i>In thousands of naira</i>	Note	31-Dec-25	31-Dec-24
<b>Assets</b>			
Cash and cash equivalents	19	7,359,813	5,321,370
Financial assets	20		
Fair value through profit or loss	20.1	298,886	208,565
Fair value through other comprehensive	20.2	600,602	718,873
At Amortised cost	20.3	72,517	118,701
Premium receivable	21	26,095	19,978
Reinsurance contract assets	22	169,858	273,692
Other receivables and prepayments	23	342,251	280,714
Investment properties	24	5,220,000	8,275,056
Intangible assets	25	317,073	227,822
Property and equipment	26	728,366	1,087,477
Statutory deposit	27	322,500	322,500
<b>Total assets</b>		<b><u>15,457,961</u></b>	<b><u>16,854,747</u></b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Insurance contract liabilities	28	1,330,864	2,367,897
Other Technical liabilities	29	7,046	215,538
Provisions and other payables	30	1,556,670	2,760,812
Current income tax liabilities	31	544,006	337,026
Deferred tax liabilities	32	-	206,209
Lease obligations	33	-	9,004
Borrowings	34	2,778,099	16,494,183
Deposit for shares	35	-	2,066,039
<b>Total liabilities</b>		<b><u>6,216,685</u></b>	<b><u>24,456,708</u></b>
<b>Equity</b>			
Share capital	36.1	1,267,043	642,043
Share premium	36.2	2,338,097	963,097
Irredeemable Deposit for Share	36.3	14,092,841	
Statutory contingency reserve	37	3,510,053	3,336,320
Capital reserve	38	-	7,926,399
Property revaluation reserve	39	1,206,428	1,206,428
Fair value reserve	40	520,291	638,562
Retained earnings/(Accumulated losses)	41	(13,693,477)	(22,314,810)
<b>Total equity of the Company</b>		<b><u>9,241,276</u></b>	<b><u>(7,601,961)</u></b>
<b>Total liabilities and equity</b>		<b><u>15,457,961</u></b>	<b><u>16,854,747</u></b>

These financial statements were approved by the Board of Directors on **10th March, 2026** and signed on behalf of the Board of Directors by:



**Anthony Uzodinma Edeh**  
Non-Executive Director  
FRC/2015/PRO/FORM Co7/003/00000012821



**Dr. Adeyinka Hassan**  
Non - Executive Director  
FRC/2013/NBA/00000001514



**Uyi Osagie**  
Chief Financial Officer  
FRC/2016/ICAN/00000015704

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

Statement of Changes in Equity  
For the year ended 31st December 2025

In thousands of naira	Share capital	Share premium	Irredeemable Deposit for shares	Statutory contingency reserve	Capital reserve	Retained Earnings	Property revaluation reserve	Fair value reserve	Total
As at 1 January 2024	642,043	963,097	-	2,745,448	7,926,399	(24,678,296)	1,206,428	418,688	(10,776,193)
Impact of initial application of IFRS 17	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2024</b>	<b>642,043</b>	<b>963,097</b>	<b>-</b>	<b>2,745,448</b>	<b>7,926,399</b>	<b>(24,678,296)</b>	<b>1,206,428</b>	<b>418,688</b>	<b>(10,776,193)</b>
Profit for the year	-	-	-	-	-	2,954,358	-	-	2,954,358
Other comprehensive income	-	-	-	-	-	-	-	219,874	219,874
<b>Total comprehensive income/loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,954,358</b>	<b>-</b>	<b>219,874</b>	<b>3,174,232</b>
Transactions with owners of the Company						-			-
Contributions and distributions									
Transfer between reserves	-	-		590,872	-	(590,872)	-	-	-
<b>At 31 December 2024</b>	<b>642,043</b>	<b>963,097</b>	<b>-</b>	<b>3,336,320</b>	<b>7,926,399</b>	<b>(22,314,810)</b>	<b>1,206,428</b>	<b>638,562</b>	<b>(7,601,961)</b>
Profit for the year	-	-	-	-	-	868,667	-	-	868,667
Other comprehensive income/(loss)	-	-	-	-	-	-	-	(118,271)	(118,271)
<b>Total comprehensive profit/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>868,667</b>	<b>-</b>	<b>(118,271)</b>	<b>750,396</b>
Transactions with owners of the Company						-			-
Contributions and distributions									
Conversion of deposit for shares	625,000	1,375,000	-	-	-	-	-	-	2,000,000
Transfer to profit or loss	-	-	-	-	(7,926,399)	7,926,399	-	-	-
Reclassification of long term debt	-	-	14,092,841	-	-	-	-	-	14,092,841
Transfer between reserves	-	-		173,733	-	(173,733)	-	-	-
<b>As at 31st December 2025</b>	<b>1,267,043</b>	<b>2,338,097</b>	<b>14,092,841</b>	<b>3,510,053</b>	<b>-</b>	<b>(13,693,478)</b>	<b>1,206,428</b>	<b>520,291</b>	<b>9,241,275</b>

See accompanying summary of significant accounting policies and notes to the financial statements which form an integral part of these financial statements.

**INTERNATIONAL ENERGY INSURANCE PLC**

Financial Statements for the year ended 31st December 2025

**Statement of Cash flows**  
**For the year ended 31st December 2025**

<i>In thousands of naira</i>		<b>31-Dec-25</b>	<b>31-Dec-24</b>
	<b>Note</b>		
<b>Operating activities</b>			
Premium received from policy holders	21	3,541,701	4,322,871
Reinsurance premium paid	22.1	(758,089)	(640,332)
Fees and Commission received	22.1	225,462	130,734
Commission paid and other underwriting expenses	28.1	(628,557)	(1,461,330)
Other directly attributable expenses paid	28.1	(767,690)	(1,138,564)
Gross Insurance benefits and Claims paid to customers	28.1	(735,303)	(628,479)
Prepaid Minimum and deposit premium	23	(30,200)	(20,900)
Claims recovered from re-insurers	22.1	39,993	253,839
Cash paid to and on behalf of Employees		(796,401)	(805,329)
Other operating cashoutflow		(109,424)	(458,578)
<b>Cash used in operating activities</b>		<b>(18,509)</b>	<b>(446,168)</b>
Income tax paid	31	(154,748)	(153,261)
<b>Net cash used in operating activities</b>		<b>(173,257)</b>	<b>(599,429)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	26	(339,708)	(397,616)
Proceeds from disposal of property, plant and equipment		24,459	17,920
Proceeds from disposal of investment property		4,000,000	-
Proceeds from sale of associate company		-	1,400,000
Redemption of Commercial paper	20.3	57,304	-
Proceed from disposal of placements		-	3,914,823
Purchase of financial asset	19.3, 20.4.2	(4,272,264)	(688,388)
Proceed from financial asset	19.3	2,047,263	-
Purchase of quoted stock investment	20.1	(73,742)	(134,647)
Proceeds of disposal of quoted stock investment	20.1	78,893	154,155
Purchase of investment properties	24	(9,550)	(16,701)
Purchase of Intangible assets	25	(94,470)	(194,697)
Dividend received	9	3,526	13,945
Other income received	11	52,635	42,440
Interest received	9	772,735	415,515
<b>Cash provided by investing activities</b>		<b>2,247,082</b>	<b>4,526,748</b>
<b>Financing activities</b>			
Payment of lease liabilities	32	(6,941)	(22,006)
Interest paid	13	(2,063)	(12,379)
Capital Raise Expenditure	23	(23,125)	-
Withdrawal/Repayment of deposit for shares	35	-	(3,000,000)
<b>Cash used in financing activities</b>		<b>(32,129)</b>	<b>(3,034,385)</b>
<b>Net Increase in cash and cash equivalents</b>		<b>2,041,696</b>	<b>892,934</b>
Cash and cash equivalents at beginning of the year		5,321,369	4,401,204
Effect of foreign exchange differences	9	(3,252)	27,231
<b>Cash and cash equivalents at end of the year</b>	19	<b>7,359,813</b>	<b>5,321,369</b>

See accompanying summary of significant accounting policies and notes to the financial statements which form an integral part of these financial statements.

## Notes to the Financial Statements

### 1 General Information

The International Energy Insurance Plc (“the Company”) was incorporated as Nigeria Exchange Insurance Limited on 26 March 1969. The name was changed to Mutual Life and General Insurance Limited in 1995. In 2000, the name of the Company was changed to Global Assurance Limited. In 2003, the Company's name was changed to International Energy Insurance Limited following the acquisition of 70% of the shares of Global Assurance Limited by SKI Consult. The Company merged its operations with Rivbank Insurance Limited on 30 November 2006 with the name of the combined business changing to International Energy Insurance Plc., thereafter; the Company was listed on the Nigerian Stock Exchange in 2007.

Following the acquisition of the majority shareholding by Norrenberger Advisory Partners Limited (NAPL) on October 8, 2021, the Company has sought and obtained the “No Objection” approval of NAICOM for the 100 % equity stake of the company by Norrenberger Advisory Partners Limited. Norrenberger Advisory Partners Limited has received all the necessary permissions from the Federal Competition and Consumer Protection Commission (FCCPC), the Securities & Exchange Commission (SEC), the National Insurance Commission (NAICOM) and the National Pension Commission (PENCOM) for the acquisition.

The financial statements of International Energy Insurance Plc. for the period ended December 31, 2025 were authorised for issue in accordance with a resolution by the Board of Directors on 10th March 2026.

#### Principal activities

The activities of the Company include general insurance business with special focus on Oil and Energy. The activities include insurance underwriting, claims administration and management of liquidity by investing the surplus in fixed deposits, bonds, held for trading and treasury bills.

#### Going concern

The Directors assess The Company's future performance and financial position on a going concern basis and have no reason to believe that the Company and its associate will not be a going concern in the year ahead. For this reason, these financial statements are prepared on a going-concern basis.

### 2 Basis of accounting

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The financial statements comply with the Companies and Allied Matters Act of Nigeria, Financial Reporting Council of Nigeria Act, the Insurance Act of Nigeria and relevant National Insurance Commission (NAICOM) guidelines and circulars.

#### 2.2 Going concern

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

#### 2.3 Functional and presentation currency

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

#### 2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, as modified by the valuation of investment property, available-for-sale financial assets, insurance liabilities, and financial assets and liabilities designated at fair value.

## **Notes to the Financial Statements - (Continued)**

These financial statements have being prepared on the going concern basis. The Company has no intention or need to reduce substantially its business operations.

### **2.5 Use of estimates and judgement**

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note to the financial statements below.

### **2.6 Regulatory authority and financial reporting**

The Company is regulated by the National Insurance Commission of Nigeria (NAICOM) under the National Insurance Act of Nigeria. The Act specifies certain provisions which have impact on financial reporting as follows:

- Section 59 of the Financial Reporting Council Act, 2011 (FRC Act) provides that in matters of financial reporting, if there is any inconsistency between the FRC Act and other Acts which are listed in section 59(1) of the FRC Act, the FRC Act shall prevail. The Financial Reporting Council of Nigeria acting under the provisions of the FRC Act has promulgated IFRS as the national financial reporting framework for Nigeria.

## Notes to the Financial Statements - Continued

### 3 Summary of material accounting policies

#### 3.1 Insurance operations

##### Summary of measurement model

The Company issues the following types of contracts that are accounted for in accordance with IFRS 17 insurance contracts.

- Bonds Guaranty policies: The Company issues insurance policies to indemnify against all actions, proceedings, damages, costs, claims demands expenses or losses through either an advance payment bond or performance bond with coverage of one year or less.
- Engineering insurance policies: The Company, issues policies to compensate and indemnify against loss, damage or theft of plants, pieces of equipment, vessels and others with coverage of mostly 12 months or less.
- Fire insurance policies: The Company, issues policies to compensate and indemnify against loss, damage or destruction of plants, buildings, pieces of equipment, or properties due to fire with coverage of mostly 12 months or less.
- Motor insurance policies: The Company, issues fully comprehensive and third - party liability car insurance policies with coverage 12 months or less.
- General Accident insurance policies: The Company, issues policies to compensate and indemnify against loss, damage, or destruction due to an accident, misfortune, or circumstances with coverage of mostly 12 months or less.
- Oil and Gas insurance policies: The Company, issues policies for Offshore, Upstream, owned, operated, leased, chartered property, all risk indemnity against loss, damage or destruction with coverage of mostly 12 months or less.
- Marine/Aviation insurance policies: The Company, issues policies for the hull, spaces and pieces of equipment, cargo allied perils risks, and aviation liability with coverage of mostly 12 months or less.

The Company accounts for all these products by applying the Premium Allocation Approach (PAA) for contracts with duration of 12 months or less. Following our assessment for contracts of more than a year, the gross premium written of contract with more than one year duration is insignificant when compared to the entire Gross Premium Written.

Based on the above, we have not perform any further test on those contract as the cost of performing this would outweigh the benefit.

##### 3.1.(a) Definition and classification

Insurance contracts are contracts under which the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Company uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Company has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

In the normal course of business, the Company uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

## Notes to the Financial Statements - Continued

Before the Company accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct services other than insurance contract services.

The Company applies IFRS 17 to all remaining components of the contract. The Company does not have any contracts that require further separation or combination of insurance contracts.

### 3.1.(b) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Company determines that a group of contracts becomes onerous.

Reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:
  - i. the beginning of the coverage period of the group; and
  - ii. the initial recognition of any underlying insurance contract;
- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts held;

### Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and additional criteria discussed below are met.
  - a. if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
  - b. if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
  - c. if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

## Notes to the Financial Statements - Continued

### 3.1.(c) Measurement

#### Contract boundary

The Company uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- a. the Company has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- b. both of the following criteria are satisfied:
  - i. the Company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date

In assessing the practical ability to reprice, risks transferred from the policyholder to the Company, such as insurance risk and financial risk.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all of the cash flows within its boundary.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

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

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts might include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

### 3.1.(c)(ii) Initial and subsequent measurement

The company's contracts are within one year or less. Thus, the PAA approach was used. This approach is used for originated non-life insurance contracts, because each of these contracts has a coverage period of one year or less.

For insurance contracts issued, insurance acquisition cash flows allocated to a group are deferred and recognised over the coverage period of contracts in a group. For reinsurance contracts held, reinsurance commission are recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the Company measures the Liability for remaining Coverage (LRC) at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows.

For reinsurance contracts held, on initial recognition, the Company measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer and any amounts arising from the derecognition of any other relevant pre-recognition cash flows.

## Notes to the Financial Statements - Continued

### 3.1.(c)(ii) Initial and subsequent measurement

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- a. the Liability for remaining coverage (LRC); and
- b. the Liability for incurred claims (LIC), comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- a. the remaining coverage; and
- b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- a. increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
- b. decreased for insurance acquisition cash flows paid in the period;
- c. decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
- d. increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- a. increased for ceding premiums paid in the period;
- b. increased for broker fees paid in the period; and
- c. decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

The Company does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money, because insurance premiums are due within the coverage period of contracts, which is one year or less.

The Company adjusts the remaining coverage for reinsurance contracts held for the effect of the risk of reinsurer's non-performance.

There are no investment components within insurance contracts issued and reinsurance contracts held that are measured under the PAA.

The LIC is measured by adjusting future cash flows for the time value of money.

### 3.1.(d) Amounts recognised in comprehensive income

#### 3.1.(d)(i) Insurance service result from insurance contracts issued

##### Insurance revenue

As the Company provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Company expects to be entitled to in exchange for those services.

##### Insurance service expenses

Insurance service expenses include the following:

- a. incurred claims and benefits, excluding investment components reduced by loss component allocations;
- b. other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- c. insurance acquisition cash flows amortisation
- d. changes that relate to past service – changes in the FCF relating to the LIC; and
- e. changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses; and
- f. insurance acquisition cash flows assets impairment, net of reversals

## Notes to the Financial Statements - Continued

### 3.1.(d)(ii) Insurance service result from reinsurance contracts held

#### Net income (expenses) from reinsurance contracts held

The Company presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

- a. reinsurance expenses;
- b. for reinsurance contracts measured under the PAA, commission income are included within reinsurance expenses;
- c. incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
- d. other incurred directly attributable expenses;
- e. changes that relate to past service – changes in the FCF relating to incurred claims recovery;
- f. effect of changes in the risk of reinsurers' non-performance; and
- g. amounts relating to accounting for onerous groups of underlying insurance contracts issued:
  - i. income on initial recognition of onerous underlying contracts

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. Additionally, for reinsurance contracts, reinsurance commission income are included in reinsurance expenses.

For groups of reinsurance contracts, the Company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

### 3.1.(d)(iii) Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- a. the effect of the time value of money and changes in the time value of money; and
- b. the effect of financial risk and changes in financial risk.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

- a. interest accreted on the LIC; and
- b. the effect of changes in interest rates and other financial assumptions.

The Company disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For the contracts measured, the Company includes all insurance finance income or expenses for the period in profit or loss (that is, the profit or loss option (the PL option) is applied).

#### Full retrospective approach

The Company has determined that reasonable and supportable information was available for all contracts in force at the transition date that were issued within three years prior to the transition.

In addition, for insurance contracts originated by the Group that are eligible for the PAA, the Group has concluded that only current and prospective information was required to reflect circumstances at the transition date, which made the full retrospective application practicable and, hence, the only available option for non-life insurance contracts issued by the Company.

Accordingly, the Company has: identified, recognised and measured each group of insurance contracts and each insurance acquisition cash flows asset in this category as if IFRS 17 had always applied (except that a retrospective impairment test has not been performed); derecognised any existing balances that would not exist if IFRS 17 had always applied; and recognised any resulting net difference in equity.

**Notes to the Financial Statements - Continued**

**3.1.(d)(iv) Expense Allocation**

The Company has adopted an expense allocation policy which splits the company's expenses into attributable and non-attributable expenses.

The Company's expense allocation criteria governs the allocation of expenses to groups of insurance contracts for accurate measurement, projection and financial reporting.

Directly attributable expenses are used in the measurement of the future cashflows and they are incurred as a result of issuing, fulfilling, or servicing the insurance contracts.

IEI categorises its directly attributable expenses into:

- \* Acquisition Costs: Commission payments, underwriting costs, and policy issuance expenses.
- \* Claims handling expenses: Costs related to settling claims, including salaries of claims adjusters; and
- \* Policy administration expenses: Costs for maintaining policies, customer service, and managing benefits.

The Company allocates directly attributable expenses across groups of insurance contracts systematically and rationally, based on similarity of risk, relying on the same modalities that guide contract grouping using drivers such as the premium volume.

**3.1.2.3 Estimates and assumptions**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results.

This note provides an overview of items that are more likely to be materially adjusted due to changes in estimates and assumptions in subsequent periods. Detailed information about each of these estimates is included in the notes below, together with information about the basis of calculation for each affected line item in the consolidated financial statements.

In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates. The present value of future cash flows is estimated using deterministic scenarios, except where stochastic modelling is used to measure financial guarantees. The assumptions used in the deterministic scenarios are derived to approximate the probability-weighted mean of a full range of scenarios.

**3.1.2.4 Estimate relating to Discounting**

In determining discount rates for different products, the Company used the bottom-up approach for cash flows of contracts of the underlying items. Applying this approach, the Company used the yield curve published by Nigerian Actuarial Society Discount Rate Committee (NAS).

Discount rates applied for discounting of future cash flows are listed below:

Year	Discount Rate
1	30.10%
2	20.30%
3	20.50%
4	21.80%
5	22.80%
6	23.70%
7	18.40%
8	20.30%
9	18.90%
10	16.20%
11	17.00%
12	18.60%
13	19.10%
14	18.30%
15	17.00%

## Notes to the Financial Statements - Continued

### 3.1.2.5 Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts within the scope of IFRS 17 are all of the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Company estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Company uses information about past events, current conditions, and forecasts of future conditions. The Company's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability-weighted average of the future cash flows is calculated using a deterministic scenario representing the probability-weighted mean of a range of scenarios.

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis, such as activity-based costing method. The Company has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts in force within groups.

Acquisition cash flows are typically allocated to groups of contracts based on gross premiums written. This includes an allocation of acquisition cash flows among existing, as well as future, groups of insurance contracts issued. For automobile insurance contracts issued, the allocation of certain commissions to the existing groups of contracts, and to groups of contracts that will include insurance contracts that are expected to arise from renewals of the insurance contracts in existing groups, involves assumptions about future contract renewal rates.

### 3.1.2.6 Methods used to measure non-life contracts

Judgement is involved in assessing the most appropriate technique to estimate insurance liabilities for the claims incurred. In certain instances, different techniques or a combination of techniques have been selected for individual accident years or groups of accident years within the same type of contract.

