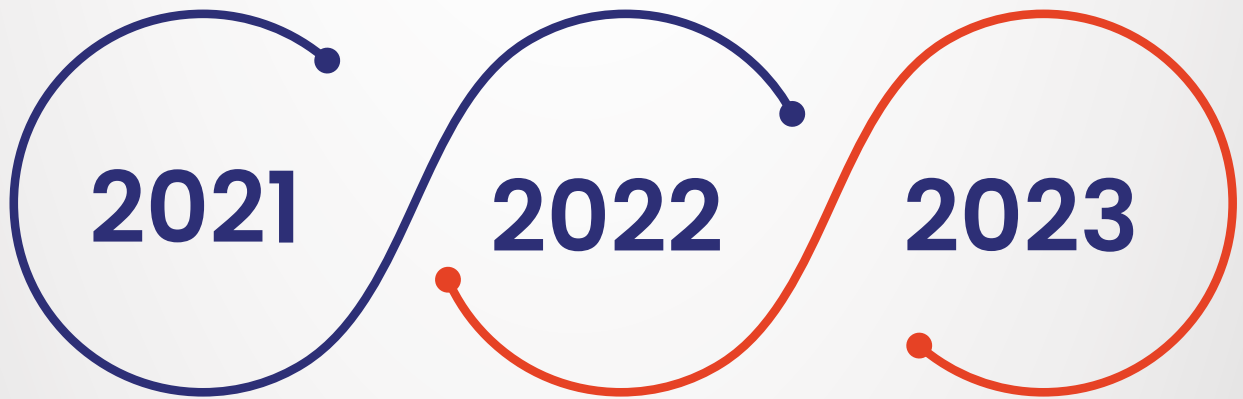
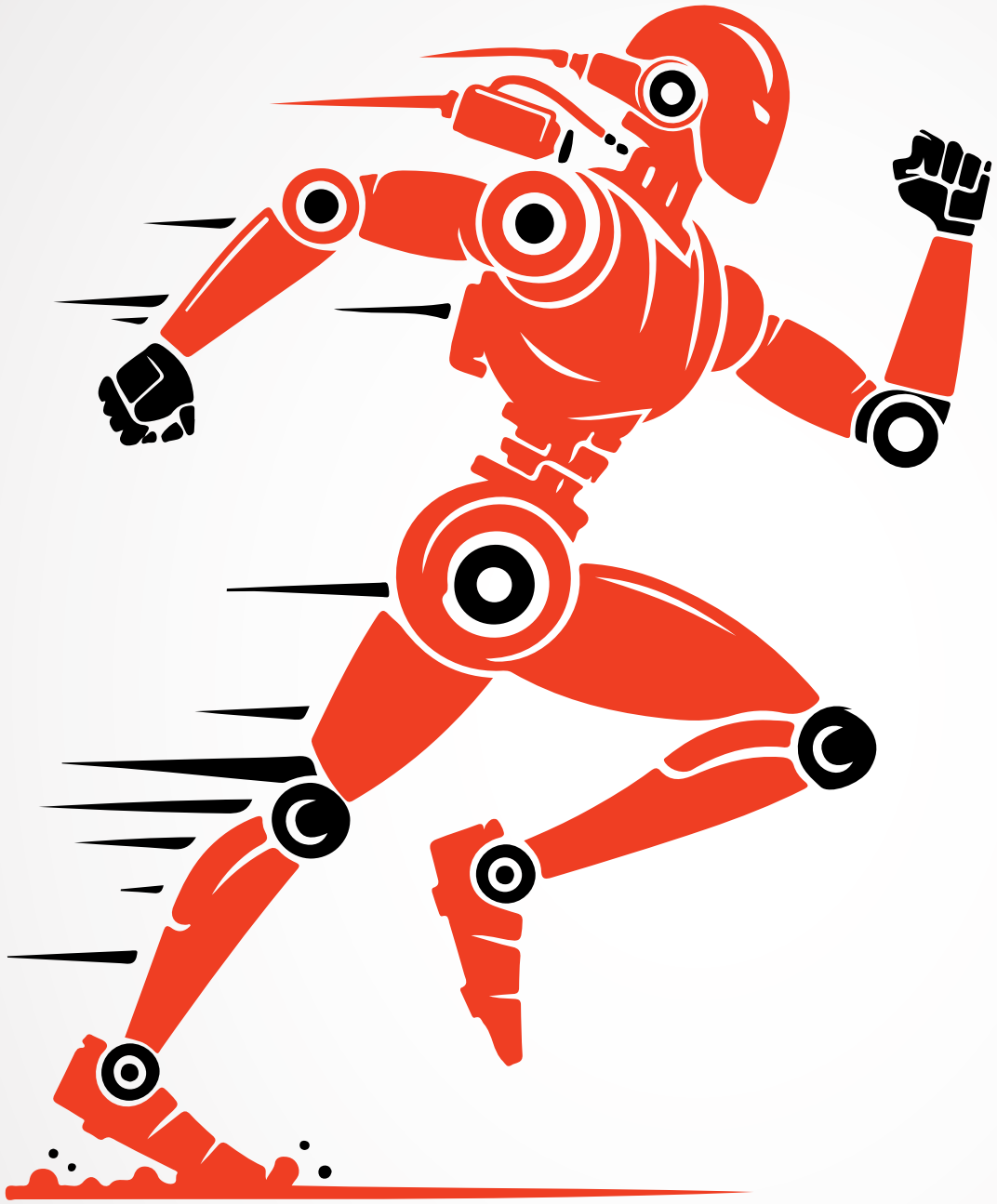


# INTERNATIONAL ENERGY INSURANCE PLC ANNUAL REPORT



Energy to Care



# **TRANSFORMATIVE INNOVATION**

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STAYING AHEAD IN A COMPETITIVE MARKET





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## WHO WE ARE



International Energy Insurance Plc (“IEI Plc” or “The Company”) commenced business as Nigeria’s first Energy-focused Insurance Company, experts in first class underwriting solutions for offshore and onshore risks, as well as general insurance business.