The most common methods used to estimate property damage claims incurred are the chain-ladder and the Bornhuetter-Ferguson methods, which are the industry standards for this type of claim.

The chain-ladder technique involves an analysis of historical claims development factors and the selection of estimated development factors based on this historical pattern. The selected development factors are then applied to cumulative claims data for each accident year that is not yet fully developed, to produce an estimated ultimate claims cost for each accident year. The chain-ladder technique is the most appropriate for those accident years and classes of business that have reached a relatively stable development pattern. The chain-ladder technique is less suitable in cases in which the Company does not have a developed claims history for a particular type of claim.

The Bornhuetter-Ferguson method uses a combination of a benchmark or market-based estimate and an estimate based on claims experience. The former is based on a measure of exposure, such as gross or reinsurance premiums; the latter is based on the paid or incurred claims to date. The two estimates are combined, using a formula that gives more weight to the experience-based estimate as time passes. This technique has been used in situations in which developed claims experience was not available for the projection (that is, in relation to recent accident years or new products).

### 3.1.2.7 Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Company's degree of risk aversion. The Company estimates an adjustment for non-financial risk separately from all other estimates. The Company does not consider the effect of reinsurance in the risk adjustment for non-financial risk of the underlying insurance contracts.

The risk adjustment was calculated at the issuing entity level and then allocated down to each group of contracts in accordance with their risk profiles. The cost of capital method was used to derive the overall risk adjustment for non-financial risk.

In the cost of capital method, the risk adjustment is determined by applying a cost rate to the present value of projected capital relating to non-financial risk. The cost rate is set at 6% per annum, representing the return required to compensate for the exposure to non-financial risk. The capital is determined at a 99.5% confidence level, and it is projected in line with the run-off of the business. The diversification benefit is included to reflect the diversification in contracts sold across geographies, because this reflects the compensation that the entity requires.

**Notes to the Financial Statements - Continued**

**3.2 Financial assets and liabilities**

**3.2.(a) Summary of measurement categories**

The Company classifies its financial assets into the following categories:

Type of financial instruments	Classification	Reason
Cash and cash equivalents	AC	SPPI, hold to collect business model
Debt instruments	AC	SPPI, hold to collect business model
Equity securities	FVTPL	Designated
Equity securities	FVOCI	Mandatory
Other financial assets	AC	SPPI, hold to collect business model
Other financial liabilities	AC	Mandatory

**3.2.(b) Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on the trade date (that is, the date on which the Company commits to purchase or sell the asset).

At initial recognition, the Company measures a financial asset or financial liability at its fair value, plus or minus (in the case of a financial asset or financial liability not at FVTPL) transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Immediately after initial recognition, an expected credit loss (ECL) allowance is recognised for financial assets measured at AC and investments in debt instruments measured at FVOCI.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

- a. When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (that is, a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- b. In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

**3.2.(c) Amortised cost and effective interest rate**

AC is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method for any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (that is, its AC before any impairment allowance) or to the AC of a financial liability. The calculation does not consider the ECL and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the EIR.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original EIR. Any changes are recognised in profit or loss.

Interest revenue is calculated by applying the EIR to the gross carrying amount of financial assets recognised at AC or FVOCI.

**3.2.1 Financial assets**

**3.2.1.(a) Classification and subsequent measurement**

The Company classifies its financial assets into the following measurement categories:

- a. Amortized Cost
- b. FVOCI; or
- c. FVTPL

## Notes to the Financial Statements - Continued

### 3.2.1.(b) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as government and corporate bonds.

The classification and subsequent measurement of debt instruments depend on:

- a. the Company's business model for managing the asset; and
- b. the cash flow characteristics of the asset (represented by SPPI).

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

- a. **AC:** Assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVTPL, are measured at AC. The carrying amount of these assets is adjusted by any ECL allowance recognised and measured, as described further below. Interest revenue from these financial assets is included in interest revenue from financial assets not measured at FVTPL using the EIR method.
- b. **FVOCI:** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and that are not designated at FVTPL, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's AC, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in net investment income. Interest revenue from these financial assets is included in interest revenue from financial assets not measured at FVTPL using the EIR method.
- c. **FVTPL:** Assets that do not meet the criteria for AC or FVOCI are measured at FVTPL. Also, some assets are voluntarily measured at FVTPL, because this significantly reduces an accounting mismatch. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised and presented in the consolidated statement of profit or loss within net gains on FVTPL investments in the period in which it arises.

The business model reflects how the Company manages assets in order to generate cash flows. That is, it reflects whether the Company's objective is solely to collect the contractual cash flows from assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (for example, financial assets are held for trading purposes), the financial assets are classified as part of the other business model and measured at FVTPL. Factors considered by the Company in determining the business model for a Company of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed, and how managers are compensated. For example, the Company's business model for the investments underlying direct participating contracts is to hold to collect and sell contractual cash flows. The proceeds from the contractual cash flows of the financial assets are used to settle insurance contract liabilities as they become due. To ensure that the contractual cash flows from the financial assets are sufficient to settle those liabilities, the Company undertakes significant buying and selling activity on a regular basis, to rebalance its portfolio of assets and to meet cash flow needs as they arise. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the other business model and measured at FVTPL.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent SPPI (the SPPI test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement (that is, interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Company reclassifies debt investments only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

The Company might also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. The Company has determined that an accounting mismatch is reduced if financial assets backing insurance contracts in the Life Risk, Savings (except for underlying assets) and Property and Casualty product lines are measured at FVTPL. For these instruments, the Company has applied the option to designate these financial assets at FVTPL.

## Notes to the Financial Statements - Continued

### 3.2.1.(c) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective (that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets). Examples of equity instruments include basic ordinary shares.

The Company subsequently measures all equity investments at FVTPL. Gains and losses on equity investments at FVTPL are included in the line 'Net gains on FVTPL investments' in the consolidated statement of profit or loss.

The Company chooses not to apply the FVOCI option for equity instruments that are not held for trading.

### 3.2.1.(d) Impairment

The Company assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at AC and FVOCI. The Company recognises a loss allowance for such losses at each reporting date. The measurement of the ECL reflects:

- a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- b. the time value of money; and
- c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

### 3.2.1.(e) Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all of the risks and rewards of ownership; or (ii) the Company neither transfers nor retains substantially all of the risks and rewards of ownership and the Company has not retained control.

The Company enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as pass-through transfers that result in derecognition if the Company:

- a. has no obligation to make payments unless it collects equivalent amounts from the assets;
- b. is prohibited from selling or pledging the assets; and
- c. has an obligation to remit any cash that it collects from the assets without material delay.

## 3.2.2 Financial liabilities

### 3.2.2.(a) Classification and subsequent measurement

In both the current and prior periods, financial liabilities are classified and subsequently measured at AC, except for derivatives and investment contracts without DPF, which are measured at FVTPL.

Investment contracts without DPF are financial liabilities whose fair value is dependent on the fair value of underlying financial assets and are designated at inception at FVTPL. The Company designates these investment contracts to be measured at FVTPL, because it eliminates or significantly reduces a measurement or recognition inconsistency (that is, an accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company's main valuation techniques incorporate all factors that market participants would consider and make maximum use of observable market data. The fair value of financial liabilities for investment contracts without fixed terms is determined using the current unit values in which the contractual benefits are denominated. These unit values reflect the fair values of the financial assets contained within the Company's unitised investment funds linked to the financial liability. The fair value of the financial liabilities is obtained by multiplying the number of units attributed to each contract holder at the end of the reporting period by the unit value for the same date.

When the investment contract has an embedded put or surrender option, the fair value of the financial liability is never less than the amount payable on surrender, discounted for the required notice period where applicable.

Changes in the fair value of financial liabilities measured at FVTPL related to own credit risk are presented in OCI, while all other fair value changes are presented in the consolidated statement of profit or loss.

**Notes to the Financial Statements - Continued**

**3.2.2.(b) Derecognition**

Financial liabilities are derecognised when they are extinguished (that is, when the obligation specified in the contract is discharged, is cancelled or expires).

The exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original EIR, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors (such as the currency in which the instrument is denominated, changes in the type of interest rate, new conversion features attached to the instrument, and changes in covenants) are also taken into consideration. If an exchange of debt instruments or a modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

**3.2.3 Derivatives**

Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when fair value is positive, and as liabilities when fair value is negative.

Certain derivatives are embedded in hybrid contracts. If the hybrid contract contains a host that is a financial asset, the Company assesses the entire contract for classification and measurement purposes. Otherwise, the embedded derivatives are

- a. their economic characteristics and risks are not closely related to those of the host contract;
- b. a separate instrument with the same terms would meet the definition of a derivative; and
- c. the hybrid contract is not measured at FVTPL.

These embedded derivatives are separately accounted for at fair value, with changes in fair value recognised in the statement of profit or loss, unless the Company chooses to designate the hybrid contracts at FVTPL.

**3.2.4 Significant judgements and estimates in applying IFRS 9**

**Judgements**

This note provides an overview of the areas that involve a higher degree of judgement or complexity. More detailed information about these judgements is included in the notes.

Judgement	Description
Classification of financial instruments	The Company has made judgements in applying the business model criteria to its portfolio of debt instruments. The Company has also applied judgement as to whether designating debt instruments at FVTPL significantly reduces an accounting mismatch.
Expected credit loss	A number of significant judgements are required in applying the accounting requirements for measuring the ECL, such as: a. determining criteria for a significant increase in credit risk (SICR); b. choosing appropriate models and assumptions for the measurement of the ECL; c. establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and d. establishing Company's of similar financial assets for the purposes of measuring the ECL.

## Notes to the Financial Statements - Continued

### 3.3 Other Receivables and Prepayments

Other receivables and prepayments are carried at cost less accumulated impairment losses.

### 3.4 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there have separately identifiable cash inflows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of The Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

### 3.5 Investment Properties

Investment properties comprise of completed property and property under construction that are held by the Company to earn rental income or for capital appreciation or both.

Investment properties are measured initially at their cost, including related transaction costs. Transaction costs include professional fees for legal services and other commissions to bring the properties to the condition necessary for them to be capable of operating. After initial recognition, investment properties are carried at fair value with any changes therein recognized in the statements of profit or loss.

An external, independent valuer, having appropriate recognized professional qualifications, certified by the Financial Reporting Council (FRC) of Nigeria and with recent experience in the location and category of the Investment properties being valued, values the Company's investment properties annually. Fair value is evaluated annually by an accredited external, independent valuer, applying a valuation model recommended by the International Valuation Standards Committee which reflects market conditions at the reporting date.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss arising on the derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the property) is recognized in the statement of profit or loss in the period of the derecognition.

#### 3.5.1 Transfers

Transfers are made to or from investment property only, when there is a change in use. For a transfer from investment properties to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the company accounts for such property in accordance with the policy stated under property and equipment up to the date of change. Subsequently, the property is re-measured to fair value and re-classified as investment property.

## Notes to the Financial Statements - Continued

### 3.6 Intangible assets

Intangible assets comprise computer software purchases from third parties. They are measured at cost less accumulated amortization and accumulated impairment losses. Purchased computer software are capitalized on the basis of costs incurred to acquire and bring into use the specific software. These costs are amortized on straight-line basis over the useful life of the asset.

Amortization is recognized in the statement of profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is 10 years. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible 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.

### 3.7 Property and equipment

#### Recognition and measurement

All items of property and equipment are initially recognised at cost and subsequently measured at cost less accumulated depreciation and impairment losses, except land and building which are measured at the revalued amount being the fair value as at reporting date. Property and equipment comprise land and building, leasehold improvements, motor vehicles, plant and equipment, office furniture and fittings and office equipment, and computer equipment.

#### Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statements of profit or loss.

#### Depreciation

All property, plant and equipment (except land and buildings) are stated at historical cost less accumulated depreciation and impairment losses. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives.

Depreciation is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held-for sale in accordance with IFRS 5 - Non-current Assets Held-for-Sale and Discontinued Operations.

The estimated useful lives for the current and comparative period are as follows:

Buildings	1%
Leasehold improvements	20%
Plant and Machinery	20%
Furniture, fittings and office equipment	10%
Computer equipment	10%
Motor vehicles	25%

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 to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## **Notes to the Financial Statements - Continued**

### **Revaluation of land and building**

Land is shown at fair value based on periodic valuations by external independent valuers less subsequent depreciation for buildings. Buildings are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. When an individual property is revalued, any increase in its carrying amount (as a result of revaluation) is transferred to a revaluation reserve through OCI, except to the extent that it reverses a revaluation decrease of the same property previously recognized as an expense in the statement of profit or loss. When the value of an individual property is decreased as a result of a revaluation, the decrease is charged against any related credit balance in the revaluation reserve through OCI in respect of that property. However, to the extent that it exceeds any surplus, it is recognized as an expense in the statement of profit or loss.

### **De-recognition**

An item of property, plant, and equipment is derecognized on disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

### **3.8 Statutory deposit**

The Company's Statutory deposit represents the fixed deposit with the Central Bank of Nigeria in accordance with section 10(3) of the Insurance Act, 2003. The deposit is recognized at the cost in the statement of financial position being 10% of the statutory minimum capital requirement of N3 billion for the General insurance business. Interest income on the deposit is recognized in the statement of profit or loss in the period the interest is earned.

### **3.9 Other Technical liabilities**

Trade payables (i.e. Other Technical liabilities) are recognized when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest rate method. Trade payables include payables to agents and brokers, payables to reinsurance companies, payables to coinsurance companies, and commission payable.

The effective interest method is a method of calculating the amortized cost of the financial liabilities and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liabilities, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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. Trade payables are derecognized when the obligation under the liability is settled, cancelled, or expired

### **4.10 Provisions and Other Payables**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the Director's best estimate of the expenditure required to settle the obligation at the end of the reporting period. The provisions are reviewed at the end of the reporting period and adjusted to reflect the current best estimate.

Other payables are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method. They comprise of other short-term monetary liabilities such as professional fees payable, insurance levy payable, and staff pension liability.

## Notes to the Financial Statements - Continued

### 4.11 Retirement obligations and employee benefits

The operates the following contribution and benefit schemes for its employees:

#### **Defined contribution pension scheme**

The Company operates a defined contributory pension scheme for eligible employees. Employers and employees contribute 10% and 8% respectively of the employees' Basic, Housing, and Transport allowances in line with the provisions of the Pension Reform Act 2014. The Company pays the contributions to a pension fund administrator. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefits expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

#### **Short-term benefits**

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are recognized as employee benefit expenses and paid in arrears when the associated services are rendered by the employees of the Company.

### 4.12 Taxes

#### **Current income tax**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date in Nigeria. Current income tax assets and liabilities also include adjustments for tax expected to be payable or recoverable in respect of previous periods.

Current income tax relating to items recognized directly in equity or other comprehensive income is recognized in equity or other comprehensive income and not in the statement of profit or loss and other comprehensive income.

#### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

## Notes to the Financial Statements - Continued

### 4.13 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as a transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the company has an unconditional right to defer the settlement of the liabilities for at least twelve months after the date of the statement of financial position.

### 4.14 Deposit for share

Deposit for share is recognized at cost, being the amount of deposit received from potential shareholders of the Company. The deposit is derecognized when the Company's equity instruments have been issued to the depositors or a refund made.

### 4.15 Share capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

### 4.16 Dividends on ordinary share capital

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Company's shareholders. Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date. Thus, such dividends are only disclosed in the notes to the financial statements.

### 4.17 Share premium

This represents the excess amount paid by shareholders on the nominal value of the shares. This amount is distributable to the shareholders at their discretion. The share premium is classified as an equity instrument in the statement of financial position.

### 4.18 Contingency reserve

In compliance with Section 21(2) of Insurance Act, CAP 117 LFN 2004, contingency reserve is credited with the greater of 3% of total premium, or 20% of the net profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.

### 4.19 Retained Earnings/(Accumulated losses)

Accumulated losses comprise the undistributed (losses)/profits from previous years, which have not been reclassified to the other equity reserves.

### 4.20 Management expenses

Management expenses are expenses other than claims, investment expenses, employee benefits, expenses for marketing and administration and underwriting expenses. They include wages, professional fee, depreciation expenses and other non-operating expenses. Management expenses are accounted for on accrual basis and recognized in the statement of profit or loss upon utilization of the service or at the date of their origin.

### 4.21 Earnings/Losses per share

The Company presents basic earnings/losses per share (EPS/LPS) data for its ordinary shares. Basic EPS/LPS 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 period. 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.

## Notes to the Financial Statements - Continued

### 4.22 Significant judgments, estimates, and assumption

#### 4.22.1 Judgement

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

These conditions give rise to a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern therefore they may be unable to realize their assets and discharge their liabilities in the normal course of business.

Management plans to recapitalize the Company. The recapitalization of the business will be achieved through the injection of Funds by potential investors. The Company is discussing with prospective investors. However, if the Company gets an investor, it is estimated that the timing of completion of the recapitalization process may take about 6 months because of the logistics around capital raising for a listed and regulated Company. The success of this plan will potentially lead to a turnaround of the Company's performance from adverse regulatory ratios, losses, and inadequate liquidity to improved market share, cash flows, and liquidity. In addition, the Company may then be able to meet the minimum regulatory capital requirements of NAICOM and thus be able to re-commence its oil and gas line of businesses. In addition, Management has put in place plans to improve its retail business base by exploring new opportunities that may improve its revenues and performance. Specifically, some of the plans are leveraging personal relationships and opportunities created by the Government on compulsory insurance to increase its reach and spread. The Company plans to achieve this by retaining its existing clients and selling permissible services to clients in new locations across the country through strategic partnerships with other insurance and insurance brokerage firms. The Company plans to optimize its costs by converting some of its branches to office representatives.

The financial statements are prepared on the basis that The Company will continue to be a going concern. This basis of preparation is dependent on the presumption of the ability of the Company to comply with the minimum regulatory capital requirement and the solvency margin requirement as well as its ability to realize its assets and discharge its liabilities in the ordinary course of business.

#### 4.22.2 Estimates and assumption

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that

##### **Valuation of investment properties**

The valuation of the properties is based on the price for which comparable land and properties are being exchanged or are being marketed for sale. Therefore, the market-approach method of valuation is used; this reflects existing use with recourse to comparison approach that is the analysis of recent sale transactions on similar properties in the neighbourhood. The best price that subsisting interest in the property will reasonably be expected to be sold if made available for sale by a private treaty between a willing seller and buyer under competitive market conditions.

##### **Revaluation of property and equipment**

The Company measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Company engaged an independent valuation specialist to assess fair value as at December 31, 2018. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location, and condition of the property.

Notes to the Financial Statements - Continued

5 Standards and interpretations issued but not yet effective

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

Standard	Content	Effective Date
IFRS amendments	Annual improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 9 and IFRS 7 amendments	Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7	January 1, 2026
IFRS 9 & IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

a) Annual improvements to IFRS Accounting Standards - Volume 11

On 18 July 2024, the International Accounting Standards Board (IASB) issued the Annual Improvements to IFRS Accounting Standards-Volume 11. It contains amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The IASB's annual improvements are limited to amendments that either clarify the wording of an IFRS standard or correct relatively minor unintended consequences, oversights or conflicts between requirements in the standards.

The amendments contained in the Annual Improvements relate to:

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge Accounting by a First-time Adopter
- IFRS 7 Financial Instruments: Disclosures: Gain or loss recognition, Disclosure of differences between the fair value and the transaction price, and Disclosures on credit risk.
- IFRS 9 Financial Instruments: Derecognition of lease liabilities, and Transaction price
- IFRS 10 Consolidated Financial Statements - Determination of a 'de facto agent'
- IAS 7 Statement of Cash Flows - Cost Method.

These amendments are mandatory for financial years beginning on or after 1 January 2026; earlier application is permitted.

The amendment is not expected to have any significant impact on the Group and the Company at the time it will take effect.

b) Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7

Companies face challenges in applying IFRS 9 Financial Instruments to contracts referencing nature-dependent electricity – sometimes referred to as renewable power purchase agreements (PPAs). The International Accounting Standards Board (IASB) has now amended IFRS 9 to address these challenges. The amendments include guidance on:

- the 'own-use' exemption for purchasers of electricity under such PPAs; and
- hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs.

The IASB has also added new disclosure requirements for certain PPAs to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments apply for reporting periods beginning on or after 1 January 2026, and early adoption is permitted.

The amendment is not expected to have any significant impact on the Company and the Company at the time it will take effect.

c) IFRS 9 & IFRS 7 – Classification and Measurement of Financial Instruments

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- ✓ Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met
- ✓ Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
- ✓ Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG linked), and equity instruments classified at fair value through other comprehensive income.
- ✓ Clarifies the treatment of non-recourse assets and contractually linked instruments

The Company plans to adopt the amendment when it becomes effective.