The Company was established in 1969 as Nigeria Exchange Insurance Company Limited. Over the years, we have been through series of transformations that have brought us where we are and shaped us into whom we are today. With a redirection of the internal and external dynamics of the Company, we focused our core business on the gap in the Nigerian insurance industry: Energy Insurance. In 2003 IEI Plc was born.

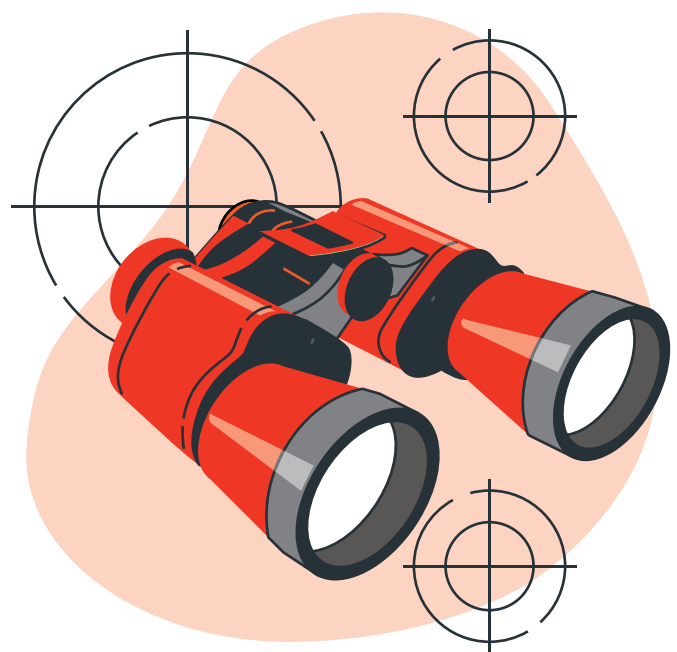
This was followed by major recapitalization, which was needed to meet the challenges of this new direction. The Company’s security is backed by a consortium of local and foreign re-insurers led by African Reinsurance Corporation.

In July 2022, Norrenberger Advisory Partners Limited (“Norrenberger”), an industry-leading, integrated financial services group that provides a comprehensive range of financial solutions to individuals and institutions, took over the operations of the Company after it obtained the approval of the National Insurance Commission (NAICOM). Norrenberger acquired majority stake of the Company, hence making it a new dawn in the history of IEI Plc. IEI Plc had in a short period experienced phenomenal growth in its business production and gained the confidence of the market, demonstrating innovation and aggressiveness in the insurance space.

International Energy Insurance Plc has built a reputation as Nigeria’s preferred insurance provider through innovation, professionalism, and exceptional service delivery. The Company’s core values – Friendliness, Innovation, Responsiveness, Simplicity and Trust have driven its success in providing clients with peace of mind and unparalleled service.

International Energy Insurance Plc is committed to being a trusted partner for individuals and businesses across Nigeria, offering a wide range of insurance solutions tailored to meet diverse needs. With a focus on customer satisfaction, IEI Plc leads the industry in delivering dependable, innovative, and efficient services.

# VISION AND MISSION STATEMENTS



## VISION

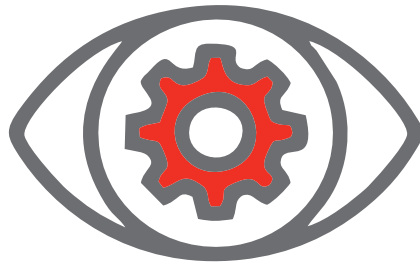
To be the preferred insurance provider in Africa through innovation, professional and exceptional service delivery.

## MISSION

To provide innovative risk management solutions as a dependable partner for peace of mind and value to our stakeholders.



## OUR CORE VALUES



### **Friendliness**

Friendliness is the bedrock on which we build our relationships.

### **Innovation**

We are dedicated to evolving as a people and providing better and improved solutions that add value to our customers.

### **Responsiveness**

We are responsive to our client's needs and inquiries. Providing solutions and resolutions quickly and efficiently.

### **Simplicity**

We have simplified our solutions, making them easy for our clients to adopt and implement.

### **Trust**

Integrity is at the core of who we are. On this, we are uncompromising



## WHY IEI PLC?

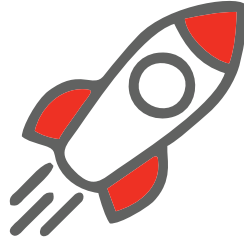


### 1. WHY IEI Plc?

- Claims under ₹200,000 Paid in 24 hours.
- A dedicated customer experience team.
- We go any length with you, it's our commitment.
- Backed by Norrenberger. Driven by experience.
- Decades of excellence. A management team you can trust.
- Proven service, trusted partners. We're here for the long haul.
- Your needs, our products. We build insurance around you.
- Fast claims, expert team, lasting partnership. That's why IEI Plc.



## OUR PRODUCTS



- **Motor Insurance**

We understand that owning a vehicle comes with risks. Our Motor Insurance policies offer two key options: Comprehensive Motor Insurance and Third-Party Motor Insurance, both designed to protect you against unforeseen events. While Third-Party Insurance covers liabilities for injury, death, or property damage to others, Comprehensive Insurance goes further, safeguarding your vehicle from theft, fire, and accidental damage. With valuable add-ons such as personal accident cover, vehicle tracking, and towing assistance, you can drive with confidence knowing you're fully covered.

- **Fire & Special Perils Insurance**

Safeguard your property against life's unexpected events with Fire & Special Perils Insurance.

This policy provides financial protection against fire, lightning, and domestic explosions, ensuring that your home or business is secure. It extends coverage to natural disasters, including storms, earthquakes, and flooding, as well as damages from strikes and riots. Protect your investment and enjoy peace of mind knowing that your assets are covered against unforeseen disasters.

- **Householder & House Owner Insurance**

Your home is more than just a building, it's a place of comfort and security. Our Householder & House Owner Insurance ensures that both the structure and its contents are well-protected.

Whether you own or rent, this policy covers damages from fire, theft, and accidents, including liability for injuries to visitors. It's a comprehensive safety net for homeowners and tenants alike, ensuring that your most valuable possessions are secure.

- **Burglary & Theft Insurance**

Protect your home or business from financial losses due to forced entry or theft with our Burglary & Theft Insurance. This policy provides coverage for stolen or damaged property.

With International Energy Insurance PLC, you can rest easy knowing your assets are insured against unexpected intrusions.

- **Marine Insurance (Hull & Cargo)**

For businesses involved in trade, the movement of goods and vessels is a significant investment. Our Marine Insurance ensures that your cargo and ships are protected against damages and losses while in transit. Whether by sea or air, we provide reliable coverage that keeps your business moving smoothly. Trust us to secure your marine operations with tailored policies that minimize risks and maximize peace of mind.

- **Travel Insurance**

Travel with confidence, knowing you're protected with our Travel Insurance. We cover medical emergencies, lost luggage, trip cancellations, and other travel inconveniences. Our plans include options for global coverage, including the essential Schengen Visa travel insurance. Wherever you go, we've got your back.

- **All Risk Insurance**

Some assets require more than standard insurance. Our All Risk Insurance provides extensive coverage for valuable personal and business items, including electronics, jewelry, and household goods. Whether at home, in transit, or at work, this policy ensures that accidental damage, loss, or theft doesn't disrupt your lifestyle or operations.

- **Fidelity Guarantee Insurance**

Fraud and dishonesty in the workplace can have serious financial implications. Our Fidelity Guarantee Insurance protects businesses against losses caused by employee misconduct, including theft and financial fraud. With multiple coverage options from individual employee policies to blanket coverage, our solution is designed to safeguard your company's integrity and financial health.



- **Goods in Transit Insurance**

When goods are on the move, risks are higher. Our Goods in Transit Insurance ensures that your cargo is protected against theft, loss, and accidental damage while being transported. Ideal for manufacturers, logistics companies, and retailers, this policy provides peace of mind, ensuring that your business operations continue uninterrupted.

- **Professional Indemnity Insurance**

Mistakes happen, but they shouldn't cost your business its reputation. Our Professional Indemnity Insurance shields professionals against legal claims arising from negligence, errors, or breaches of duty. Whether you're a consultant, medical practitioner, or financial advisor, this policy protects you from financial liabilities, so you can focus on delivering top-tier services with confidence.

- **Cash-in-Transit Policy**

Handling cash comes with risks, but we've got you covered. Our Cash-in-Transit Policy protects businesses from financial losses due to theft, robbery, or damage to safes. Whether you're transporting cash, keeping it in a safe, or storing it at your premises, this policy ensures your hard-earned money is secure.

- **Public Liability Insurance**

Protect your business from unexpected claims with our Public Liability Insurance. Whether you run a retail store, a corporate office, or a public space, this policy covers legal liabilities for injury or property damage to third parties. With this insurance policy,

you can operate with confidence, knowing that you're financially protected from unforeseen incidents.

- **Group Personal Accident Insurance**

Your employees are your greatest asset, and their well-being matters. Our Group Personal Accident Insurance provides financial support in the event of accidental injuries, disabilities, or death. Covering work-related and non-work-related incidents, this policy ensures that your team receives the necessary support during challenging times.

- **Engineering Insurance**

Construction projects come with inherent risks. Our Engineering Insurance provides protection against losses and liabilities associated with construction, plant installation, and equipment use. Whether it's a Contractors All Risks or Erection All Risks policy, we ensure that your projects are covered from start to finish, keeping your business secure.

- **How to Make a Claim**

We understand that when unexpected incidents occur, you need a swift and seamless claims process. That's why we've made it simple and hassle-free.

To file a claim, notify us immediately by email, SMS, or a written letter within 48 hours of the incident. Provide all relevant details, including policy information, incident description, and supporting documents such as police reports, invoices, or photographs where applicable. Our dedicated claims team will guide you through the process, ensuring a quick assessment and prompt resolution. With us, you're not just insured, you're assured of efficient and professional service when you need it most.

## Head Office:

FF Millennium Tower, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos.

### Branch/Agency Offices

#### Abuja

31 Adamu Ciroma Crescent, Jabi, Abuja.

#### Port Harcourt

10, Evo Road Off Olu-Obasanjo Way  
G.R.A Phase Ii Port Harcourt, Rivers State

#### Warri

Thomas House, KM 4, Refinery Road, By Mega  
Hilton Hotel, Ekpan, Warri, Delta

#### Ibadan

2nd Floor, University Press Building  
(Oxford House) Beside UBA, Dugbe, Ibadan

#### Uyo

7,Ibiam Street, off Ikot Ekpene road, Uyo,  
Akwa-Ibom.

#### Calabar

38 Mcc Road Calabar,

#### Kaduna

No 5-swimming pool road, by shooting range  
Kaduna.



# NOTICE OF ANNUAL GENERAL MEETING



**International Energy Insurance Plc (RC.6126)**

**Head Office**

9th floor, FF Millennium Tower,  
13/14 Ligali Ayorinde Street,  
Victoria Island, Lagos, Nigeria.

**Abuja Office**

31, Adamu Ciroma Crescent,  
Jabi, Abuja.

**Port Harcourt Office**

10, Evo Road off Olu-Obasanjo  
way, G.R.A Phase II,  
Port Harcourt, Rivers State.

**Phone:** 02012806990-1

**Email:** info@ieipltng.com

**Website:** ieipltng.com

## NOTICE OF THE 44TH ANNUAL GENERAL MEETING OF INTERNATIONAL ENERGY INSURANCE PLC

**NOTICE IS HEREBY GIVEN** that the 44th Annual General Meeting of International Energy Insurance PLC (the “**Company**”) will hold at 11:00 am prompt on Thursday, April 10, 2025, at P86W R4J, Haitel Hotel Dutse, Government House Road, Dutse, Jigawa State to transact the following businesses:

### ORDINARY BUSINESS

1. To lay before the Members, the Audited Financial Statements of the Company for the years ended 31st December 2021 – 2023 together with the Reports of the Directors, Auditors and Audit Committee thereon.
2. To re-elect the retiring Directors of the Company.
3. To appoint Messrs. Doyin Owolabi & Co (Chartered Accountants) as the Auditors of the Company.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To elect/re-elect members of the Statutory Audit Committee.
6. To disclose the remuneration of the Managers of the Company.