Notes to the Financial Statements - Continued

5 Standards and interpretations issued but not yet effective (cont'd)

d) IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the Board issued IFRS 18 to become effective on 1 January 2027. The objective of the Standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses, with emphasis on the subject matter as shown below:

- ✓ Aggregation : The adding together of assets, liabilities, equity, income, expenses or cash flows that share characteristics and are included in the same classification.
- ✓ Classification: The sorting of assets, liabilities, equity, income, expenses and cash flows based on shared characteristics.
- ✓ Disaggregation: The separation of an item into component parts that have characteristics that are not shared.

The Company plans to adopt the full scope of the Standard when it becomes effective.

e) IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

**Eligible entities**

- ✓ It is a subsidiary as defined in IFRS 10 Consolidation Financial Statement
- ✓ It does not have public accountability
- ✓ It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

The standard does not have any Impact on the Company as the Company is not an Eligible entity.

Notes to the Financial Statements - Continued

<b>6 Insurance revenue</b>		
<i>In thousands of naira</i>		
Insurance revenue from contracts measured under PAA (Note 45)	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	4,689,427	5,625,358
<b>Total Insurance revenue</b>	<u>4,689,427</u>	<u>5,625,358</u>
<b>7 Insurance service expenses</b>		
<i>In thousands of naira</i>		
Claims Paid	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	735,303	628,479
Changes that relate to past service - adjustments to the Liability Incurred Claims	<u>328,329</u>	<u>(1,580,858)</u>
<b>Incurred Claims and other insurance expense</b>	<u>1,063,632</u>	<u>(952,379)</u>
Losses on onerous contracts and reversal of the losses	(172,816)	228,263
Insurance acquisition cash flows amortization	559,183	1,461,330
Other directly attributable expenses (Note 7)	<u>767,690</u>	<u>1,138,564</u>
<b>Total Insurance Service Expenses for the year</b>	<u>2,217,690</u>	<u>1,875,778</u>
<b>8 Net expenses from reinsurance contracts held</b>		
<i>In thousands of naira</i>		
Allocation of reinsurance premium	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	833,354	502,468
Reinsurance commission	<u>(225,462)</u>	<u>(140,318)</u>
Effect of changes in the risk of reinsurance non-performance	91	-
Insurance Claims Recoverable	<u>(63,236)</u>	<u>(29,540)</u>
Changes in Risk adjustment on reinsurance recoverable	15,867	-
<b>Changes in Risk adjustment on reinsurance recoverable</b>	<u>560,614</u>	<u>332,610</u>
<b>9 Investment income</b>		
<i>In thousands of naira</i>		
Interest income - bank deposits	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	108,716	247,157
Interest income- money market funds	11,120	-
Interest on statutory deposit	66,409	37,855
Interest on treasury bills (within 90 days) see note 19.3	573,845	90,417
Interest on Commercial Papers	12,646	40,086
Dividend income earned	3,526	13,945
Foreign exchange gain (cash and cash equivalent)	<u>(3,252)</u>	<u>27,231</u>
	<u>773,009</u>	<u>456,691</u>
<b>10 Net Realised gains/(loss) on financial assets</b>		
<i>In thousands of naira</i>		
Realised gain on sales of Quoted equity securities (see note 20.1)	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	5,151	19,508
Unrealised gain on sales of Quoted equity securities (see note 20.1)	85,170	36,932
Net fair value gain/(loss) on investment properties (see note 24)	<u>248,535</u>	<u>1,957,849</u>
	<u>338,855</u>	<u>2,014,288</u>
<b>11 Other income</b>		
<i>In thousands of naira</i>		
Rental Income	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	52,020	42,410
Sundry income	615	30
Gain on disposal of fixed assets	2,874	17,917
Gain on disposal of Investment property	<u>200,000</u>	<u>-</u>
	<u>255,509</u>	<u>60,358</u>
<b>12 Impairment</b>		
<i>In thousands of naira</i>		
Cash and cash equivalents	<u>31-Dec-25</u>	<u>31-Dec-24</u>
	-	(117)
Staff advance	298	-
Other receivables and sundry debtors	<u>78,421</u>	<u>-</u>
	<u>78,719</u>	<u>(117)</u>

Notes to the Financial Statements - Continued

**13 Finance costs**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Interest on lease obligations	2,063	12,379
Interest charged on Working Capital Funding	364,028	604,023
<b>Net finance costs/expenses</b>	<b>366,092</b>	<b>616,402</b>

**14 Operating Expenses**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Employee benefit expenses (Note 14.1)	1,086,905	805,329
Other operating expenses (Note 14.2)	1,472,529	2,990,575
	<b>2,559,434</b>	<b>3,795,904</b>

**14.1 Breakdown of Employee benefit expenses:**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Wages and salaries	996,205	731,410
Other staff costs	41,400	29,550
Pensions	49,300	44,369
	<b>1,086,905</b>	<b>805,329</b>

**14.2 Breakdown of Other operating expenses**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Directors emoluments	35,250	25,000
Auditors remuneration	15,000	15,000
Depreciation	190,373	164,661
Amortisation	5,219	4,430
Legal fees	10,529	46,800
Consultancy and other professional fees	137,098	244,740
Motor running expenses	102,565	66,883
Subscription	16,587	40,428
Donations	16,875	10,800
Brand and Communications	220,672	310,227
Repairs and maintenance	43,681	19,030
Rent and rates	118,550	184,334
Postage and telephone	1,138	1,228
Transport and travelling	141,615	253,765
Printing and stationery	16,648	39,866
Security expenses	15,879	9,354
Oil and diesel	3,831	10,390
Insurance and license	31,131	38,702
State and local government levy	8,311	3,648
NAICOM Levy	35,668	43,342
Entertainment expenses	5,281	17,132
Board Expenses	181,645	114,631
Filing fees	2,124	2,000
Office Cleaning	15,002	7,434
Newspapers & Periodicals	6	10
ICT consumables	145,592	156,837
Internet subscription	10,941	6,584
Bank charges	9,770	22,529
Electricity and utilities	56,172	30,566
Fines and penalty	13,583	300,315
Marketing expenses	239	25,150
Corporate strategy expenses	17,023	11,840
Staff productivity bonus	-	650,202
AGM Expenses	-	94,148
Bad Debt written off	-	18,569
Group related expenses	498,615	-
	<b>2,122,613</b>	<b>2,990,575</b>
<b>Less:</b>		
Staff productivity bonus - "Provision no longer required"	(650,084)	-
	<b>1,472,529</b>	<b>2,990,575</b>

Notes to the Financial Statements - Continued

**14.3 Total Operating Expenses (See Note 14)**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Other directly attributable expenses (Note 7)	767,690	1,138,564
Non - Attributable expenses	1,791,744	2,657,340
	<b>2,559,434</b>	<b>3,795,904</b>

**15 Directors and employees**

Compensation of key management personnel

Key management personnel of the Company includes all directors, executives and non-executive, and senior management.

The summary of compensation of key management personnel for the year is as follows:

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Short-term employee benefits:		
Salaries and allowances	49,000	49,000
	<b>49,000</b>	<b>49,000</b>

Fees and other emolument disclosed above includes amount paid to:

Chairman	5,000	5,000
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The number of Directors who received fees and other emoluments

(excluding pension contributions and certain benefit) in the following ranges was:

	<b>Number</b>	<b>Number</b>
=N=1,000,001 - =N=5,000,000	8	8
=N=5,000,001 - =N=10,000,000	1	1
	<b>9</b>	<b>9</b>

**Personnel**

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

Administration	21	18
Technical	64	38
	<b>85</b>	<b>56</b>

The table below shows the number of employees (excluding Directors) of the Company who earned emoluments in the following ranges:

Emolument range	<b>Number</b>	<b>Number</b>
=N=3,000,001 - =N=4,000,000	13	5
=N=4,000,001 - =N=5,000,000	-	-
=N=5,000,001 - =N=8,000,000	30	19
=N=8,000,001 - =N=10,000,000	23	13
=N=10,000,001 - and above	19	19
	<b>85</b>	<b>56</b>

**16 Profit or loss on disposal of Associate Company**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Consideration sum	-	1,400,000
Carrying amount of Associate company disposed	-	(876,522)
	-	523,478
Fair value gain on disposal of investment in associate company	-	<b>523,478</b>

**17 Basic and diluted loss per share**

Basic loss per share is calculated by dividing the results attributable to shareholders by the weighted average number of ordinary shares in issue at the reporting date.

The following reflects the loss and share data used in the basic loss per share computations:

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Net profit/losses attributable to owners	868,667	2,954,358
Weighted average number of shares for the year end	2,534,085	1,284,085
Basic and diluted loss per share	<b>34</b>	<b>230</b>

**18 Change in fair value on equity instrument designated at fair value through other comprehensive income:**

*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
Change in fair value gain/(loss) on financial assets FVOCI	(118,271)	219,874
	<b>(118,271)</b>	<b>219,874</b>

Notes to the Financial Statements - Continued

19 Cash and cash equivalents

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Cash in hand	823	670
Cash and bank balances	162,727	135,115
Short term deposits	265,032	1,053,200
Treasury Bills - reclassification from Debts instrument at amortised cost (Note 19.3)	6,941,529	4,142,683
ECL impairment (note 12)	<u>(10,299)</u>	<u>(10,299)</u>
<b>At End of year</b>	<b><u>7,359,813</u></b>	<b><u>5,321,370</u></b>

- (i) The carrying value of cash and cash equivalent approximates fair value. Short-term deposits are various deposits with commercial banks for varying period of one to ninety days (1 - 90 days), depending on the immediate cash requirements of the Company.
- (ii) The effective interest rate on short-term deposits is 14%. The cash and bank balances are the current account balances with bank deposit balances of the Company. Short-term deposits are various deposits with commercial banks for varying periods of one to ninety days (1-90days), depending on the immediate cash requirements of the Company.
- (iii) The short term deposit consist the sum of N26.62omillion which represent the "Unclaimed Dividend" to the shareholders of the Company. The amount was placed in an interest yielding deposit, in accordance with the extant laws. See Note 30.1).

Current	7,359,813	5,321,370
Non-current	-	-
	<b><u>7,359,813</u></b>	<b><u>5,321,370</u></b>

Of the cash and cash equivalents, the following are related to insurance funds

Policyholder insurance funds	5,359,813	3,321,370
Shareholders' funds	<u>2,000,000</u>	<u>2,000,000</u>
	<b><u>7,359,813</u></b>	<b><u>5,321,370</u></b>

19.1 ECL impairment on cash and cash equivalents

At Beginning of year	10,299	10,416
Changes during the year (note 12)	-	(117)
<b>At End of year</b>	<b><u>10,299</u></b>	<b><u>10,299</u></b>

19.2 Cash and Cash Equivalents for Cash flow

Cash and bank balances	163,550	135,785
Short term deposits:	254,734	1,042,901
Treasury Bills below 90 days tenor (Note 19.3)	<u>6,941,529</u>	<u>4,142,683</u>
	<b><u>7,359,813</u></b>	<b><u>5,321,370</u></b>

19.3 Treasury Bills (Below 90 days tenor)

At Beginning of year	4,142,683	-
Reclassification from Debts instrument at amortised cost	-	4,052,266
Interest capitalised/earned during the year (Note 9)	573,845	90,417
Purchase of financial asset	4,272,264	-
Proceed from disposal of financial asset	<u>(2,047,263)</u>	<u>-</u>
<b>At End of year</b>	<b><u>6,941,529</u></b>	<b><u>4,142,683</u></b>

19.3 The sum of N6.941billion represent amount invested in Federal Government Securities (Treasury Bills) for which the maturity is less than 90 days.

20 Financial assets

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Financial assets at Fair Value through Profit or Loss ( see note 20.1, below)	298,886	208,565
Financial assets at Fair Value through Other comprehensive income ( see note 20.2)	600,602	718,873
Financial assets at Amortised Cost (see note 20.3, below)	<u>72,517</u>	<u>118,701</u>
	<b><u>972,004</u></b>	<b><u>1,046,139</u></b>
Policyholder insurance funds	972,004	1,046,139
Shareholders' funds	-	-
	<b><u>972,004</u></b>	<b><u>1,046,139</u></b>

20.1 Financial assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss (FVTPL) represent the Company's investments in quoted equity securities traded on the Nigerian Exchange Group, which are measured at fair value, with changes in fair value recognized in profit or loss.

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At Beginning of year	208,565	110,415
Additions during the year	78,893	195,865
Disposal of quoted stocks investment (see (i) below)	-	134,647
Unrealised fair value gains reported Profit or loss (Note 10)	<u>85,170</u>	<u>36,932</u>
<b>At End of year</b>	<b><u>298,886</u></b>	<b><u>208,565</u></b>

(i) Movement in Quoted Investment

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Proceeds of disposal of quoted stock	78,893	154,155
Weighted average cost of quoted stock disposed (Note 10)	<u>(73,742)</u>	<u>(134,647)</u>
	<b><u>5,151</u></b>	<b><u>19,508</u></b>

Notes to the Financial Statements - Continued

20.2 Financial assets at Fair Value through Other comprehensive income:

Equity instruments designated at fair value through other comprehensive income

In thousands of naira

	31-Dec-25	31-Dec-24
WAICA RE	561,413	679,632
EAIPN	37,090	37,142
First Aluminium	1,294	1,294
West Africa Glass Industry	250	250
NCR/AT&T GLOBAL INFORMATION*	251	251
UNION BANK OF NIGERIA*	305	305
	<u>600,602</u>	<u>718,873</u>

\* These were the equities stocks formerly classified under the quoted equities which have been de-listed on the floor of the Nigerian Stock Exchange

Movement in FVOCI/AFS

	31-Dec-25	31-Dec-24
At Beginning of year	718,873	513,687
Additions/(Disposal)*	-	555
Fair value Gain/(loss) See note 20.4.1 & 20.4.2	(118,271)	219,874
Investment written off as Bad Debt - Heritage Bank	-	(15,243)
At End of year	<u>#####</u>	<u>718,873</u>

20.3 Financial assets and /Debts Instrument at amortised cost

In thousands of naira

	31-Dec-25	31-Dec-24
At Beginning of year	118,701	3,614,705
Additions during the year	-	646,678
Withdrawal during the year	(57,304)	-
Interest capitalised	11,120	-
	<u>72,517</u>	<u>4,261,383</u>
Reclassification to Cash and Cash Equivalents (See note ii) and (note 20.3)	-	(4,142,683)
At End of year	<u>72,517</u>	<u>118,701</u>

ii The rationale of reclassification of part of Debts instrument at amortised cost to Cash and cash equivalents was because the instrument (FGN Treasury bills) invested was less than 91 days tenor in maturity.

i Breakdown of Financial assets at amortised cost:

a Commercial Paper with VFD Group	57,304	57,304
b Mutual Funds with CardinalStone Money Market Fund	72,517	61,397
c Redemption of Commercial paper with VFD	(57,304)	-
	<u>72,517</u>	<u>118,701</u>

20.4.1 Gross Analysis of movement in financial assets as at 31st December 2025

	Fair value through OCI	Fair value through profit or loss	Amortised Cost	Total
<i>In thousands of naira</i>				
At January 1, 2025	718,873	208,565	118,701	1,046,139
Additions	-	78,893	-	78,893
Maturities and redemptions	-	-	57,304	(57,304)
Disposal	-	73,742	-	(73,742)
Realised fair value gains reported in Profit or loss (Note 20.1)	-	-	11,120	11,120
Unrealised fair value gains reported in OCI (Note 20.2)	118,271	-	-	(118,271)
Unrealised fair value gains reported Profit or loss (Note 10)	-	85,170	-	85,170
As at December 31, 2025	<u>600,602</u>	<u>298,886</u>	<u>72,517</u>	<u>972,005</u>

20.4.2 Gross Analysis of movement in financial assets as at 31st December 2024

	Fair value through OCI	Fair value through profit or loss	Amortised Cost	Total
<i>In thousands of naira</i>				
At January 1, 2024	513,687	110,415	3,614,705	4,238,807
Additions	555	195,865	646,678	843,099
Maturities and redemptions	-	-	4,142,683	(4,142,683)
Disposal	-	134,647	-	(134,647)
Realised fair value gains reported in Profit or loss (Note 20.1)	-	-	-	-
Unrealised fair value gains reported in OCI (Note 20.2)	219,874	-	-	219,874
Unrealised fair value gains reported Profit or loss (Note 10)	-	36,932	-	36,932
Impairment charge/written off during the year (Note 20.2)	15,243	-	-	(15,243)
Foreign Exchange adjustments	-	-	-	-
As at December 31, 2024	<u>718,873</u>	<u>208,565</u>	<u>118,701</u>	<u>1,046,139</u>

**21 Premium receivables**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Due from Brokers (See note 21(b))	26,095	19,978
Due from Co-Insurer (See note 21(b))	-	-
<b>Premium Receivables</b>	<b><u>26,095</u></b>	<b><u>19,978</u></b>
<b>Movement in Premium Receivables</b>		
At Beginning of year	19,978	8,640
Add: Gross Premium written	3,547,819	4,334,209
Less: Premium Received from policy holders	(3,541,701)	(4,322,871)
<b>At End of year</b>	<b><u>26,095</u></b>	<b><u>19,978</u></b>

(i) There was no premium received in advance during the year ended, thus, no impact on insurance contract liabilities.

**(a) Age analysis of Premium receivable**

(i) Within 14 Days	4,915	289
(ii) Within 15 - 30 Days	21,180	19,689
(iii) Within 31 - 90 Days	-	-
(iv) Within 91 Days	-	-
Above 180 Days	-	-
	<b><u>26,095</u></b>	<b><u>19,978</u></b>

**(b) The analysis of Due from Brokers is as follows:**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Due from Insurance Brokers	26,095	19,978
Due from Insurance Agents	-	-
Due from Co-Insurers	-	-
	<b><u>26,095</u></b>	<b><u>19,978</u></b>

(c) Premium receivables are receivables from Insurance Brokers as at period end and these have been collected subsequently.