### SPECIAL BUSINESS

7. To consider and if thought fit, pass the following resolution as an ordinary resolution: to approve the remuneration of the Non-Executive Directors.
8. To consider and if thought fit, pass the following resolution as a special resolution of the Company:  
That pursuant to the resolution of the general meeting of the Company held on Thursday, February 23, 2017 to wit: “that the Board of Directors of the Company (the “**Board**”) and representatives of the Shareholders should

jointly restructure the Company’s indebtedness to Daewoo.” As a result of the negotiations of the Technical Committee comprising the Board and Shareholders representative, the Board has restructured the Loan by way of transfer of the loan obligations to Norrenberger Advisory Partners Limited (“**NAPL**”) to fully settle the Loan and make full payment of same to Daewoo and in consideration of the settlement of the loan, the Company shall hereby allot 28,185,682,000 (Twenty-Eight Billion, One Hundred and Eighty-Five Million, Six Hundred and Eighty-Two Thousand) Units of N0.50k ordinary shares of the Company to NAPL to be issued at par value.

9. To consider and if thought fit, pass the following sub-joined resolutions as an ordinary resolution of the Company:

- 9.1 That the Issued Share Capital of the Company’ be increased from N642,042,744.00 (Six Hundred and Forty-Two Million, Forty-Two Thousand, Seven Hundred and Forty-Four Naira) to N16,130,940,257.00 (Sixteen Billion, One Hundred and Thirty Million, Nine Hundred and Forty Thousand, Two Hundred and Fifty Seven Naira) by the creation of additional 30,977,795,025 (Thirty Billion, Nine Hundred and Seventy-Seven Million, Seven Hundred and Ninety-Five Thousand and Twenty five) ordinary



shares of the Company, each share to rank parri passu in all respects with the existing ordinary shares in the Company's capital and that the Board be and is hereby authorised, if deemed necessary, to cancel any unallotted shares or increase the share capital of the Company to an amount sufficient to accommodate any transaction undertaken by the Company to raise additional equity capital;

- 9.2 That the Board be and is hereby authorized to allot the 28,185,682,000 (Twenty-Eight Billion, One Hundred and Eighty-Five Million, Six Hundred and Eighty-Two Thousand) additional ordinary shares of N0.50k per share to NAPL, each share to rank pari passu in all respects with the existing ordinary shares in the capital of the Company and on such other terms and conditions as may be decided by the Board, subject to obtaining relevant regulatory approvals.
10. To consider and if thought fit, pass the following as a special resolution of the Company:
- 10.1 That the Board be and is hereby authorised to raise additional capital by way of private placements, rights issues, public offers or any other mode or combination of modes, in such tranches, series, amounts, pricing or proportions and on such terms and conditions and at such times as may be determined by the Board to meet the minimum capital requirements for Non-Life Insurance Companies as may be prescribed by the National Insurance Commission (NAICOM), subject to obtaining the requisite regulatory approvals.
- 10.2 That the capital raising exercise in Resolution 10.1 above be underwritten on such terms as may be determined by the Board, subject to regulatory approvals.
- 10.3 (a) That the Board be and is hereby authorised to amend Clause E of the Company's Memorandum of Association to reflect the new Issued Share Capital of the Company pursuant to the foregoing resolutions.
- (b) That the Board be and is hereby authorized to amend Article 51 of the Company's Articles of Association by permitting holding the general meeting of its members virtually or physically and to read as follows;

*'The Company shall in each year hold a General Meeting as its Annual General*

*Meeting in addition to any other meeting in that year and shall specify the meetings as such in the notices calling it and no more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next provided that so long as the Company holds its Annual General Meeting within eighteen months of its incorporation, it need not hold in the year of its incorporation, or in the following year. The Annual General Meeting shall be held virtually or physically at such time and place as the Directors shall appoint."*

Pursuant to the foregoing resolutions, the Board be and is hereby authorised to file the amended Memorandum and Articles of Association at the Corporate Affairs Commission.

- 10.4 That the Board be and is hereby authorised to take all such lawful steps, pass all requisite resolutions and do all such other lawful acts and/or things as may be necessary for, incidental, supplemental and/or consequential to giving effect to the resolutions above including without limitation, appointing relevant professional advisers, obtaining requisite regulatory approvals including the approval of the Securities and Exchange Commission and the Corporate Affairs Commission, cancelling any excess shares not fully subscribed to and listing the new shares on the floor of Nigerian Exchange Limited.

**DATED THE 11TH DAY OF MARCH 2025**

**BY ORDER OF THE BOARD**

**DETAIL NOMINEES**

**RANTI FAJANA**

**DETAIL NOMINEES COMPANY**

FRC/2014/00000004789

**COMPANY SECRETARY**

DCS Place, 8 DCS Street

Off Remi Olowude Way

Lekki Phase 1, Lagos

**NOTES:****1. PROXY**

Only members (shareholders) of the Company entitled to attend and vote at the Annual General Meeting are entitled to appoint proxies to vote in their stead.

- For the instrument of proxy to be valid for the purpose of this Meeting, it must be completed and duly stamped by the Commissioner of Stamp Duties for the purpose of this meeting.
- The duly completed proxy forms must be deposited at the office of the Registrar, Meristem Registrars and probate Services Limited, 213, Herbert Macaulay Way, Yaba, Lagos, or sent by email to [info@meristemregistrars.com](mailto:info@meristemregistrars.com), not later than 48 hours before the time of holding of the Meeting.

**2. CLOSURE OF THE REGISTER OF MEMBERS**

The Register of Members and Transfer Books of the Company will be closed from 31st March 2025 to 4th April 2025 (both dates inclusive) for the purpose of updating the Register of Members.

**3. STATUTORY AUDIT COMMITTEE**

In accordance with Section 404(6) of the Company and Allied Matters Act 2020, any shareholder may nominate a shareholder for appointment to the Audit Committee. Such nomination should be in writing and reach the Company Secretary not later than twenty-one (21) days before the AGM.

The Nigerian Code of Corporate Governance 2018 and the Guidelines on Corporate Governance issued by the Securities and Exchange Commission and the National Insurance Commission stipulate that members of the Audit Committee should have basic financial literacy and should be able to read and understand financial statements.

In view of the foregoing, nominations to the Audit Committee should be supported by the Curricula Vitae of the nominees.

**4. RE-ELECTION OF DIRECTORS**

To re-elect the following Directors: Messrs Anthony Edeh and Oluwateniola Eleoramo retiring by rotation

and being eligible, offer themselves for re-election pursuant to Article 100 of the Company's Articles of Association.

The profiles of the all the Directors are available in the Annual Report and on the Company's website.

**5. LIVE STREAMING OF THE AGM**

The AGM will be streamed live via the Company's website. This will enable shareholders and other stakeholders who will not be attending the Meeting physically to observe the proceedings. The link for the live streaming of the Meeting will be made available on the Company's website at [www.ieiplcng.com](http://www.ieiplcng.com) at least 48 hours before the Meeting.

**6. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS**

Pursuant to Rule 19.12.(c) of the Nigerian Exchange Limited Rulebook 2015, Shareholders have the right to ask questions not only at the AGM and but may also submit their questions in writing prior to the meeting. Such questions should be submitted to the Company Secretary not less than a week before the date of the meeting. The questions may be submitted by electronic mail to [ranti@detailsolicitors.com](mailto:ranti@detailsolicitors.com), [ccinfo@ieiplcng.com](mailto:ccinfo@ieiplcng.com)

**7. E-ANNUAL REPORT**

The electronic version of the Annual Report is available online for viewing and download from the

Company's website: [www.ieiplcng.com](http://www.ieiplcng.com). Shareholders who have provided their email addresses to the Registrar will receive the electronic version of the Annual Report via email. Furthermore, shareholders who are interested in receiving the electronic version of the Annual Report should request via email to [info@meristemregistrars.com](mailto:info@meristemregistrars.com)

**8. WEBSITE**

A copy of this Notice, Proxy Form and other information relating to the meeting can be found at [www.ieiplcng.com](http://www.ieiplcng.com)



# CORPORATE INFORMATION



## DIRECTORS

Alhaji Bukar Goni Aji, OON, CFR	-	<i>Chairman</i>
Mr. Olasupo Sogelola	-	<i>Managing Director/CEO</i>
Mr. Anthony Edeh	-	<i>Non-Executive Director</i>
Mr. Mohammed N. Mijindadi	-	<i>Non-Executive Director</i>
Dr. Chamberlain S. Peterside, Ph.D.	-	<i>Independent Non-Executive Director</i>
Dr. Adeyinka Hassan, Ph.D.	-	<i>Non-Executive Director</i>
Mr. Oluwateniola O. Eleoramo	-	<i>Non-Executive Director</i>

### COMPANY SECRETARY

#### Detail Nominees

FRC/2014/00000004789  
DCS Place, 8, DCS Street,  
Off Remi Olowude Way  
Lekki Phase 1, Lagos State

### REGISTERED OFFICE

FF Towers, 13/14, Ligali  
Ayorinde Street,  
Victoria Island, Lagos

### REGISTRATION NO.

RC No. 6126

### SOLICITORS

#### AARNDALE

15, Adedeji Adekola Street  
Off Freedom Way  
Lekki Phase 1

#### Solola & Akpana

3B, Tokunbo Omisore Street,  
Off Wole Olateju, Lekki  
Phase 1, Lagos

### AUDITORS

**Doyin Owolabi & Co.** (Chartered  
Accountants)

FRC/2013/ICAN/00000000101  
14, Falolu Street,  
Surulere, Lagos.

### BANKERS

Keystone Bank Limited  
Access Bank  
Zenith Bank Plc.  
First Bank of Nigeria

### ACTUARIES

#### Okpaise Olurotimi Olatokunbo

FRC/2013/PRO/NAS/004/00000000738  
Zamfara Consulting Actuaries Nigeria Limited  
4th Floor, Plot 1637, Ibukun House,  
Adetokunbo Ademola Street, Victoria Island, Lagos

### Reinsurers

African Re  
FBS Re  
Continental Re  
ZEP Re  
NCA Re  
Nigeria Re

### Valuers

Osas & Oseji Estate Surveyors & Valuers  
Benson Omoruyi & Co. Estate Surveyors &  
Valuers Lagos



# IEI PLC, OUR OFFERING AT A GLANCE



Over time, we have grown to become Nigeria's first and most preferred financial inclusion-focused insurance company, experts in first-class customer-focused product development, underwriting solutions, and claims management.

We offer products and services that are relevant to meeting customer needs. We recognize that as opportunities exist, so do risks occur. Because of this, and boasting "The Energy to Care," we are able to extend our products and services into various areas such as: Energy Insurance, General Motor Insurance, Marine Insurance, Travel Insurance, as well as our new insurance products mentioned below:

## **SMALL & MEDIUM ENTERPRISES (SMEs) INSURANCE**

is designed to assist Small & Medium Enterprises (SMEs) cover material damage to their business premises and their contents. The product covers Fire, lightning, limited explosion, malicious damage, riot, flood, storm, impact, and contents cover from burglary only. The cover will also include damages to all the client's business premises, and it provides specific amounts in terms of claims from third parties for injury and damage. The product also provides cover for injuries to employees and covers occupier's liability against legal suits relating to injury or loss suffered by visitors in the insured's premises.

**THIRD PARTY LIFT** This product is intended to enrich the scope of benefits on the existing Motor Third Party policy by extending part of the benefits under the Comprehensive Motor Insurance cover (own damage) to augment the Third-Party Insurance Policy. The policy covers everything a third-party motor insurance policy covers, as well as partial coverage on damages to the insured vehicle, ranging from ₦150,000 to ₦400,000.