**22 Reinsurance contract assets**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Assets/(liabilities) for remaining coverage (Note 22.1)	(37,230)	80,769
Assets for Incurred Claims (Note 22.1)	207,088	192,924
<b>At End of year</b>	<b><u>169,858</u></b>	<b><u>273,693</u></b>

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

## 22.1 Reconciliation of Reinsurance contract held at December 31, 2025

The following table shows the reconciliation from the opening to the closing balances of the net asset for the remaining coverage and the asset for incurred claims for insurance contracts under General Business measured under PAA. As discussed in 3.1(b), the coverage period for the reinsurance contracts held by the Company have coverage periods of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

In thousands of naira

	Assets for Remaining Coverage		Assets for Incurred Claims		Total
	Excl. loss Recovery Components	Loss Recovery Component	Estimate of PV. of future Cash flows	Risk adjustment for Non-financial risk	
Reinsurance contract assets as of January 1, 2025	80,768	-	160,904	32,020	273,692
Reinsurance contract liabilities as of January 1, 2025	-	-	-	-	-
<b>Net Reinsurance contracts as of January 1, 2025</b>	<b>80,768</b>	<b>-</b>	<b>160,904</b>	<b>32,020</b>	<b>273,692</b>
Allocation of reinsurance premium	(833,354)	-	-	-	(833,354)
Reinsurance commission	225,462	-	-	-	225,462
Effect of changes in the risk of reinsurance non-performance	(91)	-	-	-	(91)
Recoveries of Incurred claims and other incurred reinsurance service expenses	-	-	63,236	-	63,236
Changes in Risk adjustment on reinsurance recoverable	-	-	-	(15,867)	(15,867)
<b>Net expenses/income from Reinsurance Contracts held</b>	<b>(607,982)</b>	<b>-</b>	<b>63,236</b>	<b>(15,867)</b>	<b>(560,613)</b>
Finance Income from reinsurance contract held	-	-	6,788	-	6,788
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
<b>Total amounts recognised in comprehensive income</b>	<b>(607,982)</b>	<b>-</b>	<b>70,024</b>	<b>(15,867)</b>	<b>(553,825)</b>
Cash (in)/Out flows in the period					
Reinsurance commission	(225,462)	-	-	-	(225,462)
Reinsurance premiums paid	758,089	-	-	-	758,089
Amounts received under reinsurance contract held	-	-	(39,993)	-	(39,993)
<b>Cash flows</b>	<b>532,627</b>	<b>-</b>	<b>(39,993)</b>	<b>-</b>	<b>492,634</b>
Reinsurance contracts assets as of December 31, 2025	5,413	-	190,935	16,153	212,501
Reinsurance contracts liabilities as of December 31, 2025	(42,643)	-	-	-	(42,643)
<b>Net Reinsurance contracts assets/(liabilities) as of December 31, 2025</b>	<b>-</b>	<b>37,290</b>	<b>190,935</b>	<b>16,153</b>	<b>169,858</b>

## 22.2 Reconciliation of Reinsurance contract held at December 31, 2024

In thousands of naira

	Assets for Remaining Coverage		Assets for Incurred Claims		Total
	Excl. loss Recovery Components	Loss Recovery Component	Estimate of PV. of future Cash flows	Risk adjustment for Non-financial risk	
Reinsurance contract assets as of January 1, 2024	73,638	-	177,575	2,480	253,693
Reinsurance contract liabilities as of January 1, 2024	-	-	-	-	-
<b>Net Reinsurance contracts as of January 1, 2024</b>	<b>73,638</b>	<b>-</b>	<b>177,575</b>	<b>2,480</b>	<b>253,693</b>
Allocation of reinsurance premium	-	502,468	-	-	502,468
Effect of changes in the risk of reinsurance non-performance					
Amounts recovered from Reinsurance:					
Recoveries of Incurred claims and other incurred reinsurance service expenses	-	-	140,318	29,540	169,858
Changes that relate to past service - adjustment to ARIC	-	-	-	-	-
Recoveries/(reversals or recoveries) on onerous contracts	-	-	-	-	-
<b>Net expenses/income from Reinsurance Contracts held</b>	<b>-</b>	<b>502,468</b>	<b>140,318</b>	<b>29,540</b>	<b>332,610</b>
Finance Income from reinsurance contract held	-	-	96,850	-	96,850
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
<b>Total amounts recognised in comprehensive income</b>	<b>-</b>	<b>502,468</b>	<b>237,168</b>	<b>29,540</b>	<b>235,760</b>
Cash (in)/Out flows in the period					
Commission received	-	130,734	-	-	130,734
Reinsurance premiums paid	640,332	-	-	-	640,332
Amounts received under reinsurance contract held	-	-	253,839	-	253,839
<b>Amounts received under reinsurance contracts held</b>	<b>509,598</b>	<b>-</b>	<b>253,839</b>	<b>-</b>	<b>255,759</b>
<b>Cash flows</b>	<b>509,598</b>	<b>-</b>	<b>253,839</b>	<b>-</b>	<b>255,759</b>
<b>Non-cashflows in the period</b>	<b>-</b>	<b>502,468</b>	<b>140,318</b>	<b>29,540</b>	<b>332,610</b>
Impact of reinsurance premium payable	-	-	-	-	-
Net cash inflow	-	-	-	-	-
Reinsurance contracts assets as of December 31, 2024	80,768	-	160,904	32,020	273,692
Reinsurance contracts liabilities as of December 31, 2024	-	-	-	-	-
<b>Net Reinsurance contracts assets as of December 31, 2024</b>	<b>80,768</b>	<b>-</b>	<b>160,904</b>	<b>32,020</b>	<b>273,692</b>

Notes to the Financial Statements - Continued

**23 Other receivables and prepayments**  
*In thousands of naira*

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
a Sundry receivables (Note 23(i))	187,462	153,574
b Prepayments (Note 23(ii))	243,687	137,319
	<b>431,149</b>	<b>290,893</b>
<b>Less:</b>		
c Provision for Impairment (Note 23 (iii))	(88,898)	(10,179)
<b>At End of year</b>	<b>342,251</b>	<b>280,714</b>

**(i) Sundry receivables**

Intercompany Receivables	61,052	48,952
Staff Debtors	97,675	85,082
Pre - Capital Raise Expenditure*	23,125	-
Accrued Interest Income	5,611	19,540
	<b>187,462</b>	<b>153,574</b>

**Pre - Capital Raise Expenditure\***

These represent amounts incurred in connection with the Company's proposed public offer, which will be recovered from the proceeds of the offer upon its successful completion and deducted from equity.

**(ii) Prepayments**

Rent and rates	142,461	92,659
Insurance of Company's assets	10,926	12,970
Legal and professional fee	-	9,456
Prepaid expenses on Staff HMO scheme	-	1,334
Brands project	26,370	
ICT Consumables	33,729	-
Minimum and deposit premium (M&D)	30,200	20,900
	<b>243,687</b>	<b>137,319</b>

**(iii) Provision for Impairment**

<i>In thousands of naira</i>	<b>31-Dec-25</b>	<b>31-Dec-24</b>
At 1 January	10,179	10,179
Allowance during the year	78,719	-
Written-off during the year	-	-
<b>At End of year</b>	<b>88,898</b>	<b>10,179</b>
<b>Current</b>	206,927	222,694
<b>Non-current</b>	135,324	58,019
	<b>342,251</b>	<b>280,713</b>

Notes to the Financial Statements - Continued

24 Investment properties

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At Beginning of year	8,275,056	6,373,615
Improvements (see note 24(b))	9,550	213,316
Disposal of property during the year	-3,800,000	-
Reclassification (see note 24(b))	486,860	-269,723
Net fair value adjustments (see note 24(b))	<u>248,534</u>	<u>1,957,848</u>
<b>At End of year</b>	<b><u>5,220,000</u></b>	<b><u>8,275,056</u></b>

Further analysis and details of the investment properties including their locations are stated below. These includes the carrying amount and the corresponding fair value adjustments recognized in the profit or loss.

Description of properties

<i>In thousands of naira</i>	Status of Title	<u>31-Dec-25</u>	<u>31-Dec-24</u>
IEI Ibadan Estate, Liberty Road, Oke Ado, Ibadan	Perfection in progress	2,200,000	2,030,769
14, Aba Road, Port Harcourt, Rivers State	Perfection in progress	-	3,800,000
8, Ohaeto Street, Port Harcourt, Rivers State	Perfection in progress	550,000	-
Plot 294 Jide Oki Street, Victoria Island, Lagos	Deed of Assignment	2,300,000	2,300,000
5, Swimming Pool Road, GRA, Near Gamji Gate, Kaduna, Kaduna State	Perfection in progress	<u>170,000</u>	<u>144,287</u>
		<b><u>5,220,000</u></b>	<b><u>8,275,056</u></b>

Valuation techniques used for fair valuation of investment properties

This represents the Company's investment in building and landed property for the purpose of capital appreciation. The investment properties are stated at fair value, which has been determined based on valuations performed by a qualified estate surveyor. The investment properties were independently valued by Messrs Benson Omoruyi & Co ( a registered estate surveyor & valuer) with FRC Number FRC/2013/NIESV/0000003307 as at 31st December 2025, based on valuation model in accordance with that recommended by the International Valuation Standards Committee. The determination of fair value of the investment property was supported by market evidence.

(b) The movement in investment properties are as follows;

Description/Location	IEI Ibadan Estate, Liberty Road, Oke Ado, Ibadan	Swimming Pool Road, GRA, Near Gamji Gate, Kaduna,	8, Ohaeto Street D- line Port- Harcourt, Rivers State	14, Aba Road, Port Harcourt, Rivers State	Plot 294 Jide Oki Street, Victoria Island, Lagos	Closing Balance
<i>In thousands of naira</i>						
At 1 January 2024	1,384,615	115,000	74,000	3,150,000	1,650,000	6,373,615
Additions during the year	16,701	892	195,723	-	-	213,316
Revaluation Gain/(loss)	629,453	28,395	-	650,000	650,000	1,957,848
Reclassification during the year	-	-	(269,723)	-	-	(269,723)
<b>At 31 December 2024</b>	<b>2,030,769</b>	<b>144,287</b>	<b>-</b>	<b>3,800,000</b>	<b>2,300,000</b>	<b>8,275,056</b>
Additions during the year	9,550	-	-	-	-	9,550
Additions/transfer during the year*	-	-	486,859	-	-	486,859
Disposal during the year	-	-	-	(3,800,000)	-	(3,800,000)
Revaluation Gain/(loss)	159,681	25,713	63,141	-	-	248,534
<b>At end of year</b>	<b>2,200,000</b>	<b>170,000</b>	<b>550,000</b>	<b>-</b>	<b>2,300,000</b>	<b>5,220,000</b>

Notes to the Financial Statements - Continued

(b) (i) Additions/transfer during the year\*

The property, Land and Building together with the "Capital work - in - progress" situated at No.8, Ohaeto Street, D-Line, Port Harcourt, Rivers State, totalling the sum of N486.8million represents the carrying amount as at 31st December 2025 which has been transferred from Property and equipment to Investment property, after its completion of the remodelling and reconstruction. See note 26.

25 Intangible assets

*In thousands of naira*

	<u>Company</u>
<b>Cost:</b>	
At 1 January 2024	49,871
Additions	10,106
W.I.P Core Application	<u>184,591</u>
<b>At 31 December 2024</b>	<b>244,568</b>
Additions - Other intangible assets	6,000
Additions - W.I.P. Core Application	<u>88,470</u>
<b>At end of the year</b>	<b><u>339,038</u></b>
<b>Accumulated amortisation:</b>	
At 1 January 2024	12,317
Charge during the year	<u>4,430</u>
<b>At 31 December 2024</b>	<b>16,747</b>
Charge during the year	<u>5,219</u>
<b>At end of the year</b>	<b><u>21,965</u></b>
<b>Carrying amount:</b>	
<b>At 31st December 2025</b>	<b><u>317,073</u></b>
<b>At 31st December 2024</b>	<b><u>227,822</u></b>

Notes to the Financial Statements - Continued

26 Property and equipment  
In thousands of naira

	Land	Buildings	Capital Work-in-progress (Land & Building)	Plant and machinery	Motor vehicles	Furniture, fittings, office & computer equipment	Total
<b>Cost/valuation:</b>							
<b>At 1 January 2024</b>	-	-	-	159,064	506,923	685,970	1,351,957
Additions	10,000	64,000	-	-	-	-	74,000
Additions	-	-	195,723	20,603	105,392	75,898	397,616
Disposals	-	-	-	-	(42,281)	(5,484)	(47,765)
<b>At 31 December 2024</b>	<b>10,000</b>	<b>64,000</b>	<b>195,723</b>	<b>179,667</b>	<b>570,034</b>	<b>756,384</b>	<b>1,775,808</b>
Additions/Improvements (see note 26(i), below)	-	-	217,139	39,101	66,702	16,766	339,708
Disposals	-	-	-	(209)	(29,665)	(3,654)	(33,528)
Transfer/Reclassification*	(10,000)	(64,000)	(412,860)	-	-	-	(486,860)
<b>At 31st December 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218,559</b>	<b>607,071</b>	<b>769,496</b>	<b>1,595,126</b>
<b>Accumulated depreciation:</b>							
<b>At 1 January 2024</b>	-	-	-	112,981	234,126	224,324	571,432
Charge for the year	-	-	-	13,076	95,461	56,124	164,661
Disposals	-	-	-	-	(42,281)	(5,480)	(47,761)
<b>At 31 December 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,057</b>	<b>287,307</b>	<b>274,968</b>	<b>688,331</b>
Charge for the year	-	-	-	21,366	107,671	61,336	190,373
Disposals	-	-	-	(209)	(8,706)	(3,031)	(11,946)
Revaluation	-	-	-	-	-	-	-
<b>At 31st December 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>147,214</b>	<b>386,272</b>	<b>333,273</b>	<b>866,759</b>
<b>Carrying value</b>							
At 31st December 2025	-	-	-	71,346	220,799	436,222	728,367
At 31st December 2024	10,000	64,000	195,723	53,611	282,727	481,417	1,087,477

(i) Transfer/Reclassification\*

During the financial year, the Company completed renovation works on its land and building previously classified under Property, Plant and Equipment (PPE) in accordance with IAS 16, with a carrying amount of N486.859 million.

Following the completion of the renovations, management determined that the property met the definition of an investment property under IAS 40, as it is now held to earn rental income and/or for capital appreciation rather than for use in the production or supply of goods or services or for administrative purposes. Accordingly, the asset was reclassified from PPE to Investment Property.

In line with IAS 40, the property was measured at fair value at year-end, resulting in a fair value of N550 million. The resulting fair value gain of N63.141 million has been recognised in profit or loss for the year.

The investment properties were independently valued by Messrs Benson Omoruyi & Co ( a registered estate surveyor & valuer) with FRC Number FRC/2013/NIESV/0000003307 as at 31st December 2025, based on valuation model in accordance with that recommended by the International Valuation Standards Committee. The determination of fair value of the investment property was supported by market evidence.

27 Statutory deposit  
In thousands of naira

	31-Dec-25	31-Dec-24
Minimum statutory deposit	322,500	322,500
	<u>322,500</u>	<u>322,500</u>
Current	-	-
Non-current	322,500	322,500
	<u>322,500</u>	<u>322,500</u>

Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with Section 9 (1) and Section 10 (3) of Insurance Act Act 2003. This is restricted cash as management does not have access to the balances in its day to day activities. Statutory deposits are measured at cost and attract interest rate at a rate determined by the Central Bank of Nigeria.

**INTERNATIONAL ENERGY INSURANCE PLC**  
**Notes to the Financial Statements - Continued**  
Financial Statements for the year ended 31st December 2025

**28 Insurance contract liabilities**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Liability for Remaining Coverage (see note 28.1 below)	253,576	1,643,490
Liability for Incurred Claims (see note 28.1 below)	1,077,289	724,406
	<u>1,330,864</u>	<u>2,367,897</u>

**28(a) Summary of Insurance contract liabilities**

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Insurance contract liabilities excluding Insurance acquisition cashflows, and other pre-recognition cash flows	1,499,565	2,457,798
Insurance acquisition cash flow assets	(168,700)	(89,901)
<b>Insurance Contract Liabilities</b>	<u>1,330,864</u>	<u>2,367,897</u>

**28(a)(i) Insurance Contract Liabilities under PAA:**

<b>Liability for Remaining Coverage</b>		
Excluding loss component	244,570	1,461,669
Loss component	9,006	181,821
	<u>253,576</u>	<u>1,643,490</u>
<b>Liability for Incurred Claims</b>		
Estimates of present value of future cash flows	996,011	604,175
Risk adjustment for non-financial risk	81,278	120,231
	<u>1,077,289</u>	<u>724,406</u>
<b>Total Insurance contract liabilities under PAA</b>	<u>1,330,864</u>	<u>2,367,897</u>

The firm Alexander Forbes Consulting Actuaries Nigeria Limited (FRC/2012/0000000504) an actuarial service organisation did the valuation for the reporting date. The actuarial valuation reports were authorised by Wayne Van Jaarsveld, a professional actuary registered with the Financial Reporting Council of Nigeria with registration number FRC/2021/PRO/DIR/003/00000024507.

## 28.1 Reconciliation of the liability for remaining coverage and liability for incurred claims at Entity

The following table shows for reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts under general insurance business measured under PAA. As discussed in Note 4.1, the coverage period for the insurance contracts issued by the Company under the general business have coverage periods of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

In thousands of naira  
31-Dec-25

	Aggregated Liabilities for Remaining Coverage		Liabilities for Incurred Claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	1,461,669	181,821	604,176	120,231	2,367,897
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	1,461,669	181,821	604,176	120,231	2,367,897
Changes in the statement of profit or loss and OCI					
Insurance revenue:					
Contracts measured under PAA	(4,689,427)	-	-	-	(4,689,427)
Total Insurance revenue - All Transition Methods	(4,689,427)	-	-	-	(4,689,427)
Insurance Service expenses					
Claims Paid	-	-	735,303	-	735,303
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	367,291	(38,953)	328,338
Losses on onerous contracts and reversal of those loss	-	(172,815)	-	-	(172,815)
Insurance acquisition cash flows amortization	559,183	-	-	-	559,183
Other directly attributable expenses	767,690	-	-	-	767,690
Insurance Service expenses	1,326,874	(172,815)	1,102,594	(38,953)	2,217,700
Insurance Service Result	(3,362,553)	(172,815)	1,102,594	(38,953)	(2,471,727)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	24,544	-	24,544
Total amounts recognized in comprehensive income	(3,362,553)	(172,815)	1,127,138	(38,953)	(2,447,183)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	3,541,701	-	-	-	3,541,701
Claims paid	-	-	(735,303)	-	(735,303)
Other directly attributable expenses	(767,690)	-	-	-	(767,690)
Insurance acquisition cashflows paid	(534,632)	-	-	-	(534,632)
Maintenance cost paid	(93,924)	-	-	-	(93,924)
Total Cash flows	2,145,453	-	(735,303)	-	1,410,150
Total Non-Cash flow items					
Net Closing balance	244,569	9,006	996,011	81,278	1,330,864
Closing insurance Contract Liabilities	244,569	9,006	996,011	81,278	1,330,864
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	244,569	9,006	996,011	81,278	1,330,864

31-Dec-24

	Aggregated Liabilities for Remaining Coverage		Liabilities for Incurred Claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	2,793,547	19,784	2,195,338	43,701	5,052,370
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	2,793,547	19,784	2,195,338	43,701	5,052,370
Changes in the statement of profit or loss and OCI					
Insurance revenue:					
Contracts measured under PAA	5,625,358	-	-	-	5,625,358
Total Insurance revenue - All Transition Methods	5,625,358	-	-	-	5,625,358
Insurance Service expenses					
Claims Paid	-	-	(952,379)	-	(952,379)
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	367,291	(38,953)	328,338
Losses on onerous contracts and reversal of those loss	-	(172,815)	-	-	(172,815)
Insurance acquisition cash flows amortization	1,461,330	-	-	-	1,461,330
Other directly attributable expenses	1,138,564	-	-	-	1,138,564
Insurance Service expenses	2,599,894	162,037	(886,153)	-	1,875,778
Insurance Service Result	3,025,464	(162,037)	886,153	-	3,749,580
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	132,063	-	132,063
Total amounts recognized in comprehensive income	3,025,464	(162,037)	1,018,216	-	3,881,643
Investment components	-	-	-	-	-
Cash Flows					
Premium received	4,322,872	-	-	-	4,322,872
Claims paid	-	-	(628,479)	-	(628,479)
Other directly attributable expenses	-	-	-	-	-
Insurance acquisition cashflows paid	(2,599,894)	-	-	-	(2,599,894)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	1,722,978	-	(628,479)	-	1,094,499
Total Non-Cash flow items	(29,391)	-	29,391	-	-
	-	-	26,141	76,530	168,897
Net Closing balance	1,461,669	181,821	604,175	120,231	2,367,897
Closing insurance Contract Liabilities	1,461,669	181,821	604,175	120,231	2,367,897
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	1,461,669	181,821	604,175	120,231	2,367,897

## 28.2 Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio

In thousands of naira  
31-Dec-25

	FIRE		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash	Risk adjustment for Non-Financial	
Opening Insurance Contract Liabilities	80,274	7,463	124,898	46,582	259,216
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	80,274	7,463	124,898	46,582	259,216
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Contracts measured under PAA	(514,429)	-	-	-	(514,429)
Total Insurance revenue - All Transition Methods	(514,429)	-	-	-	(514,429)
Insurance Service expenses					
Claims Paid	-	-	23,243	-	23,243
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	47,597	(1,413)	46,184
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cash flows amortization	88,246	-	-	-	88,246
Other directly attributable expenses (Note 7)	99,470	-	-	-	99,470
Insurance Service expenses	187,716	-	70,840	(1,413)	257,143
Insurance Service Result	(326,713)	-	70,840	(1,413)	(257,286)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	2,839	-	2,839
Total amounts recognized in comprehensive income	(326,713)	-	73,679	(1,413)	(254,447)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	459,695	-	-	-	459,695
Claims paid	-	-	(23,243)	-	(23,243)
Other directly attributable expenses (Note 7)	99,470	-	-	-	(99,470)
Insurance acquisition cashflows paid	(84,838)	-	-	-	(84,838)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	275,387	-	(23,243)	-	252,144
Total Non-Cash flow items	-	-	-	-	-
Net Closing balance	28,948	7,463	175,334	45,169	256,913
Closing insurance Contract Liabilities	28,948	7,463	175,334	45,169	256,913
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	28,948	7,463	175,334	45,169	256,913