**IEI Salary Guard Insurance** offers financial protection to policyholders aged 18 to 59 in the event of retrenchment due to employer-initiated staff

reductions, contingent upon adherence to policy terms. Available with single or periodic premium options (monthly, quarterly, half-yearly, or yearly), this annual renewable policy features a six-month no-claim period and provides two distinct claim benefit variants upon job loss, as detailed in the policy document. Beyond Salary Guard, IEI provides a comprehensive suite of insurance solutions for both personal and corporate clients, encompassing fire and allied perils, motor comprehensive and third-party coverage, burglary and housebreaking, liability policies, money insurance, bond insurances, professional indemnity, marine cargo and hull insurance, fidelity insurance, and householder and homeowner insurance.

We also have coverage for both Personal and Corporate organizations as follows:

- Fire and Allied Perils
- Motor Comprehensive and Third-Party Insurance
- Burglary and House Breaking
- Liability Policies
- Money Insurance
- Bond Insurances
- Professional Indemnity Insurance
- Marine Cargo and Hull Insurance
- Fidelity Insurance
- Householder and Homeowner insurance.

At International Energy Insurance Plc., we have the energy to take care of these risks.



# EMBARK ON YOUR JOURNEY WITH PEACE OF MIND

Travel with confidence, knowing you're protected with our Travel Insurance. We cover medical emergencies, lost luggage, trip cancellations, and other travel inconveniences.



## **International Energy Insurance Plc**

9th floor, FF Millennium Tower, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos  
[www.ieiplcng.com](http://www.ieiplcng.com) | [info@ieiplcng.com](mailto:info@ieiplcng.com) | 02012806990 | 09120217206

International Energy Insurance Plc is authorized, licensed and regulated by the National Insurance Commission (NAICOM).



## CHAIRMAN'S STATEMENT



**Alh. Bukar Goni Aji, OON, CFR**  
*Chairman*



## Distinguished Shareholders, my colleagues on the Board, invited Guests and Gentlemen of the press; you are welcome to the 44th Annual General Meeting of our Company.

Dear Shareholders, I hereby present to you an overview of the emerging issues in the global and domestic economy in 2023 as well as a summary of the activities and performance of our insurance Company for the period 2021 to 2023.

### THE GLOBAL ECONOMY.

The global economy in 2023 experienced a significant slowdown, marked by weak growth, persistent inflation, and tightening monetary policy in major economies, creating a "perilous" situation with a projected moderate recovery expected in 2024; key concerns include the ongoing war in Ukraine, rising interest rates, and potential banking sector stress impacting credit availability.

The following were the key points about the 2023 global economy:

**Slowdown in growth:** Most analysts predict a substantial drop in global GDP growth compared to previous years, with the World Bank projecting a 2.1% expansion in 2023.

**Inflation pressures:** Despite some easing, inflation remains a significant concern in many regions, prompting central banks to continue raising interest rates which can further dampen economic activity.

**Geopolitical tensions:** The ongoing war in Ukraine was a major factor that impacted energy prices and global supply chains, exacerbated economic uncertainties.

**Uneven impact:** While developed economies experienced a slowdown, emerging markets got more hit due to tighter global financial conditions and potential capital outflows.

Potential bright spots:

**Resilient China and India:** There was a continued strong growth in major economies like China and India, which partially offset the global slowdown.

In 2023, the United States and the European Union (EU) had a record year of trade and investment. The

two regions were major economic partners and have the world's most integrated economic relationship.

On Trade relationship, the EU and US traded €1.6 trillion in goods and services in 2023, the largest trading partner for goods exports, and the second largest for imports, had a trade surplus of €157 billion in goods with the US in 2023 and are also major investment partners, with €5.3 trillion invested in each other's markets.

On Economic impact, EU and US together represent almost 30% of global trade in goods and services, and 43% of global GDP. US exports of goods and services to the EU support 2.3 million jobs in the US and EU firms' investments in the US employ 3.4 million people.

On Cooperation, In March 2023, the first EU Innovation Agora took place in Silicon Valley, and both held a summit in Washington on October 20, 2023.

### THE DOMESTIC ECONOMY

In 2023, Nigeria's economy grew by 2.9%, which was slower than 2022's 3.3% growth. This was due to inflation, a struggling oil sector, and a global economic slowdown.

Nigeria's Gross Domestic Product (GDP) grew by 3.46% (year-on-year) in real terms in the fourth quarter of 2023. This growth rate is lower than the 3.52% recorded in the fourth quarter of 2022 and higher than the third quarter of 2023 growth of 2.54%. The performance of the GDP in the fourth quarter of 2023 was driven mainly by the Services sector, which recorded a growth of 3.98% and contributed 56.55% to the aggregate GDP. The agriculture sector grew by 2.10%, from the growth of 2.05% recorded in the fourth quarter of 2022. The growth of the industry sector was 3.86%, an improvement from -0.94% recorded in the fourth quarter of 2022. In terms of share of the GDP, industry, and the services sectors contributed more to the aggregate GDP in the fourth quarter of 2023 compared to the fourth quarter of 2022. On an annual basis, GDP grew by 2.74% in 2023 relative to 3.10% in 2022.



Key economic indicators include the following:

- **Inflation:** Increased from 18.8% in 2022 to 24.5% in 2023
- **Fuel prices:** Petrol prices increased 167% from May to December 2023
- **Oil sector:** The oil sector has been in recession since 2020
- **Non-oil sector:** The non-oil sector, including agriculture, services, and industry, contributed to economic growth.

**Economic challenges:** Social challenges: Insecurity, including banditry, kidnappings, insurgency, and separatism.

**Financing costs:** Nigeria faces high financing costs in global financial markets.

**Government response:** The government has implemented reforms to avoid a fiscal cliff, including ending the gasoline subsidy and shifting to a market-reflective foreign exchange rate

The government has also introduced targeted cash transfers to cushion the impact of increased gasoline prices

## THE INSURANCE INDUSTRY

In 2023, Nigeria's insurance industry experienced growth in assets and premium income. However, the industry still has low penetration compared to other African countries.