31-Dec-24

	FIRE		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	27,861	19,784	117,615	6,024	171,283
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	27,861	19,784	117,615	6,024	171,283
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Contracts measured under PAA	(207,940)	-	-	-	(207,940)
Total Insurance revenue - All Transition Methods	(207,940)	-	-	-	(207,940)
Insurance Service expenses					
Claims Paid	-	-	(3,040)	-	(3,040)
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	(12,321)	-	-	(12,321)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cash flows amortization	-	-	-	-	-
Other directly attributable expenses (Note 7)	113,394	-	-	-	113,394
Insurance Service expenses	113,394	(12,321)	(3,040)	-	98,033
Insurance Service Result	94,546	12,321	3,040	-	109,907
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	1,963	-	1,963
Total amounts recognized in comprehensive income	94,546	12,321	5,003	-	111,870
Investment components	-	-	-	-	-
Cash Flows					
Premium received	264,737	-	-	-	264,737
Claims paid	-	-	(5,098)	-	(5,098)
Other directly attributable expenses (Note 7)	-	-	-	-	-
Insurance acquisition cashflows paid	(113,394)	-	0	-	(113,394)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	151,343	-	(5,098)	-	146,245
Total Non-Cash flow items	(4,384)	-	4,384	13,000	20,558
Net Closing balance	80,274	7,463	124,898	46,582	259,216
Closing insurance Contract Liabilities	80,274	7,463	124,898	46,582	259,216
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	80,274	7,463	124,898	46,582	259,216

## 28.3 Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio

In thousands of naira  
31-Dec-25

	MOTOR Liabilities for Remaining Coverage		Liabilities for Incurred Claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	1,194,000	8,056	(37,312)	2,941	1,167,685
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	1,194,000	8,056	(37,312)	2,941	1,167,685
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(2,666,728)	-	-	-	(2,666,728)
Total Insurance revenue - All Transition Methods	(2,666,728)	-	-	-	(2,666,728)
Insurance Service expenses					
Claims Paid	-	-	366,086	-	366,086
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	5,607	25,502	31,109
Losses on onerous contracts and reversal of those loss	-	-	-	-	-
Insurance acquisition cash flows amortization	257,086	-	-	-	257,086
Other directly attributable expenses (Note 7)	357,207	-	-	-	357,207
Insurance Service expenses	614,293	-	371,693	25,502	1,011,488
Insurance Service Result	(2,052,435)	-	371,693	25,502	(1,655,240)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	5,478	-	5,478
Total amounts recognized in comprehensive income	(2,052,435)	-	377,171	25,502	(1,649,762)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	1,644,685	-	-	-	1,644,685
Claims paid	-	-	(366,086)	-	(366,086)
Other directly attributable expenses paid	357,207	-	-	-	(357,207)
Insurance acquisition cashflows paid	(114,549)	-	-	-	(114,549)
Maintenance cost paid	(92,722)	-	-	-	(92,722)
Total Cash flows	1,080,206	-	(366,086)	-	714,121
Total Non-Cash flow items					
Net Closing balance	221,772	8,056	(26,227)	28,443	232,044
Closing insurance Contract Liabilities	221,772	8,056	(26,227)	28,443	232,044
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	221,772	8,056	(26,227)	28,443	232,044

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	MOTOR Liabilities for Remaining Coverage		Liabilities for Incurred Claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	2,733,144	-	(11,271)	2,941	2,724,814
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	2,716,745	-	(11,271)	2,941	2,708,415
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(4,417,272)	-	-	-	(4,417,272)
Total Insurance revenue - All Transition Methods	(4,417,272)	-	-	-	(4,417,272)
Insurance Service expenses					
Claims Paid	-	-	241,959	-	241,959
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	8,056	-	-	8,056
Losses on onerous contracts and reversal of those loss	-	-	-	-	-
Insurance acquisition cash flows amortization	2,006,468	-	-	-	2,006,468
Other directly attributable expenses (Note 7)	614,293	-	-	-	614,293
Insurance Service expenses	2,620,761	8,056	241,959	-	2,870,776
Insurance Service Result	(2,410,804)	(8,056)	(241,959)	-	(2,660,819)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	17,557.00	-	17,557.00
Total amounts recognized in comprehensive income	(2,410,804)	(8,056)	(24,402)	-	(2,443,262)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	2,887,136	-	-	-	2,887,136
Claims paid	-	-	(250,443)	-	(250,443)
Other directly attributable expenses paid	(1,999,076)	-	-	-	(1,999,076)
Insurance acquisition cashflows paid	-	-	-	-	-
Maintenance cost paid	-	-	-	-	-
Total Cash flows	888,060	-	(250,443)	-	637,616
Total Non-Cash flow items	52,960	-	(52,960.00)	-	-
Net Closing balance	1,194,000	8,056	(37,312)	2,941	1,167,685
Closing insurance Contract Liabilities	1,194,000	8,056	(37,312)	2,941	1,167,685
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	1,194,000	8,056	(37,312)	2,941	1,167,685

## 28.4 Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio

In thousands of naira  
31-Dec-25

	GENERAL ACCIDENT		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	46,539	9,105	39,547	15,371	110,562
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	46,539	9,105	39,547	15,371	110,562
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(798,712)	-	-	-	(798,712)
Total Insurance revenue - All Transition Methods	(798,712)	-	-	-	(798,712)
Insurance Service expenses					
Claims Paid	-	-	233,540	-	233,540
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	211,986	9,907	221,893
Losses on onerous contracts and reversal of those loss	-	-	-	-	-
Insurance acquisition cash flows amortization	189,855	-	-	-	189,855
Other directly attributable expenses (Note 7)	193,459	-	-	-	193,459
Insurance Service expenses	383,314	-	445,526	9,907	838,747
Insurance Service Result	(415,397)	-	445,526	9,907	40,036
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	7,676	-	7,676
Total amounts recognized in comprehensive income	(415,397)	-	453,202	9,907	47,712
Investment components	-	-	-	-	-
Cash Flows					
Premium received	894,055	-	-	-	894,055
Claims paid	-	-	(233,540)	-	(233,540)
Other directly attributable expenses paid	(193,459)	-	-	-	(193,459)
Insurance acquisition cashflows paid	(214,950)	-	-	-	(214,950)
Maintenance cost paid	(1,202)	-	-	-	(1,202)
Total Cash flows	484,443	-	(233,540)	-	250,903
Total Non-Cash flow items	-	-	-	-	-
Net Closing balance	115,585	9,105	259,209	25,278	409,177
Closing insurance Contract Liabilities	115,585	9,105	259,209	25,278	409,177
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	115,585	9,105	259,209	25,278	409,177

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	GENERAL ACCIDENT		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	22,285	-	84,921	5,137	112,343
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	22,285	-	84,921	5,137	112,343
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(446,939)	-	-	-	(446,939)
Total Insurance revenue - All Transition Methods	(446,939)	-	-	-	(446,939)
Insurance Service expenses					
Claims Paid	-	-	-	-	-
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	9,105.00	-	-	9,105
Losses on onerous contracts and reversal of those loss	-	-	-	-	-
Insurance acquisition cash flows amortization	169,033	-	-	-	169,033
Other directly attributable expenses (Note 7)	-	-	-	-	-
Insurance Service expenses	169,033	9,105	(3,564)	-	174,574
Insurance Service Result	277,906	(9,105)	3,564	-	272,364
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	44,337	-	44,337
Total amounts recognized in comprehensive income	277,906	(9,105)	47,901	-	316,701
Investment components	-	-	-	-	-
Cash Flows					
Premium received	479,984	-	-	-	479,984
Claims paid	-	-	(18,944)	-	(18,944)
Other directly attributable expenses paid	(169,033)	-	-	-	(169,033)
Insurance acquisition cashflows paid	-	-	-	-	-
Maintenance cost paid	-	-	-	-	-
Total Cash flows	310,951	-	(18,944)	-	292,006
Total Non-Cash flow items	(8,791.00)	-	8,791.00	-	-
Net Closing balance	46,539	9,105	39,547	15,371	110,562
Closing insurance Contract Liabilities	46,539	9,105	39,547	15,371	110,562
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	46,539	9,105	39,547	15,371	110,562

## 28.5 Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio

In thousands of naira  
31-Dec-25

	MARINE		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	(11,368)	2,060	31,392	1,519	23,603
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	(11,368)	2,060	31,392	1,519	23,603
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(496,134)	-	-	-	(496,134)
Total Insurance revenue - All Transition Methods	(496,134)	-	-	-	(496,134)
Insurance Service expenses					
Claims Paid	-	-	9,601	-	9,601
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	72,516	5,477	77,993
Losses on onerous contracts and reversal of those loss	-	-	-	-	-
Insurance acquisition cash flows amortization	25,330	-	-	-	25,330
Other directly attributable expenses (Note 7)	108,154	-	-	-	108,154
Insurance Service expenses	133,484	-	82,117	5,477	221,078
Insurance Service Result	(362,650)	-	82,117	5,477	(275,056)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on chnages in the carrying amount	-	-	4,055	-	4,055
Total amounts recognized in comprehensive income	(362,650)	-	86,172	5,477	(271,001)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	499,826	-	-	-	499,826
Claims paid	-	-	(9,601)	-	(9,601)
Other directly attributable expenses paid	(108,154)	-	-	-	(108,154)
Insurance acquisition cashflows paid	(104,229)	-	-	-	(104,229)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	287,442	-	(9,601)	-	277,842
Total Non-Cash flow items	-	-	-	-	-
Net Closing balance	(86,575)	2,060	107,963	6,996	30,444
Closing Insurance Contract Liabilities	(86,575)	2,060	107,963	6,996	30,444
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	(86,575)	2,060	107,963	6,996	30,444

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	MARINE		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	36,661	-	69,398	1,061	107,120
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	36,661	-	69,398	1,061	107,120
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(507,671)	-	-	-	(507,671)
Total Insurance revenue - All Transition Methods	(507,671)	-	-	-	(507,671)
Insurance Service expenses					
Claims Paid	-	-	(45,783)	-	(45,783)
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	2,060	-	-	2,060
Losses on onerous contracts and reversal of those loss	-	-	-	-	-
Insurance acquisition cash flows amortization	223,103	-	-	-	223,103
Other directly attributable expenses (Note 7)	108,154	-	-	-	108,154
Insurance Service expenses	223,103	2,060	(45,783)	-	179,380
Insurance Service Result	284,568	(2,060)	45,783	-	328,291
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on chnages in the carrying amount	-	-	31,770	-	31,770
Total amounts recognized in comprehensive income	284,568	(2,060)	77,553	-	360,061
Investment components	-	-	-	-	-
Cash Flows					
Premium received	479,694	-	-	-	479,694
Claims paid	-	-	(5,803)	-	(5,803)
Other directly attributable expenses paid	(108,154)	-	-	-	(108,154)
Insurance acquisition cashflows paid	(223,103)	-	-	-	(223,103)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	256,591	-	(5,803)	-	250,788
Total Non-Cash flow items	(20,052.00)	-	20,052.00	458.00	-
Net Closing balance	(11,368)	2,060	31,392	1,519	23,603
Closing Insurance Contract Liabilities	(11,368)	2,060	31,392	1,519	23,603
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	(11,368)	2,060	31,392	1,519	23,603

## 28.6 Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio

In thousands of naira  
31-Dec-25

	BONDS		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	164,705	122,256	109,089	3,159	399,209
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	164,705	122,256	109,089	3,159	399,209
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(213,936)	-	-	-	(213,936)
Total Insurance revenue - All Transition Methods	(213,936)	-	-	-	(213,936)
Insurance Service expenses					
Claims Paid	-	-	-	-	-
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	(9,728)	(7,484)	(17,212)
Losses on onerous contracts and reversal of those losses	-	(172,815)	-	-	(172,815)
Insurance acquisition cash flows amortization	(3,981)	-	-	-	(3,981)
Other directly attributable expenses (Note 7)	9,400	-	-	-	9,400
Insurance Service expenses	5,419	(172,815)	(9,728)	(7,484)	(184,608)
Insurance Service Result	(208,517)	(172,815)	(9,728)	(7,484)	(398,544)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	4,496	-	4,496
Total amounts recognized in comprehensive income	(208,517)	(172,815)	(5,232)	(7,484)	(394,048)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	43,441	-	-	-	43,441
Claims paid	-	-	-	-	-
Other directly attributable expenses paid	9,400	-	-	-	(9,400)
Insurance acquisition cashflows paid	(13,419)	-	-	-	(13,419)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	20,622	-	-	-	20,622
Total Non-Cash flow items	-	-	-	-	-
Net Closing balance	(23,190)	(50,559)	103,857	(4,325)	25,783
Closing insurance Contract Liabilities	(23,190)	(50,559)	103,857	(4,325)	25,783
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	(23,190)	(50,559)	103,857	(4,325)	25,783

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	BONDS		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	2,307	-	112,672	2,852	117,831
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	2,307	-	112,672	2,852	117,831
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(34,717)	-	-	-	(34,717)
Total Insurance revenue - All Transition Methods	(34,717)	-	-	-	(34,717)
Insurance Service expenses					
Claims Paid	-	-	(53,339)	-	(53,339)
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	188,482	-	-	188,482
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cash flows amortization	-	-	-	-	-
Other directly attributable expenses (Note 7)	83,212	-	-	-	83,212
Insurance Service expenses	83,212	188,482	(53,339)	-	218,355
Insurance Service Result	(48,495)	(188,482)	53,339	-	(183,638)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	3,807	-	3,807
Total amounts recognized in comprehensive income	(48,495)	(188,482)	57,146	-	(179,831)
Investment components	-	-	-	-	-
Cash Flows					
Premium received	200,502	-	-	-	200,502
Claims paid	-	-	-	-	-
Other directly attributable expenses paid	-	-	-	-	-
Insurance acquisition cashflows paid	(83,212)	-	-	-	(83,212)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	117,290	-	-	-	117,290
Total Non-Cash flow items	(36,643.00)	-	36,643.00	-	-
Net Closing balance	164,705	122,256	109,089	3,159	399,209
Closing insurance Contract Liabilities	164,705	122,256	109,089	3,159	399,209
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	164,705	122,256	109,089	3,159	399,209

## 28.7 Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio

In thousands of naira  
31-Dec-25

	ENERGY			Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk		
Opening Insurance Contract Liabilities	(12,481)	32,881	336,562	50,659	407,621	
Opening Insurance Contract Assets	-	-	-	-	-	
Net Opening balance	(12,481)	32,881	336,562	50,659	407,621	
Changes in the statement of profit or loss and OCI						
Insurance revenue:	-	-	-	-	-	
Contracts measured under PAA	511	-	-	-	511	
Total Insurance revenue - All Transition Methods	511	-	-	-	511	
Insurance Service expenses						
Claims Paid	-	-	102,834	-	102,834	
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	-	39,313	(70,942)	(31,629)	
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	
Insurance acquisition cash flows amortization	2,647	-	-	-	2,647	
Other directly attributable expenses (Note 7)	-	-	-	-	-	
Insurance Service expenses	2,647	-	142,147	(70,942)	73,852	
Insurance Service Result	3,158	-	142,147	(70,942)	74,363	
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	-	-	-	
Total amounts recognized in comprehensive income	3,158	-	142,147	(70,942)	74,363	
Investment components	-	-	-	-	-	
Cash Flows						
Premium received	-	-	-	-	-	
Claims paid	-	-	(102,834)	-	(102,834)	
Other directly attributable expenses paid	-	-	-	-	-	
Insurance acquisition cashflows paid	-	2,647	-	-	(2,647)	
Maintenance cost paid	-	0	-	-	-	
Total Cash flows	(2,647)	-	(102,834)	-	(105,481)	
Total Non-Cash flow items	-	-	-	-	-	
Net Closing balance	(11,970)	32,881	375,875	(20,283)	376,503	
Closing insurance Contract Liabilities	(11,970)	32,881	375,875	(20,283)	376,503	
Closing Insurance Contract Assets	-	-	-	-	-	
Net Closing balance	(11,970)	32,881	375,875	(20,283)	376,503	

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	ENERGY		Liabilities for Incurred Claims		Total
	Liabilities for Remaining Coverage Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk adjustment for Non-Financial risk	
Opening Insurance Contract Liabilities	-	-	1,793,293	25,686	1,818,979
Opening Insurance Contract Assets	-	-	-	-	-
Net Opening balance	-	-	1,793,293	25,686	1,818,979
Changes in the statement of profit or loss and OCI					
Insurance revenue:	-	-	-	-	-
Contracts measured under PAA	(10,820)	-	-	-	(10,820)
Total Insurance revenue - All Transition Methods	(10,820)	-	-	-	(10,820)
Insurance Service expenses					
Claims Paid	-	-	(1,088,613)	-	(1,088,613)
Changes that relate to past service - adjustments to the Liability Incurred Claims	-	32,881	-	-	32,881
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cash flows amortization	-	-	-	-	-
Other directly attributable expenses (Note 7)	4,684	-	-	-	4,684
Insurance Service expenses	4,684	32,881	(1,088,613)	-	(1,051,048)
Insurance Service Result	6,136	(32,881)	1,088,613	-	1,061,868
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and Foreign exchange differences on changes in the carrying amount	-	-	32,629.00	-	32,629.00
Total amounts recognized in comprehensive income	6,136	(32,881)	1,121,242	-	1,094,497
Investment components	-	-	-	-	-
Cash Flows					
Premium received	10,820	-	-	-	10,820
Claims paid	-	-	(348,190)	-	(348,190)
Other directly attributable expenses paid	-	-	-	-	-
Insurance acquisition cashflows paid	(4,684)	-	-	-	(4,684)
Maintenance cost paid	-	-	-	-	-
Total Cash flows	6,136	-	(348,190)	-	(342,054)
Total Non-Cash flow items	(12,481.00)	-	12,481.00	-	-
Net Closing balance	(12,481)	32,881	336,562	50,659	407,621
Closing insurance Contract Liabilities	(12,481)	32,881	336,562	50,659	407,621
Closing Insurance Contract Assets	-	-	-	-	-
Net Closing balance	(12,481)	32,881	336,562	50,659	407,621

Notes to the Financial Statements - Continued

28(b) 2025 Age Analysis of Reported Claims is as follows:

*In thousands of naira*

S/N	Days	No. of Claimants	Total
1	0 - 90days	68	163,268
2	91 - 180days	52	56,870
3	181 - 270days	59	59,442
4	271 - 365days	76	26,779
5	Above 365 days	72	341,867
	<b>Total</b>	<b>327</b>	<b>648,226</b>

28 b(i) Reasons for claims outstanding as at year end:

Reasons	0 - 90 days		90 - 180 days		181 - 270 days		271 - 365 days		Above 365 days		Total	
	Qty	N	Qty	N	Qty	N	Qty	N	Qty	N	Qty	N
Awaiting discharge voucher	6	17,353	9	38,864	9	3,433	-	-	-	243,893	1	303,543
Awaiting final report from adjuster	1	32,000	-	-	-	-	-	-	-	-	-	32,000
Awaiting lead insurer's instruction	-	-	-	-	-	-	-	-	-	15,000	1	15,000
Awaiting outstanding document	61	113,915	43	18,006	50	56,009	76	26,779	56	82,974	70	297,683
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total reported claims</b>	<b>68</b>	<b>163,268</b>	<b>52</b>	<b>56,870</b>	<b>59</b>	<b>59,442</b>	<b>76</b>	<b>26,779</b>	<b>56</b>	<b>341,867</b>	<b>72</b>	<b>648,226</b>

28(b)ii 2024 Age Analysis of Reported Claims is as follows:

*In thousands of naira*

S/N	Days	No. of Claimants	Total
1	0 - 90days	76	7,034
2	91 - 180days	31	13,784
3	181 - 270days	1	400
4	271 - 365days	-	-
5	Above 365 days	56	582,958
	<b>Total</b>	<b>164</b>	<b>604,176</b>

28 (b)iii

Reasons for claims outstanding as at year end:

Reasons	0 - 90 days		90 - 180 days		181 - 270 days		271 - 365 days		Above 365 days		Total	
	Qty	N	Qty	N	Qty	N	Qty	N	Qty	N	Qty	N
Awaiting discharge voucher	7	2,276	-	-	-	-	-	-	-	-	7	2,276
Awaiting final report from adjuster	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting lead insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting outstanding document	69	4,758	31	13,784	1	400	-	-	56	582,958	157	601,900
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total reported claims</b>	<b>76</b>	<b>7,034</b>	<b>31</b>	<b>13,784</b>	<b>1</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>582,958</b>	<b>164</b>	<b>604,176</b>

Notes to the Financial Statements - Continued

Notes to the Financial Statements - Continued

28 c Claims development

Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosure below on a gross of reinsurance basis as at 31 December 2025

Motor

Motor AY	Development Year												Method	IEULR	
	0	1	2	3	4	5	6	7	8	9	10	11			12
2013	165,196.18	127,064.96	28,333.28	346.00	-	-	-	-	-	-	-	-	-	ICL	0.00%
2014	191,020.52	180,690.56	11,557.69	14.16	17.88	-	-	-	-	-	2,700.00	-	-	ICL	0.00%
2015	303,788.28	157,518.29	828.12	-	6.84	-	-	-	-	-	-	-	-	ICL	0.00%
2016	331,141.85	17,568.95	753.75	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2017	123,864.60	3,472.93	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2018	42,576.34	3,584.13	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2019	26,768.57	862.57	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2020	41,121.25	2,284.58	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2021	61,244.76	2,371.89	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2022	76,958.34	1,796.74	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2023	153,799.06	24,041.80	30.71	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2024	284,373.89	27,904.73	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2025	247,129.21	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
<b>Selected</b>	<b>1.30478732</b>	<b>1.02035729</b>	<b>1.00018932</b>	<b>1.00001355</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1.00231485</b>	<b>1</b>	<b>1</b>	<b>1</b>		

Accident

Accident AY	Development Year												Method	IEULR	
	0	1	2	3	4	5	6	7	8	9	10	11			12
2013	28,024.87	49,803.68	30,959.27	4,348.32	510.84	-	-	-	777.71	-	2,179.63	-	-	ICL	0.00%
2014	18,459.33	35,595.19	32,023.18	874.90	188.37	-	-	1.43	-	-	-	-	8,669.32	ICL	0.00%
2015	69,636.19	28,906.67	2,161.08	200,373.33	-	73.28	-	-	633.52	-	-	-	-	ICL	0.00%
2016	55,912.89	16,878.74	161.52	49.09	2.46	-	-	-	-	-	-	-	-	ICL	0.00%
2017	16,901.23	20,631.97	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2018	11,075.45	26,388.18	25.81	2.75	-	-	-	-	-	-	-	-	-	ICL	0.00%
2019	1,000.51	300.00	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2020	1,804.42	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2021	32,037.11	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2022	3,410.02	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2023	9,522.75	1,867.45	18,593.49	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2024	21,138.74	555.54	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2025	76,588.56	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
<b>Selected</b>	<b>1.67278398</b>	<b>1.19601319</b>	<b>1.42657028</b>	<b>1.00102532</b>	<b>1.000011</b>	<b>1</b>	<b>1.00000219</b>	<b>1.002</b>	<b>1</b>	<b>1.00433024</b>	<b>1.042549</b>	<b>1</b>	<b>1</b>		

Bonds

Bonds AY	Development Year												Method	IEULR	
	0	1	2	3	4	5	6	7	8	9	10	11			12
2013	39,500.00	-	-	-	-	-	21,675.48	-	-	-	-	-	-	RL	21.30%
2014	163.19	-	-	-	-	2,279.42	-	-	-	-	-	-	-	RL	21.30%
2015	10,385.49	-	-	107.39	8.10	-	-	-	-	-	-	-	-	RL	21.30%
2016	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2017	94.94	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2024	183.99	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	RL	21.30%
<b>Selected</b>	<b>1</b>	<b>1</b>	<b>1.00214166</b>	<b>1.00016111</b>	<b>1.04535</b>	<b>1.412563</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>		

Fire

Fire AY	Development Year												Method	IEULR	
	0	1	2	3	4	5	6	7	8	9	10	11			12
2013	106,631.92	159,268.78	11,048.43	5,022.65	-	116.95	-	-	-	-	-	-	-	IBF	56.72%
2014	67,726.78	92,573.37	16,409.11	-	16.41	47.37	-	-	-	-	-	-	-	IBF	56.72%
2015	119,139.56	87,334.71	1,274.57	-	75.06	11.22	-	-	-	-	-	-	-	IBF	56.72%
2016	508,617.98	7,176.52	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2017	38,622.59	1,398.83	7.57	821.08	30.00	-	-	-	-	-	-	-	-	IBF	56.72%
2018	7,844.49	-	273.72	-	110.62	-	-	-	-	-	-	-	-	IBF	56.72%
2019	3,924.13	-	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2020	2,123.79	-	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2022	1,815.77	686.27	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2023	4,678.13	5,091.80	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2024	4,416.00	7,054.63	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
2025	20,822.32	-	-	-	-	-	-	-	-	-	-	-	-	IBF	56.72%
<b>Selected</b>	<b>1.41660054</b>	<b>1.02388611</b>	<b>1.00473598</b>	<b>1.00018759</b>	<b>1.000014</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>		

**Marine**

Marine AY	Development Year												Method	IEULR	
	0	1	2	3	4	5	6	7	8	9	10	11			12
2013	26,949.61	47,520.84	57,454.03	8,044.26	-	-	-	-	-	-	-	-	-	IBF	38.83%
2014	2,401.02	29,150.94	4,777.26	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2015	78,662.53	112,948.37	26.78	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2016	42,794.13	4,098.10	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2017	13,981.57	475.48	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2018	12,697.49	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2019	618.86	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2020	41,695.13	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2021	374.79	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2022	5,815.86	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2024	5,994.63	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
2025	32,602.63	-	-	-	-	-	-	-	-	-	-	-	-	IBF	38.83%
<b>Selected</b>	<b>1.83709376</b>	<b>1.14816834</b>	<b>1.01667402</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>		

**Oil/Energy**

Oil/Energy AY	Development Year												Method	IEULR	
	0	1	2	3	4	5	6	7	8	9	10	11			12
2013	86,844.52	117,574.65	40,656.18	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2014	98,286.20	91,847.03	772.16	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2015	71.55	5,961.88	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2016	165,142.59	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2017	35,525.59	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2024	348,190.00	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	ICL	0.00%
<b>Selected</b>	<b>1.29341393</b>	<b>1.06890323</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>		

Notes to the Financial Statements - Continued

**29 Other Technical liabilities**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Reinsurance premium payables (see note 29.1)	7,046	5,010
Deposit premium (see note 29.2)	-	210,528
	<u>7,046</u>	<u>215,538</u>

**29.1 Reinsurance premium payables**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	5,010	4,987
Premium on reinsurance contract recognised during the year	760,125	640,355
Reinsurance premium paid during the year	(758,089)	(640,332)
<b>At 31st December 2025</b>	<u>7,046</u>	<u>5,010</u>

**29.2 Movement in premium deposit**

At 1 January	210,501	296,258
Net Additions/(Allocations) during the year	(210,501)	(85,757)
Transfer to other Income	-	-
<b>At 31st December 2025</b>	<u>-</u>	<u>210,501</u>

(a) Deposit Premium represents various receipts from all other "online" bank transactions. They are classified as "uncleared reconciling items" for lack of full details of such transactions, as at the date when the transactions was initiated.

**30 Provisions and other payables**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Staff pension	13,369	1,125
Accruals (note 30.2.1)	558,671	2,260,256
Sundry creditors (note 30.3)	958,010	435,219
Unclaimed dividend (note 30.1)	26,620	64,211
<b>At 31st December 2025</b>	<u>1,556,670</u>	<u>2,760,811</u>

**30.1 Unclaimed Dividend**

The balance on the Unclaimed Dividend is in respect of part of the dividend declared to the shareholders of the Company which has remained on unclaimed as at date. However, the sum of N26.620 million has been fixed in an interest yielding deposit, in accordance with the extant laws. See note 17(iii)

**30.2 Accruals comprise:**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Accrued expenses (see note 30.2.1, below)	509,805	2,232,295
Rent Received in advance	41,831	20,401
Audit fee	7,035	7,560
	<u>558,671</u>	<u>2,260,256</u>

**30.2.1**

**Accrued Expenses comprises of the following**

*In thousands of naira*

	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Ecowas Brown Card	429,357	1,000,292
Productivity Bonus	-	650,084
Motor Running, etc	-	20,571
ICT (Micro soft licenses) & Internet subscription	-	26,651
Statutory levies, fines & Dues	40,969	329,304
Legal & Professional fees	17,900	61,346
Electricity Bills for FF Towers	-	19,179
Consultancy fees	-	30,720
Accrued office rent	185	-
AGM related expenses	21,394	94,148
	<u>509,805</u>	<u>2,232,295</u>

Notes to the Financial Statements - Continued

Provisions and other payables (contd)

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
<b>30.3 Sundry creditors comprise:</b>		
Staff cooperative	8,037	8,036
Other Sundry creditors (i)	66,041	-
Other creditors (ii)	883,932	427,183
	<u>958,010</u>	<u>435,219</u>
(i) *Reclassification to Other Sundry Creditors - see note 35		
These represents amount of deposit for shares by both private placements and member of staff of the Company for the purpose of shares acquisition in the company, which has .been reclassified as other sundry creditors		
(ii) <b>Other creditors*</b>		
Other creditors include amount due to the Norrenberger Financial Group of the sum of N523million being amount owed in respect to the intercompany payables during the course of the year. See note 42 on related party transactions.		

30.3.1 Reclassification of Amount due to NAML - See note 32.3

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	-	1,701,930
Additions made during the year	-	95,389
* Reclassification of Amount due to NAML to Other Borrowing (Working Capital Financing) Note 34.2	-	- 1,797,319
<b>At 31st December 2025</b>	<u>-</u>	<u>-</u>

31 Current income tax liabilities

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	337,026	281,697
Current year charge (see note 31.1)	361,728	208,590
Payment made during the year	(154,748)	(153,261)
<b>At 31st December 2025</b>	<u>544,006</u>	<u>337,026</u>

31.1 Income tax expenses:

Company income tax	161,190	-
Minimum tax	-	84,971
Education tax	-	37,786
Information technology development levy	31,601	27,312
Police Trust Fund Levy	-	137
Value added tax	-	1,349
Capital Gain Tax	50,000	52,348
Stamp Duty	3,584	4,689
Desk Review 2024 Year of Assessment	34,938	-
Back Duty 2025 Year of Assessment	80,415	-
	<u>361,728</u>	<u>208,590</u>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(206,209)	-
	<u>155,519</u>	<u>208,590</u>

Reconciliation of effective tax rate

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Profit from continuing operations	1,024,186	3,162,948
<b>Analysis of tax charge for the year</b>		
Profit/(loss) before tax	1,024,186	3,162,948
Taxable Income	1,630,358	3,688,978
Tax free Income	(791,359)	(1,026,016)
Taxable Profit	<u>838,999</u>	<u>2,662,962</u>
Income tax	161,190	84,971
Education tax at 3%	-	37,786
Information technology development levy	31,601	27,312
Police Trust Fund Levy	-	137
Capital Gain Tax	50,000	52,348
Stamp Duty	3,584	4,689
Value added tax	-	1,349
Current tax on income for the year	246,375	208,590
Deferred tax charge (temporary difference)	-	-
Tax on profit on ordinary activities	<u>246,375</u>	<u>208,590</u>
Effective Tax Rate	<u>15%</u>	<u>6%</u>

Notes to the Financial Statements - Continued

32 Deferred taxation

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	206,209	206,209
Deferred income tax expense recognised in profit or loss	(206,209)	-
<b>At 31st December 2025</b>	<u>-</u>	<u>206,209</u>

33 Lease obligation

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	9,004	43,389.00
Addition during the year	-	-
Payment made during the year	(9,004)	(34,385)
<b>At 31st December 2025</b>	<u>-</u>	<u>9,004</u>

34 Borrowings

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
(i) Daewoo Securities (Europe) Limited (Note 34.1)	-	14,092,841
	<u>-</u>	<u>14,092,841</u>
(II) Other Borrowing (Working Capital Financing) (Note 34.2)		
At 1 January	2,401,342	-
Additions during the year	376,757	2,401,342
<b>At 31st December 2025</b>	<u>2,778,099</u>	<u>2,401,342</u>
<b>Grand Total (I &amp; II)</b>	<u>2,778,099</u>	<u>16,494,183</u>

34.1 Borrowings - Daewoo Securities (Europe) Limited

At 1 January	14,092,841	14,092,841
*Reclassification of Long term Debt of Daewoo Loan to Irredeemable Deposit for shares	(14,092,841)	-
<b>At 31st December 2025</b>	<u>-</u>	<u>14,092,841</u>

**\*Reclassification of Long term Debt of Daewoo Loan to Irredeemable Deposit for shares**

Following the approval of the shareholders at the 44th Annual General Meeting of the Company to transfer the debt obligation to Norrenberger Advisory Partner Ltd and in consideration of the settlement of the loan by Norrenberger Advisory Partners Limited (NAPL). The Company was authorised to allot equivalent of the amount for ordinary shares in the equity of the company, hence the reclassification of the loan to "Irredeemable Deposit for shares". (Please, see note 36.3)

34.2 Other Borrowing (Working Capital Financing)

At 1 January	2,401,342	-
Reclassification of Amount due to NAML to Other Borrowing*	-	1,797,319
Interest Expense Capitalised	364,028	604,023
Additions during the year	12,729	-
<b>At 31st December 2025</b>	<u>2,778,099</u>	<u>2,401,342</u>

(i) Reclassification of Amount due to NAML to Other Borrowing\*

Amount due to NACML represent the working capital funding received from the Group Office for the smooth running of the operations of the Company which was reclassified from sundry creditors (Note 30.3.1)

Notes to the Financial Statements - Continued

35 Deposit for shares

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Private placement - Norrenberger Advisory Partners Ltd	2,000,000	2,000,000
Private placement - Others	29,362	29,362
Staff - (see note 35.2 for the movement)	<u>36,679</u>	<u>36,679</u>
Non- staff (see note 35.1 for the movement)	2,066,041	2,066,041
*Reclassification to Other Creditors - see note 30.3	(66,041)	-
*Reclassification to Share Capital and Share Premium	<u>(2,000,000)</u>	<u>-</u>
<b>Balance at end of year</b>	<u><u>-</u></u>	<u><u>2,066,041</u></u>

35.1 Deposit for shares

At 1 January	2,029,362	5,029,362
Additions/(Withdrawals)	-	(3,000,000)
*Reclassification to Other Creditors - see note 30.3	(29,362)	-
*Reclassification to Share Capital and Share Premium	<u>(2,000,000)</u>	<u>-</u>
<b>Balance at end of year</b>	<u><u>-</u></u>	<u><u>2,029,362</u></u>

Deposit for shares relates to monies received for purchase of shares in the Company awaiting allotments and statutory approvals.

35.2 Deposit for shares - Staff

At 1 January	36,679	36,979
Reclassification to "Other sundry creditors - see note 30.3	<u>(36,679)</u>	<u>(300)</u>
<b>Balance at end of year</b>	<u><u>-</u></u>	<u><u>36,679</u></u>

The total sum of N2.066 billion represents the amount of monies received as deposit for shares of the Company of which the sum of N2Billion has been reclassified to "Share capital equity", whilst the balance sum of N66.41billion was reclassified into other payables, as it relates to other sundry creditors. Please, see notes 30.3 and 36.1.

36 Capital and reserves

36.1 Share capital

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
Issued and fully paid		
1,284,085,489 ordinary shares of 50 kobo each	642,043	642,043
Additions of 1,250,000,000 ordinary shares of 50kobo each	<u>625,000</u>	<u>-</u>
<b>Balance at end of year</b>	<u><u>1,267,043</u></u>	<u><u>642,043</u></u>

36.2 Share premium

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	963,097	963,097
Additional Share premium	1,375,000	-
Transfer to profit or loss	-	-
<b>Balance at end of year</b>	<u><u>2,338,097</u></u>	<u><u>963,097</u></u>

The addition during the year represents the premium on the Private Placement less the share issue expenses. However, the balance of N4.034 has been transferred to Retained earnings as part of the Capital reconstruction.

36.3 Irredeemable Deposit for Shares to Equity

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	-	-
*Reclassification of Debt to Irredeemable Deposit for shares	<u>14,092,841</u>	<u>-</u>
<b>In thousands of naira</b>	<u><u>14,092,841</u></u>	<u><u>-</u></u>

\*Reclassification of Debt to Irredeemable Deposit for shares

Following the approval of the shareholders at the 44th Annual General Meeting of the Company to transfer the debt obligation to Norrenberger Advisory Partner Limited and in consideration of the settlement of the loan by Norrenberger Advisory Partners Limited (NAPL). The Company was authorised to allot equivalent of the amount for ordinary shares in the equity of the company, hence the reclassification of the debt/loan to "Irredeemable Deposit for shares". (Please, see note 34.1)

Notes to the Financial Statements - Continued

37 Statutory contingency reserve

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	3,336,320	2,745,448
Transfer from profit or loss	<u>173,733</u>	<u>590,872</u>
<b>Balance at end of year</b>	<b><u>3,510,053</u></b>	<b><u>3,336,320</u></b>

38 Capital reserve

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	7,926,399	7,926,399
Transfer to profit or loss	<u>(7,926,399)</u>	<u>-</u>
<b>Balance at end of year</b>	<b><u>-</u></b>	<b><u>7,926,399</u></b>

The balance of N7.9 billion on the Capital reserves was transferred to accumulated losses/retained earnings as part of Capital reconstruction.

39 Property revaluation reserve

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	1,206,428	1,206,428
Transfer to profit or loss	<u>-</u>	<u>-</u>
<b>Balance at end of year</b>	<b><u>1,206,428</u></b>	<b><u>1,206,428</u></b>

40 Fair value reserve

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
At 1 January	638,562	418,688
Transfer from OCI (see note 18)	<u>(118,271)</u>	<u>219,874</u>
<b>Balance at end of year</b>	<b><u>520,291</u></b>	<b><u>638,562</u></b>

The fair value reserve shows the effects from the fair value measurement of financial instruments. Any gains or losses on disposal are not recognised in profit or loss remains in equity.

41 Accumulated losses

<i>In thousands of naira</i>	<u>31-Dec-25</u>	<u>31-Dec-24</u>
<b>At 1 January</b>	<b>(22,314,810)</b>	<b>(24,678,296)</b>
Transfer to contingency reserves (see note 37)	(173,733)	(590,872)
*Transfer from Capital Reserves	7,926,399	-
Transfer from profit or loss	<u>868,667</u>	<u>2,954,358</u>
<b>Balance at end of year</b>	<b><u>(13,693,477)</u></b>	<b><u>(22,314,810)</u></b>

(i) \*Transfer from Capital Reserves

The balance of N7.9 billion on the Capital reserves was transferred to accumulated losses as part of Capital reconstruction.

**Notes to the Financial Statements - Continued**

**42 Related party transactions**

Details of significant transactions carried out with related party during the year ended are as follows:

*In thousands of naira*

Entity	Relationship	Nature of Transactions	<u>31-Dec-25</u> Transactions value	<u>31-Dec-24</u> Transaction s value
Norrenberger Advisory Partners Limited	Member of the Group	Insurance Services - Premium received	-	550
Clear Pay Microfinance Bank Limited, formerly Fedeth MFB.	Member of the Group	Insurance Services - Premium received	2,689	246
Norrenberger Securities Limited	Member of the Group	Insurance Services - Premium received	1,210	500
Transkredit Finance	Member of the Group	Insurance Services - Premium received	429	3,109
Norrenberger Asset Mgmt. Ltd (NAML)	Member of the Group	Insurance Services - Premium received	-	7,712
Infrastructure Bank Plc	Member of the Group	Insurance Services - Premium received	7,351	6,907
Norrenberger Pension Limited	Member of the Group	Insurance Services - Premium received	4,481	8,780
Norrenberger Financial Services Ltd	Member of the Group	Insurance Services - Premium received	1,500	814
Norrenberger Asset Mgmt. Ltd (NAML)	Member of the Group	Insurance Services - Claims Payment	993	1,077
Norrenberger Pension Limited	Member of the Group	Insurance Services - Claims Payment	138	-
Norrenberger Financial Services Ltd	Member of the Group	Insurance Services - Claims Payment	900	-
Norrenberger Financial Services Ltd	Member of the Group	Payables	523,770	-
Norrenberger Asset Mgmt. Ltd (NAML)	Member of the Group	Receivables	4,860	4,709
Norrenberger Pension Limited	Member of the Group	Receivables	1,892	1,792
Norrenberger Securities Limited	Member of the Group	Receivables	6,955	6,955
NAML & NSL (FF Towers Office Rent)	Member of the Group	Receivables	47,878	35,496
Transkredit Finance	Member of the Group	Portfolio Management	-	100,000
Norrenberger Asset Mgmt. Ltd (NAML)	Member of the Group	Working Capital Funding	2,778,099	2,401,342

**\*Insurance and other services are at arms length.**

**43 Contingencies and commitments**

**Outstanding litigations**

In the ordinary course of business, there are pending litigations involving the Company for which no provision has been made amounted to **₦265.9million** (2024: **₦234.8million**). However, the actions are being defended and the Directors are of the opinion that no material liability would arise therefrom.

**44 Events after the reporting date**

There were no events after the reporting period which could have a relevant impact on the financial statements of the Company that had not been provided for or disclosed in the financial statements.