Nigeria's insurance industry has sustained its progressive trend of positive market performance at the close of 2023, recording a milestone growth to close at ₦1.003 trillion at the end of fourth quarter, representing about 27 per cent growth compared to the ₦790 billion recorded in 2022. The Non-Life business accounted for 61.3 per cent of all premiums written during the year, amounting to ₦615.1 billion, while the Life segment contributed 38.7 per cent, valued at ₦388.1 billion.

The market also recorded a retention of about 87.7 per cent for the Life business, just about 54 per cent for non-life while the aggregate market average retention stood at 66.7 per cent during the same period. Major growth drivers in the non-life segment of the market were Oil & Gas and Fire Insurances, contributing 27.3 percent and 24.1 percent, equal to ₦167.8 billion and ₦148.1 billion respectively.

In a direct reflection to the "no-premium no-cover" policy of the Commission, the outstanding premium continue to decline, posting a 1.6 per cent as outstanding of all the premiums generated in the market during the period.

Statistics also shows that the market recorded total assets of about ₦2.67 trillion and capitalization of ₦851 billion in 2023.

## Developments in the industry

- A mandate to operators to transit to the International Financial Reporting Standards (IFRS17) in the preparation and presenting their financial statements.
- The National Insurance Commission (NAICOM or The Commission) in late December 2022 announced 200 percent increase in third party motor insurance from ₦5000 to ₦15000, which took effect from January 1, 2023. This came after over 20 years of non-increase in the compulsory Motor Third Party insurance policy creating an increase revenue base for the operators.
- The Commission released guidelines for regulatory sound box and Takaful operations. The move was part of the commission's strategic objectives to drive innovation of products and services and ensure that operators were professional in the conduct of their businesses in line with best practices. The regulation, which became effective on May 1, 2023, seeks to set standards for live trials or demonstrations of new innovative products in the industry.
- The Commission hosted a national insurance conference on implementation of compulsory builders insurance during which it launched the insurance sector 10 year strategic road map and guidance note for the insurance of government assets and liabilities.

## Challenges:

Despite these achievements, stakeholders in the sector proffer that there are still a good number of factors working against optimum realisation of operators' dream of achieving mass patronage. Some of these, the stakeholders opine, are hostile economy, trust issues emanating from hidden clauses in insurance policy documents, inadequate access to information, technology issues, weak regulatory framework as well as lack of skilled



“  
**The company recorded a growth in gross premium at an average rate of 40.9% with yearly growth rate of 17.8% in 2021, 22.1% in 2022 and 82.8% in 2023, translating to ₺687 million, ₺881.5 million and ₺5.1 billion respectively.**  
 ”

personnel as top among the militating factors. They also highlighted lack of awareness on the value of insurance as a key factor.

#### **THE NEW BOARD OF DIRECTORS AND MANAGEMENT.**

1. In July 2022 Norrenberger Advisory Partners Limited, an industry-leading, integrated financial services group that provides a comprehensive range of financial solutions to individuals and institutions, took over the operations of the company after it obtained the approval of the National Insurance Commission (NAICOM). Norrenberger acquired the shares of the Company, hence making it a new dawn in the history of International Energy Insurance Plc.
2. The new investor got the approval of the Commission to take over the organization from the NAICOM Interim Board, who ran the affairs of the organization for over 8 years, with a view to reposition it. The new Board was appointed and approved by NAICOM thereafter and a new management led by the Managing Director was approved on 18th January 2023.
3. The supporting management team got the regulatory approval for their appointments in January 2024, hence, the birth of a new Board

and Management. Whilst our Company go through with these approvals, we also started various damage controls and reorganization of the Company since the organization had virtually been in comatose for over 10years (before Norrenberger took over).

4. We have made good all outstanding Naira denominated claims of over ₺808.5 million and have paid virtually all outstanding taxes, directors' fees, unpaid dues and made good accumulated unpaid pension liabilities of over ₺300 million as well as sorted all unpaid staff salaries for more than 2 years.

At the moment, we have paid over 92.6% of US Dollar denominated unpaid claims to the tune of USD 533,000, including outstanding NNPC Legacy claims and remains but a little which have been scheduled for payment.

#### **5. Reconstruction of the balance sheet**

Management had sought the approval of the Board of Directors at its 86th Board meeting, to wind down certain investments in real estate to enhance liquidity, solvency, and business operating performance.

On the short term the above submission by Management will correct ₺1.0 billion solvency shortfall and ₺5.3 billion on the medium term.

#### **6. Re-negotiating the Daewoo loan liability.**

The Daewoo loan is a foreign denominated term loan that predates the core investors which due to the free fall of the Naira has had a detrimental impact on the books of the Company and the value of the shareholders' funds of the business. Due to the size of the loan, it is very sensitive to exchange rate volatility for which the business does not have a corresponding foreign currency asset to hedge the impact.

The Core investors and Management are currently taking steps at engaging the lender of the funds to renegotiate the loan to terms more favourable for the organization.

#### **FINANCIAL PERFORMANCE**

Despite the challenges in the operating environment, the Board was determined to post a good performance.



The Company recorded a growth in gross premium at an average rate of 40.9% with yearly growth rate of 17.8% in 2021, 22.1% in 2022 and 82.8% in 2023, translating to ₦687 million, ₦881.5 million and ₦5.1 billion respectively.

This landmark performance is as a result of Board and Management synergy to reposition the on the part of growth and make sure it is profitable to the shareholders.

During the period the Company expressed determination to meet its to policy holders through claims settlements. Claims expenses increased to ₦232.4 million in 2021 from ₦69.5 million in 2020 translating to 70% increase due to issues on the legacy claims. However, due to our resolve to continue settling the legacy outstanding claims, it further increased by 29.8% to ₦740.9 million in 2023. Profit before tax was at 84% or ₦931 million in 2023 from negative ₦146 million in 2022 due to better underwriting measures and various cost controls put in place by the Board.