**Notes to the Financial Statements - Continued**

**45 Non compliance with laws and regulations**

The Company contravened certain laws and regulations during the year ended December 31, 2025. Details of the contraventions and penalty is as follows:

<i>In thousands of naira</i>	<b>Name of regulator</b>	<b><u>31-Dec-25</u></b>	<b><u>31-Dec-24</u></b>
<i>Late filing of ORSA Returns - Q1 2025</i>	NAICOM	1,040	-
<i>Late filing of ERM Returns - Q1 2025</i>	NAICOM	1,040	-
<i>Late filing of ORSA 2023</i>	NAICOM	3,150	-
<i>Late submission of accounts and returns 2024</i>	SEC	5,501	-
<i>Late submission of accounts and returns 2024/2023</i>	NGX	2,800	44,185
Contravention of Market Conduct	NAICOM	-	255,000
Non-filing of Claims Report - 2nd Quarter 2024	NAICOM	-	1,130
		<b><u>13,531</u></b>	<b><u>300,315</u></b>

Notes to the Financial Statements - (Continued)

4.6 Segment reporting

For management purpose, the Company is organized into business units based on their products and services and two reportable operating segments as follows:

Following the management approach of IFRS the Company is organized into two operating segments. These segments distribute their products through various forms of brokers, agencies and direct marketing programs. Management identifies its reportable segments by product lines. These segments and their respective operations are as follows:

*Non-life insurance business*

The non -life reportable segment offers a wide variety of insurance products for both personal and corporate customers. The products offer range from fire, motor, general accident, engineering, aviation, marine liability as well as oil and energy. The main source of income in this segment is the premium received from the insured on risk covered by the entity and the investment income earned on placements and deposit with financial institutions.

DETAILED REVENUE ACCOUNT

<i>In thousands of naira</i>	Fire	Motor	General accident	Marine	Bonds	Oil and energy	Total
<b>31st December 2025</b>							
Direct premium	353,705	1,620,849	835,503	459,310	43,441	-	3,312,808
Inward premium	105,990	29,953	58,551	40,516	-	-	235,010
Gross written premium	459,695	1,650,803	894,055	499,826	43,441	-	3,547,819
Change in Liability for Remaining Coverage	54,734	1,015,926	(95,343)	(3,692)	170,495	(511)	1,141,609
<b>Insurance revenue</b>	<b>514,429</b>	<b>2,666,728</b>	<b>798,712</b>	<b>496,134</b>	<b>213,936</b>	<b>(511)</b>	<b>4,689,427</b>
<b>Insurance service expenses:</b>							
Claims paid	(23,243)	(366,086)	(233,540)	(9,601)	-	(102,834)	(735,303)
(Increase)/Decrease in Liability for Incurred Claims	(12,423)	66,737	(122,500)	(82,251)	-	-	(150,437)
Changes in Incurred but not Reported (IBNR)	(33,215)	(62,564)	(83,679)	(12,326)	10,726	(39,313)	(220,371)
Adjustments to liabilities for incurred claims	(1,957)	(9,779)	(5,805)	22,064	(998)	-	3,525
Changes in Risk Adjustment	1,413	(25,502)	(9,907)	(5,476)	71,484	70,942	38,954
<b>Total Claims incurred</b>	<b>(69,425)</b>	<b>(397,194)</b>	<b>(455,431)</b>	<b>(87,590)</b>	<b>17,212</b>	<b>(71,205)</b>	<b>(1,063,632)</b>
Changes in 'Loss component	-	-	-	-	172,816	-	172,816
Insurance acquisition cashflows amortisation	(88,246)	(257,086)	(189,855)	(25,330)	3,981	(2,647)	(559,183)
Other directly attributable expenses (Note 7)	(99,470)	(357,207)	(193,459)	(108,154)	(9,400)	-	(767,690)
	<b>(187,716)</b>	<b>(614,293)</b>	<b>(383,314)</b>	<b>(133,484)</b>	<b>167,397</b>	<b>(2,647)</b>	<b>(1,154,058)</b>
<b>Total insurance service expenses</b>	<b>(257,141)</b>	<b>(1,011,487)</b>	<b>(838,745)</b>	<b>(221,074)</b>	<b>184,609</b>	<b>(73,852)</b>	<b>(2,217,690)</b>
<b>Net expenses from reinsurance contracts held</b>							
Reinsurance income	58,103	6,140	87,956	64,965	8,298	-	225,462
Re-insurance expenses incurred	(155,892)	(63,595)	(305,909)	(207,529)	(100,428)	-	(833,354)
Effect of changes in the risk of reinsurance non-performance	(19)	(13)	(47)	(11)	(1)	-	(91)
Insurance Claims Recoverable	3,890	26,424	18,359	14,563	-	-	63,236
Changes in Risk adjustment on reinsurance	(976)	(6,630)	(4,607)	(3,654)	-	-	(15,867)
<b>Net expenses from reinsurance contracts held</b>	<b>(94,894)</b>	<b>(37,674)</b>	<b>(204,248)</b>	<b>(131,666)</b>	<b>(92,131)</b>	<b>-</b>	<b>(560,614)</b>
<b>Insurance service result</b>	<b>162,394</b>	<b>1,617,567</b>	<b>(244,282)</b>	<b>143,394</b>	<b>306,414</b>	<b>(74,363)</b>	<b>1,911,123</b>

Notes to the Financial Statements - (Continued)

DETAILED REVENUE ACCOUNT

In thousands of naira

31st December 2024

	Fire	Motor	General accident	Marine	Bonds	Oil and energy	Total
Direct premium	249,403	2,869,231	485,063	444,111	200,502	-	4,248,310
Inward premium	15,334	28,915	5,760	36,063	-	-	86,073
Gross written premium	264,737	2,898,147	490,824	480,174	200,502	-	4,334,383
Change in Liability for Remaining Coverage	(56,797)	1,519,126	(33,065)	27,497	(165,785)	-	1,290,976
<b>Insurance revenue</b>	<b>207,940</b>	<b>4,417,272</b>	<b>457,759</b>	<b>507,671</b>	<b>34,717</b>	<b>-</b>	<b>5,625,358</b>
<b>Insurance service expenses:</b>							
Claims paid	(5,098)	(250,443)	(18,944)	(5,803)	-	(348,190)	(628,479)
Increase/(Decrease) in Liability for Incurred Claims	(9,881)	(21,178)	(40,255)	34,262	31,847	1,402,461	1,397,256
Changes in Incurred but not Reported (IBNR)	18,019	29,662	62,763	17,324	21,492	34,342	183,602
<b>Total Claims incurred</b>	<b>3,040</b>	<b>(241,959)</b>	<b>3,564</b>	<b>45,783</b>	<b>53,339</b>	<b>1,088,613</b>	<b>952,279</b>
Changes in 'Loss component	12,321	(8,056)	(9,105)	(2,060)	(188,482)	(32,881)	(228,263)
Insurance acquisition cashflows amortisation	(113,394)	(2,006,468)	(169,033)	(223,103)	(83,212)	(4,684)	(2,599,894)
	<b>(41,706)</b>	<b>(1,140,115)</b>	<b>(40,254)</b>	<b>(31,176)</b>	<b>(3,283)</b>	<b>(10,127)</b>	<b>(2,828,157)</b>
<b>Total insurance service expenses</b>	<b>(38,666)</b>	<b>(1,382,074)</b>	<b>(36,690)</b>	<b>14,606</b>	<b>50,056</b>	<b>1,078,486</b>	<b>(1,875,778)</b>
<b>Net expenses from reinsurance contracts held</b>							
Reinsurance Income	32,614	28,062	30,268	952	48,423	-	140,318
Re-insurance expenses incurred	(145,874)	(87,311)	(62,977)	(187,960)	(18,345)	-	(502,468)
Insurance Claims Recoverable	7,805	2,933	11,635	3,561	3,606	-	29,540
Net expenses from reinsurance contracts held	<b>(105,456)</b>	<b>(56,316)</b>	<b>(21,074)</b>	<b>(183,447)</b>	<b>33,684</b>	<b>-</b>	<b>(332,610)</b>
<b>Insurance service result</b>	<b>63,818</b>	<b>2,978,882</b>	<b>399,994</b>	<b>338,830</b>	<b>118,456</b>	<b>1,078,486</b>	<b>3,416,971</b>

**Notes to the Financial Statements - Continued**

**47 Asset and Liability Management**

The Company is exposed to a range of financial risks through its financial assets, financial liabilities (Insurance contract liabilities and borrowings) and reinsurance assets.

Asset and Liability Management (ALM) attempts to address financial risks the Company is exposed to which includes interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long term its investment proceeds are not sufficient to fund the obligations arising from its insurance contract liabilities. ALM ensures that specific assets of the Company is allocated to cover insurance contract liabilities of the Company.

The Company manages these positions within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance contracts. The following tables reconciles the Company's non-life business within the Statement of Financial Position to the classes and portfolios used in the Company's ALM framework.

**31st December 2025**  
*In thousands of Naira*

<b>The Company</b>	<b>Insurance contract</b>	<b>Shareholders' funds</b>	<b>Total</b>
<b><u>Assets</u></b>			
Cash and cash equivalents	163,550	-	163,550
Treasury Bills	4,941,529	2,000,000	6,941,529
Placement with Financial institutions	254,733		254,733
Corporate Bonds & Debentures - Unquoted	72,517		72,517
Quoted Shares	298,886		298,886
Unquoted Shares	600,602		600,602
Other receivables and prepayments	-	342,251	342,251
Trade receivable	-	26,095	26,095
Reinsurance assets	169,858	-	169,858
Investment properties	-	5,220,000	5,220,000
Intangible assets	-	317,073	317,073
Property, plant and equipment	-	728,366	728,366
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>6,501,676</b>	<b>8,956,285</b>	<b>15,457,961</b>
<b><u>Liabilities</u></b>			
Insurance contract liabilities	1,330,864	-	1,330,864
Trade payables/Other technical liabilities	-	7,046	7,046
Provisions and other payables	-	1,556,670	1,556,670
Current income tax payable	-	544,006	544,006
Deferred tax liabilities	-	-	-
Borrowings	-	2,778,099	2,778,099
<b>Total liabilities</b>	<b>1,330,864</b>	<b>4,885,821</b>	<b>6,216,685</b>
<b>Gap</b>	<b>5,170,811</b>	<b>4,070,464</b>	<b>9,241,276</b>

Notes to the Financial Statements - Continued

47.1 Asset and Liability Management - continued

31 December 2024

In thousands of Naira

The Company	Insurance contract	Shareholders' funds	Total
<b>Assets</b>			
Cash and cash equivalents	135,785	-	135,785
Treasury Bills	2,142,683	2,000,000	4,142,683
Placement with Financial institutions	1,042,902		1,042,902
Corporate Bonds & Debentures - Quoted	57,304		57,304
Corporate Bonds & Debentures - Unquoted	61,397		61,397
Quoted Shares	208,565		208,565
Unquoted Shares	718,873		718,873
Other receivables and prepayments	-	280,714	280,714
Trade receivable	-	19,978	19,978
Reinsurance assets	273,692	-	273,692
Investment properties	-	8,275,056	8,275,056
Intangible assets	-	227,822	227,822
Property, plant and equipment	-	1,087,477	1,087,477
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>4,641,201</b>	<b>12,213,547</b>	<b>16,854,747</b>
<b>Liabilities</b>			
Insurance contract liabilities	2,367,897	-	2,367,897
Trade payables	-	215,538	215,538
Provisions and other payables	-	2,760,812	2,760,812
Current income tax payable	-	337,026	337,026
Deferred tax liabilities	-	206,209	206,209
Lease obligations	-	9,004	9,004
Borrowings	-	16,494,183	16,494,183
Deposit for shares	-	2,066,039	2,066,039
<b>Total liabilities</b>	<b>2,367,897</b>	<b>22,088,811</b>	<b>24,456,708</b>
<b>Gap</b>	<b>2,273,304</b>	<b>(9,875,264)</b>	<b>(7,601,960)</b>

48 Capital Management

The main objectives of the Company when managing capital are:

- To ensure that the Minimum Capital Requirement of ₦15 billion as required by the Nigerian Insurance Industry Reform Act 2025, is maintained at all times.  
This is a risk based capital method of measuring the minimum amount appropriate for an insurance Company to support its overall business operations in consideration of its size and risk profile. The calculation is based on applying capital factors to amongst others, the Company's assets, outstanding claims, unearned premium reserve and assets above a certain concentration limit.
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

**Notes to the Financial Statements - Continued**

**Capital Management - continued**

The Nigerian Insurance Industry Reform Act 2025 specifies the amount of minimum capital requirement that must be held in proportion to the Company's liabilities, i.e. in respect of liability for Incurred claims risk, liability for Remaining coverage risk, investment risk, catastrophe risk and reinsurance ceded.

As part of its plan to meet the required capital base set by NAICOM and to maintain the statutory asset cover based on its underwritten risks, the Company intends to do the following to strengthen its financial position:

- Dispose its investment properties.
- Recoveries from trade and other debtors: The Company has engaged the services of solicitors and recovery agents to help it make substantial recoveries from its debtors.
- The Company is still on its plan to bring in fresh capital into the Company through private placement.

The Company is also subject to a solvency requirement under the Nigerian Insurance Industry Reform Act 2025 and is required to maintain its solvency at the minimum capital required at all times. Solvency margin is the excess of admissible assets in Nigeria over admissible liabilities in Nigeria and shall not be less than the minimum capital requirement in accordance with section 24 of Nigerian Insurance Industry Reform Act 2025.

(a) In the case of Existing Company:

- i) the excess of admissible assets over liabilities, less the amount of own shares held by the Company.
- ii) subordinated liabilities subject to approval by the Commission, and
- iii) any other financial instrument as prescribed by the Commission

**Notes to the Financial Statements - Continued**

For this purpose, Admissible Assets are defined as: Share Capital, Share Premium, Retained Earnings, Contingency Reserves, and any other admissible assets subject to the approval of the Commission.

(b) In the case of a new Company:

- i) Government Bonds and Treasury Bills,
- ii) Cash and Bank Balances, and
- iii) Cash and cash equivalents

**As an existing Company, our Capital Requirement is as shown below:**

	<b>2025</b>	<b>2024</b>
	<b>N'000</b>	<b>N'000</b>
Share Capital	1,267,043	642,043
Share Premium	2,338,097	963,097
Irredeemable Deposit for Share	14,092,841	-
Statutory Contingency Reserve	3,510,053	3,336,320
Retained earnings/(Accumulated losses)	(13,693,477)	(22,314,810)
<b>Excess of admissible assets over liabilities</b>	<b>7,514,557</b>	<b>(17,373,350)</b>
<b>Less Own Shares</b>	<b>-</b>	<b>-</b>
	<b>7,514,557</b>	<b>(17,373,350)</b>
<b>Subordinated liabilities approved by the Commission</b>	<b>-</b>	<b>-</b>
Other instruments approved by the Commission	-	2,000,000
<b>Capital Requirements</b>	<b>7,514,557</b>	<b>(15,373,350)</b>

Management uses regulatory capital ratios to monitor its capital base. Based on the capital base computed above, the Company's capital base is below the minimum capital requirement of ₦15 billion specified by NAICOM.

Notes to the Financial Statements - Continued

4.8.1 Capital Management - Solvency Margin - continued

<i>In thousands of naira</i>	2025	2025	2025	2024	2024	2024
	Admissible	Inadmissible	Total	Admissible	Inadmissible	Total
Cash and cash equivalents	163,550	-	163,550	135,785	-	135,785
Treasury Bills	6,941,529	-	6,941,529	4,142,683	-	4,142,683
Placement with Financial institutions	254,733	-	254,733	1,042,902	-	1,042,902
Corporate Bonds & Debentures - Quoted	-	-	-	57,304	-	57,304
Corporate Bonds & Debentures - Unquoted	72,517	-	72,517	61,397	-	61,397
Quoted Shares	298,886	-	298,886	208,565	-	208,565
Unquoted Shares	600,602	-	600,602	718,873	-	718,873
Premium receivable	26,095	-	26,095	19,978	-	19,978
Other Receivables and Prepayments	-	342,251	342,251	-	280,714	280,714
Reinsurance Contract assets	169,858	-	169,858	273,692	-	273,692
Investment properties	1,000,000	4,220,000	5,220,000	1,000,000	7,275,056	8,275,056
Intangible assets	317,073	-	317,073	227,822	-	227,822
Property, plant and equipment - excluding Land & Building)	728,366	-	728,366	817,754	269,723	1,087,477
Statutory deposit	322,500	-	322,500	322,500	-	322,500
<b>Admissible assets</b>	<b>10,895,710</b>	<b>4,562,251</b>	<b>15,457,961</b>	<b>9,029,255</b>	<b>7,825,492</b>	<b>16,854,747</b>
Insurance contract liabilities	1,330,864	-	1,330,864	2,367,897	-	2,367,897
Other Technical liabilities	7,046	-	7,046	215,538	-	215,538
Provision and other payables	1,556,670	-	1,556,670	2,760,812	-	2,760,812
Current income tax payable	544,006	-	544,006	337,026	-	337,026
Deferred Tax liabilities	-	-	-	-	206,209	206,209
Lease obligations	-	-	-	9,004	-	9,004
Borrowings	2,778,099	-	2,778,099	16,494,183	-	16,494,183
Deposit for shares	-	-	-	2,066,039	-	2,066,039
<b>Admissible liabilities</b>	<b>6,216,685</b>	<b>-</b>	<b>6,216,685</b>	<b>24,250,499</b>	<b>206,209</b>	<b>24,456,708</b>
Solvency margin	<b>4,679,025</b>			<b>(15,221,244)</b>		
The higher of:						
15% of net premium income and Shareholders' funds	<b>3,000,000</b>			<b>3,000,000</b>		
Surplus/(Shortfall) in solvency margin	<b><u>1,679,025</u></b>			<b><u>(18,221,244)</u></b>		

## Notes to the Financial Statements - Continued

### 49 Valuation bases

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values are determined at prices quoted in active markets. In the current environment, such price information is typically not available for all instruments and the Company applies valuation techniques to measure such instruments. These valuation techniques make maximum use of market observable data but in some cases management estimate other than observable market inputs within the valuation model. There is no standard model and different assumptions would generate different results.

Fair values are subject to a control framework designed to ensure that input variables and output are assessed independent of the risk taker. These inputs and outputs are reviewed and approved by a valuation committee. The Company has minimal exposure to financial assets which are valued at other than quoted prices in an active market.

The table below shows financial assets carried at fair value.  
Company

	Note	Fair value through OCI	Fair value through P & L
		N'ooo	N'ooo
<b>31-Dec-25</b>			
Quoted equities at FVTPL	2	298,886	
Fair value through OCI - unquoted	2		600,602
		<b>298,886</b>	<b>600,602</b>
<b>31 December 2024</b>			
Quoted equities at FVTPL	2	208,565	
Fair value through OCI - unquoted	2.1		718,873
		<b>208,565</b>	<b>718,873</b>

The following methods and assumptions were used to estimate the fair value of unquoted equity measured at fair value and other debt securities whose fair values are disclosed.

#### I Unquoted equity

The fair values of the unquoted ordinary shares have been estimated using either of Income approach or Market approach.

Under the income approach, the valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

**Notes to the Financial Statements - Continued**

**I Unquoted equity - Continued**

Under the market approach, the Company determines comparable public companies (Peers) based on industry, size, leverage and strategy and calculates an appropriate trading multiple for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the investee company to measure the fair value.

The Company classifies the fair value of these investments as Level 3.

**ii Listed debt securities - bonds**

Fair values of publicly traded debt securities are based on quoted market prices in an active market for identical assets with adjustments for accrued interest on the instrument after the last interest/coupon payment date. The Company values these investments at closing bid price.

**iii Money market funds and similar securities (treasury bills)**

The estimated fair value of money market funds is based on discounted cash flows using prevailing quoted Money-market interest rates for debts with similar credit risk and maturity.

<b>Company</b>	<b>2025</b>	<b>2024</b>
<b>Financial Assets measured at:</b>	<b>=N='000</b>	<b>=N='000</b>
Quoted prices in active markets (level 1)	298,886	208,565
Valuation technique:		
Market observable data (level 2)	72,517	118,701
Other than observable market data (level 3)	600,602	718,873
	<u>972,004</u>	<u>1,046,139</u>
<b>Company</b>		
<b>Financial Assets measured at:</b>		
Quoted prices in active markets (level 1)	298,886	208,565
Valuation technique:		
Market observable data (level 2)	72,517	118,701
Other than observable market data (level 3)	600,602	718,873
	<u>972,004</u>	<u>1,046,139</u>

**Notes to the Financial Statements - Continued**

**49.1 Fair value measurement**

**49.1.1 Fair value hierarchy**

The Company categorises a financial asset or a financial liability measured at fair value at the same level of fair value hierarchy as the lowest-level input that is significant to the entire measurement.

The Company ranks fair value measurements based on the type of inputs, as follows:

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The Company has no Level 3 investments during the two reporting periods presented.

There were no transfers between Levels 1 and 2 for recurring fair value measurements during both years.

The Company's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;

All of the resulting fair value estimates are included in Level 2

**49.1.2 Recognised fair value measurement**

This note sets out the split of financial instruments by fair value hierarchy level:

<i>In thousands of naira</i>	2025				2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment assets at FVTPL								
Fair value through profit or loss	298,886	72,517	-	371,402	208,565	118,701	-	327,266
	298,886	72,517	-	371,402	208,565	-	-	327,266
Investment assets at FVOCI								
Fair value through OCI	-	-	600,602	600,602	-	-	718,873	718,873
Other debt securities	-	-	-	-	-	-	-	-
	-	-	600,602	600,602	-	-	718,873	718,873
<b>Total investment assets at FV</b>	<b>298,886</b>	<b>72,517</b>	<b>600,602</b>	<b>972,004</b>	<b>208,565</b>	<b>-</b>	<b>718,873</b>	<b>1,046,139</b>

**48.1.3 Financial instruments not measured at fair value**

The carrying amounts of cash and cash equivalents, floating rate subordinated debt, other financial assets and other financial liabilities approximate their fair value.

**Notes to the Financial Statements - Continued**

**49.2 Model for expected credit loss**

IFRS 9 outlines a three-stage model for impairment, based on changes in credit quality since initial recognition, as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1, and it has its credit risk continuously monitored by the Company.
  
- If a SICR since initial recognition is identified, the financial instrument is moved to Stage 2, but it is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3.
  
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of the lifetime ECL that results from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on the ECL on a lifetime basis.
  
- A pervasive concept in measuring the ECL in accordance with IFRS 9 is that it should consider forward-looking information.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Change in credit quality since initial recognition		
Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

**Definition of default and credit-impaired assets**

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

**Quantitative criterion**

The borrower is more than 90 days past due on its contractual payments.

**Qualitative criterion**

where:

- the borrower is in long-term forbearance;
- the borrower is insolvent;
- the borrower is in breach of (a) financial covenant(s);
- an active market for that financial asset has disappeared because of financial difficulties;
- concessions have been made by the lender relating to the borrower's financial difficulties;
- it is becoming probable that the borrower will enter bankruptcy; or
- financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default (PD), exposure at default (EAD) and loss given default (LGD) throughout the Company's expected loss calculations.

An instrument is considered to no longer be in default (that is, to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis that considers the likelihood of a financial instrument returning to default status after cure, using different possible cure definitions.

## Notes to the Financial Statements - Continued

### Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month (12M) or lifetime basis, depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired. The ECL is the discounted product of the PD, EAD and LGD, defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (according to the definition of default and credit-impaired assets above), either over the next 12 months (12M PD) or over the remaining lifetime (Lifetime PD) of the obligation.
- The EAD is based on the amounts that the Company expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.
- The LGD represents the Company's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of borrower, type and seniority of claim, and availability of collateral or other credit support. The LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). The LGD is calculated on a 12M or lifetime basis, where the 12M LGD is the percentage of loss expected to be made if the default occurs in the next 12 months, and the lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan. [77]

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (that is, the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original EIR or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a financial instrument portfolio from the point of initial recognition throughout the lifetime of the financial instrument. The maturity profile is based on historical observed data, and it is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

Forward-looking economic information is also included in determining the 12M and Lifetime PD, EAD and LGD. These assumptions vary by product type.

The assumptions underlying the ECL calculation are monitored and reviewed on a quarterly basis.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

#### Significant increase in credit risk

The Company considers a financial instrument to have experienced a SICR when one or more of the following quantitative, qualitative or backstop criteria have been met:

#### Quantitative criteria

Thresholds have been established to determine whether the remaining Lifetime PD at the reporting date has increased significantly compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

#### Qualitative criteria

For debt instruments securities, if the instrument meets one or more of the following criteria:

- significant increase in credit spread;
- significant adverse changes in business, financial and/or economic conditions in which the borrower operates;
- actual or expected forbearance or restructuring;
- actual or expected significant adverse change in operating results of the borrower; and
- significant change in collateral value (secured facilities only) that is expected to increase risk of default.

The assessment of a SICR incorporates forward-looking information and is performed at the borrower level and on a periodic basis. The criteria used to identify a SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team

#### Backstop criteria

A backstop is applied and the debt financial instrument considered to have experienced a SICR if the borrower is more than 30 days past due on its contractual payments.

## Notes to the Financial Statements - Continued

### Low credit risk debt instruments

The Company has used the low credit risk exemption for financial instruments when they meet the following conditions:

- the financial instrument has a low risk of default;
- the borrower is considered to have a strong capacity to meet its obligations in the near term; and
- the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

The Company defines low credit risk financial assets as financial assets that are 'investment grade' at the reporting date, based on the Company's credit grading policies. For such instruments, the SICR is not assessed, and the impairment allowance is calculated and the financial asset is measured using the 12M ECL, provided that the financial asset meets the criteria above.

### Forward-looking information incorporated in the ECL models

The assessment of a SICR and the calculation of the ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and the ECL for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables (the base economic scenario) are provided by the Company's Economics team on a quarterly basis, and they provide the best estimate view of the economy over the next five years. After five years, to project the economic variables out for the full remaining lifetime of each instrument, a mean reversion approach has been used, which means that economic variables tend to have either a long run average rate (such as unemployment) or a long run average growth rate (such as GDP) over a period of two to five years. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact that changes in these variables have had historically on default rates and on the components of the LGD and EAD. In addition to the base economic scenario, the Company's Economics team also provides other possible scenarios, along with scenario weightings. The number of other scenarios used is set based on the analysis of each major product type, to ensure that non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. The assessment of a SICR is performed using the Lifetime PD under each of the bases and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators. This determines whether the whole financial instrument is in Stage 1, Stage 2 or Stage 3, and hence whether the 12M or lifetime ECL should be recorded. Following this assessment, the Company measures the ECL as either a probability weighted 12M ECL (Stage 1) or a probability-weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, and therefore the actual outcomes might be significantly different from those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes, and it has analysed the non-linearities and asymmetries within the Company's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

**Notes to the Financial Statements - Continued**

**49.3 Management of insurance and financial risk**

The Company issues contracts that transfer insurance risk. This section summarises the main risks linked to short-term insurance business and the way they are managed.

**Insurance risk**

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is fortuitous and therefore unexpected and unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and indemnity payments exceed the carrying amount of the insurance liabilities.

The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

**Frequency and severity of claims**

The frequency and severity of claims can be affected by several factors the most significant resulting from events like fire and allied perils and their consequences and liability claims. Inflation is another factor that may affect claims payments.

Underwriting measures are in place to enforce appropriate risk selection criteria or not to renew an insurance contract.

The reinsurance arrangements for proportional and non-proportional treaties are such that the Company is adequately protected and would only suffer predetermined amounts.

## **Notes to the Financial Statements - Continued**

### **Reserve Adequacy**

The adequacy of the IBNR estimate held as at 31st December 2025, in respect of accident years January to December 2023 and prior, has been assessed in this session.

Pure IBNR relates to both claims paid and claims outstanding. Pure IBNR for claims paid relates to claim payments that emerged in 2024 for accident periods in 2023 and prior, and no Outstanding Claims Reserves was held for the specific claims as at January to December 2023, but the respective losses had occurred.

Pure IBNR in respect of claims outstanding relates to Outstanding Claims Reserves amounts that emerged as at 31st December 2025 for accident periods January to December 2024 and prior and no Outstanding Claims Reserves was held for the specific claims as at 31st December 2024.

The emerging incurred But Not Enough Reported (IBNER) compares the claims incurred as at 31st December 2025 i.e., the sum of the claims paid in the current year and the Outstanding Claims Reserves as at 31st December 2024 to the Outstanding Claims Reserves as at January to December 2023, i.e., a test for the sufficiency of the Outstanding Claims Reserves as at January to December 2024.

A positive amount for the emerging IBNER means that the Outstanding Claims Reserves as at January to December 2025 was not enough, and a negative value means that the OCR as at January to December 2024 was more than enough, in other words referred to as a release of reserves. The utilization is the sum of the Pure IBNR and the emerging IBNER.

The results in this section were considered in the determination of the best estimate liability as at the valuation date. The respective assessments have been carried out per class of business to granularize the experience within each portfolio and therefore guide the projection assumptions within each one of them.

Overall, the IBNR Reserves has increased from N184 million to N190 million in line with the observed claims experience and the slight higher growth in business observed per class.

**Notes to the Financial Statements - Continued**

**Risk Adjustment**

Risk Adjustment is the compensation the Company requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The Risk Adjustment for IEI was calculated using the Value at Risk (VaR) approach to determine the Risk adjustment factor for Percentage), which is applied to the Present Value of future cashflows for each class. Further, IEI has adopted a 75% confidence level.

The methodology and risk adjustment factor used per class of business is as shown below:

<b>Assumption</b>	<b>Basis for Assumption</b>	<b>Impact on Reserves</b>
Claims Development Pattern	Historical Claims Data industry benchmarks	Estimation of IBNR & Overall Reserves
Loss Ratio	Historical expenses market trends	Estimation of ultimate Claims costs
Discount Rate	Time value of money investment returns	Present Value of reserves
Risk Margin	Risk appetite	Buffer for adverse deviation
Reinsurance Recoveries	Reinsurance Contracts recovery pattern	Net Reserve requirement
Claims handling Expenses	Historical expenses data future projection	Coverage of full claims costs
Policy Changes	Recent changes, anticipated regulations	Compliance with standards

**Sources of uncertainty in the estimation of future claim payments**

Claims are payable on a claims-occurrence basis. The Company is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time and a larger element of the claims provision relates to incurred but not reported claims (IBNR). There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted.

The Company claims are short-term and are settled within a short time and the Company's estimation processes reflect with a higher degree of certainty all the factors that influence the amount and timing.

The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprise a provision for IBNR and a provision for reported claims not yet paid at the end of the reporting date. The Company has ensured that liabilities on the statement of financial position at year end for existing claims whether reported or not, are adequate.

The Company has in place a series of quota-share and excess of loss covers in each of the last four years to cover for losses on these contracts.

## Notes to the Financial Statements - Continued

### 50 Financial risk

The Company is exposed to financial risks through its financial assets, financial liabilities and insurance and reinsurance assets and liabilities. In particular, the key financial risk is that investment proceeds are not sufficient to fund obligations arising from insurance contracts.

The most important components of this financial risk are:

Market risk (which includes currency risk, interest rate risk and equity price risk)

Credit risk;

Liquidity risk;

Capital management; and

Fair value estimation

These risks arise from open position in interest rate, currency and equity products, all of which are exposed to general and open market movements.

The Company risk management policies are designed to identify and analyse risks, to set appropriate risk limits and control, and monitor the risks and adherence to limits by means of reliable and up-to-date administrative and information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board recognises the critical importance of having efficient and effective risk management policies and systems in place. To this end, there is a clear organisational structure with delegated authorities and responsibilities from the Board to Board Committees, executives and senior management, individual responsibility and accountability are designed to deliver a disciplined, conservative and constructive culture of risk management and control.

#### 50.1 Market risk

Market risk is the risk of adverse financial impact due to changes in fair value of future cashflows of financial instruments from fluctuations in foreign currency exchange rates, interest rates and equity prices.

The Company has established policies which set out the principles that they expect to adopt in respect of management of the key market risks to which they are exposed. The Company monitors adherence to this market risk policy through its Investment Committee. The Company's Investment Committee is responsible for managing market risk.

The market risk is monitored at board level through investment reports which examine impact of changes in market risk in investment returns and asset values. The Company's market risk policy sets out the principles for matching liabilities with appropriate assets, the approaches to be taken when liabilities cannot be matched and the monitoring processes that are required.

## Notes to the Financial Statements - Continued

### 50.1 Market risk - continued

#### *Currency risk*

The Company has a number of investments in foreign currencies which are exposed to this currency risk. The Investment Committee closely monitors currency risk exposures against pre-determined limits. Exposure to foreign currency exchange risk is

The Company's total assets and liabilities by currency is detailed below:

<i>At 31st December 2025</i>	<b>¥'000</b>	<b>€'000</b>	<b>£'000</b>	<b>\$'000</b>	<b>€'000</b>	<b>Total</b>
<b>Assets:</b>						
Non-current assets	7,497,545	-	-	-	-	7,497,545
Current assets	-	-	-	-	-	-
Bank balances, deposits and cash	7,359,813	-	-	-	-	7,359,813
Unquoted stocks	(116,172)	-	-	716,774	-	600,602
<b>Total assets</b>	<b>14,741,187</b>	<b>-</b>	<b>-</b>	<b>716,774</b>	<b>-</b>	<b>15,457,961</b>
<b>Liabilities:</b>						
Current liabilities	6,216,685	-	-	-	-	6,216,685
Non-current liabilities	-	-	-	-	-	-
<b>Total liabilities</b>	<b>6,216,685</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,216,685</b>
<i>At 31 December 2024</i>						
<b>Assets:</b>						
Non-current assets	10,814,504	-	-	-	-	10,814,504
Current assets	-	-	-	-	-	-
Bank balances, deposits and cash	5,321,370	-	-	-	-	5,321,370
Unquoted stocks	2,099	-	-	716,774	-	718,873
<b>Total assets</b>	<b>16,137,973</b>	<b>-</b>	<b>-</b>	<b>716,774</b>	<b>-</b>	<b>16,854,747</b>
<b>Liabilities:</b>						
Current liabilities	8,297,828	-	-	14,092,841	-	22,390,669
Non-current liabilities	2,066,039	-	-	-	-	2,066,039
<b>Total liabilities</b>	<b>10,363,867</b>	<b>-</b>	<b>-</b>	<b>14,092,841</b>	<b>-</b>	<b>24,456,708</b>

**Notes to the Financial Statements - Continued**

**50 Financial risk - continued**

**50.2 Market risk - continued**

**Sensitivity**

If the Naira had weakened/strengthened against the following currencies with all variables remaining constant, the impact on the results for the year would have been as shown below mainly as a result of foreign exchange gains/losses:

<i>Impact on results</i>	NGN	Yen	GBP	USD	Euro	Carrying	+5%	-5%
						value	N'ooo	N'ooo
<b>Company</b>								
<b>At 30th September 2025</b>								
Bank balances and deposits	7,359,813	-	-	-	-	7,359,813	-	-
Unquoted Stocks	2,099			598,503		600,602	29,925	(29,925)
Borrowings	2,401,342			376,757	-	2,778,099	18,838	(18,838)
<b>At 31 December 2024</b>								
Bank balances and deposits	5,321,370	-	-	-	-	5,321,370	-	-
Unquoted Stocks	2,099			716,774		718,873	35,839	(35,839)
Borrowings	2,401,342	-	-	14,092,841	-	16,494,183	824,709	(824,709)

**Limitations of sensitivity analysis**

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are actively managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's views of possible near-term market changes that cannot be predicted with any certainty.

## **Other National Disclosures**

**OTHER NATIONAL DISCLOSURE**

**Value Added Statement**

*For the year ended 31st December 2025*

*In thousands of naira*

	<b>2025</b>	<b>%</b>	<b>2024</b>	<b>%</b>
Insurance revenue	4,689,427		5,625,358	
Net investment income	1,111,865		2,470,979	
Credit loss reversal/(expense)	(78,719)		117	
Profit on disposal of associate company	-		523,478	
Other income	255,509		60,358	
	<b>5,978,081</b>		<b>8,680,291</b>	
Net expenses from reinsurance contracts held	(560,614)		(332,610)	
Insurance service expense	(2,217,690)		(1,875,778)	
Other business costs	(138,516)		(1,808,709)	
<b>Value added</b>	<b>3,061,262</b>		<b>4,663,195</b>	
<b>Applied as follows:</b>				
<i>To pay employees:</i>				
Salaries, wages and benefits	1,086,905	0.36	805,329	0.17
<i>To pay Government:</i>				
Taxes	544,006	0.18	208,590	0.04
<i>To pay providers of capital:</i>				
Finance costs	366,092	0.12	616,402	0.13
<i>Retained for asset replacement and future expansion of business:</i>				
-Depreciation and amortisation	195,592	0.06	78,515	0.02
-Profit /(loss) for the year	868,667	0.28	2,954,358	0.63
<b>Value added</b>	<b>3,061,262</b>	<b>100</b>	<b>4,663,195</b>	<b>100</b>

Value added is the wealth created by the efforts of the Company and its employees and the allocation between employees, shareholders, government and that retained in the future for the creation of more wealth.

## FIVE-YEAR FINANCIAL SUMMARY

### STATEMENT OF FINANCIAL POSITION AS AT

<i>In thousands of naira</i>	31-Dec 2025	31-Dec 2024	Restated 31-Dec 2023	Restated 31-Dec 2022	31-Dec 2021
<b>Assets</b>					
Cash and cash equivalents	7,359,813	5,321,370	4,401,204	5,254,685	121,225
Financial assets	972,004	1,046,139	4,238,807	439,860	332,841
Premium receivables	26,095	19,978	8,640	-	-
Other receivables and prepayments	342,251	280,714	296,745	1,063,320	5,962
Reinsurance contract assets	169,858	273,692	253,693	160,265	204,727
Investment in Associate Company	-	-	876,522	876,522	-
Investment in subsidiary	-	-	-	-	1,000,000
Investment properties	5,220,000	8,275,056	6,373,615	4,880,000	3,822,250
Intangible assets	317,073	227,822	37,554	2,346	-
Property, plant and equipment	728,366	1,087,477	780,525	1,673,724	3,047,490
Statutory deposit	322,500	322,500	322,500	322,500	322,500
<b>Total assets</b>	<b>15,457,961</b>	<b>16,854,747</b>	<b>17,589,806</b>	<b>14,673,222</b>	<b>8,856,995</b>
<b>Liabilities</b>					
Insurance contract liabilities	1,330,864	2,367,897	5,052,370	4,318,048	4,236,818
Other Technical liabilities	7,046	215,538	301,245	187,820	189,424
Provisions and other payables	1,556,670	2,760,812	3,322,209	2,034,977	1,159,846
Current income tax payable	544,006	337,026	281,697	307,162	511,081
Deferred tax liabilities	-	206,209	206,209	206,209	206,209
Lease obligations	-	9,004	43,389	-	-
Borrowings	2,778,099	16,494,183	14,092,841	14,092,842	14,092,842
Deposit for shares	-	2,066,039	5,066,039	5,316,339	317,233
<b>Total liabilities</b>	<b>6,216,685</b>	<b>24,456,708</b>	<b>28,365,999</b>	<b>26,463,397</b>	<b>20,713,453</b>
<b>Equity</b>					
Share capital	1,267,043	642,043	642,043	642,043	642,043
Share premium	2,338,097	963,097	963,097	963,097	963,097
Other reserves	5,636,136	(9,207,101)	(12,381,333)	(13,395,315)	(13,461,598)
<b>Total equity</b>	<b>9,241,276</b>	<b>(7,601,961)</b>	<b>(10,776,193)</b>	<b>(11,790,175)</b>	<b>(11,856,458)</b>
<b>Total liabilities and equity</b>	<b>15,457,961</b>	<b>16,854,747</b>	<b>17,589,806</b>	<b>14,673,222</b>	<b>8,856,995</b>

### STATEMENT OF PROFIT OR LOSS

<b>Profit/(loss) before income tax</b>	<b>1,024,186</b>	<b>3,162,948</b>	<b>931,017</b>	<b>241,662</b>	<b>(720,958)</b>
Income tax expense	(155,519)	(208,590)	(80,353)	(8,671)	(1,617)
<b>Profit/(loss) after income tax</b>	<b>868,667</b>	<b>2,954,358</b>	<b>850,664</b>	<b>232,991</b>	<b>(722,575)</b>
Other comprehensive income/(loss)	(118,271)	219,874	163,319	(166,708)	(6,695)
<b>Total comprehensive profit/(loss)</b>	<b>750,396</b>	<b>3,174,232</b>	<b>1,013,983</b>	<b>66,283</b>	<b>(729,271)</b>
<b>Basic and diluted (loss)/income per share (kobo)</b>	<b>34</b>	<b>230</b>	<b>66</b>	<b>18</b>	<b>(56)</b>
<b>Net Assets/(liabilities) per share (kobo)</b>	<b>365</b>	<b>525</b>	<b>(839)</b>	<b>(918)</b>	<b>(923)</b>

Note: The (losses)/income per share have been computed respectively for each year on the (loss)/profit after income tax expense and the number of ordinary shares in issue at the end of each year. The net (liabilities)/assets per share are based on the number of issued 50 kobo ordinary shares at the end of the year.