The Board has also started discussing with Daewoo Securities on a better way of offsetting the liabilities which has been a hindrance to the company's growth for decades. I appeal to the Shareholders to support the steps being taken by the core investor and Board toward amicable resolution of the debt for the company to have a new life.

#### **OTHER ACHIEVEMENTS OF THE BOARD.**

- Implementing policies and procedures toward establishing good governance and industry best practices.
- Strategic recruitment and engagement towards refocusing the Company and direct it on the path to growth.
- Settlement of all legacies liabilities including Taxes and other fees
- Embarking on strategic cost optimization
- Strengthening the Internal Controls.
- Payment of claims less than 200,000.00 within 24 hours in other to improve our customer satisfaction.
- Improve our brand visibility through advertising, brokers sponsorship and stakeholders engagement.

#### **FUTURE OUTLOOK**

The World Bank forecasts Nigeria's economy will grow by 3.5 per cent in 2025 and 3.7 per cent in 2026, up from an estimated 3.3 per cent in 2024.

The Central Bank of Nigeria (CBN) predicts a slightly higher Gross Domestic Product (GDP) growth of 4.17 per cent. This growth is expected to boost production, job creation, and help reduce inflation by increasing the supply of goods and services.

Compared to other African nations, Nigeria's growth remains strong, with Egypt projected at four per cent and South Africa at 1.7 per cent. Globally, the economy is expected to grow by 2.8 per cent in 2025, putting Nigeria in an optimistic position.

To the insurance industry, 2025 is a year of uninterrupted recapitalisation and renewed legislation that will dismantle every stronghold that has held the sector hostage against its growth and developmental dreams.

Their optimism in the new year is no doubt anchored on the passage, late in 2024, of the Nigerian insurance Industry Reform bill by the upper legislative house and perhaps huge amount of ₦4 trillion allocation to infrastructural development by federal government in the 2025 appropriation bill which the presidency presented to the joint session of the National Assembly.

The industry remains optimistic that if the budget is passed into enabling Act, some portions of the infrastructural fund would hit the vaults through insurances of those projects.

With the settlement of Daewoo liability at sight, the Company will have a fresh air to breathe as we will be able to write Oil and Gas business which is one of the largest shares of the industry premium income. Also we will leverage on Enterprise Risk Management (ERM) in our operations to close gaps and enhance our risk management strategies, the risk appetite of the Company on all areas has been set in this regards.

We will be disciplined on execution and ensure our Company becomes the brand of choice in the Nigerian Insurance Industry. The business model will be professionally driven by a structure that analyses its strengths, weaknesses, opportunities and threats for appropriate responses.



The Board is unrelenting and is committed to repositioning the company for market leadership which shall directly relates to a benchmark global best practice.

### **APPRECIATION**

Distinguished shareholders, ladies and gentlemen, our profound gratitude goes to our customers who have stood by the Company all through the trying moments and those seeing values in what we are currently offering. Our gratitude also goes to our staff for their unalloyed commitment to our great organisation.

I am confident that our strong foundation, combined with our forward- looking strategy, positions us for the continued success in the years to come. We remain steadfast in our commitment to creating a long-term value for all our stakeholders.

Finally, on behalf of the Board, I would again like to thank all of our amazing people and teams across the business for all of their commitment and hard work during the year

I appreciate you and may God bless you all.

**Alhaji Bukar Goni Aji** OON, CFR

*Chairman Board of Directors*



# STATEMENT BY THE MANAGING DIRECTOR



We are focusing on further enhancing our digital capabilities, which will allow us to better serve our customers and expand our market share in the fast-growing online insurance segment.



Dear Shareholders, Policyholders, and Stakeholders,

It is my privilege to present the annual accounts of International Energy Insurance Plc. Despite the challenges posed by both the local and global economic conditions, I am pleased to report that we have made significant progress and delivered good results. I am pleased to share the highlights of our Company's performance and outline our priorities for the future.

### **Economy Review**

The year 2023 was a year of continued economic volatility. In Nigeria, inflation remained high, reaching 34.80%, primarily due to rising food prices and fuel costs. The Nigerian naira depreciated against the US dollar by 40.9%, which had a significant impact on foreign transactions. Globally, the ongoing geopolitical tensions and global supply chain disruptions also created a complex operating environment.

Despite these challenges, the insurance industry in Nigeria showed resilience. There has been a marked shift towards digital adoption, as more customers

look for convenient and innovative ways to access insurance products.

### **Financial Performance**

In 2023, International Energy Insurance Plc achieved ₦5.1 billion in gross written premium. This growth was primarily driven by renewals, and an increase in new policyholders.

Our profit before tax for the year was ₦931 million. This is a direct result of the disciplined underwriting approach, cost control initiatives, and a robust investment strategy.

### **Marketing, Sales, and Product Performance**

In 2023, we successfully introduced innovative products that cater to the evolving needs of our consumers. We launched a new SME product, as well as the Third-Party Lift, and these products not only provide more variety for our loyal consumers, but also help us deliver on our brand promise of inclusivity.

### **Claims and Loss Ratios**

While we saw an increase in claims, our claims ratio remained within acceptable limits, thanks to our prudent risk selection and pricing strategies. We also managed to pay all claims below ₦200,000 within 24



hours, demonstrating our commitment to excellent customer service and operational efficiency.

### Investment Performance

Our investment portfolio continued to perform well in 2023, with a return on. We strategically adjusted our asset allocation to manage market volatility, ensuring that our investment returns remain stable while maintaining liquidity to meet policyholder obligations.

### Operational performance and Innovation

This year, we made significant strides in our digital transformation. Our new retail platform was launched, and it has been well received by customers and has enhanced their experience by providing seamless access to policies and customer support.

Additionally, our customer service team has been equipped with new tools such as the CRM Platform to ensure faster response times and higher customer satisfaction scores. As a result, our customer retention rate improved significantly.

The past year has been one of transformation and progress. We made significant strides in our digital transformation journey, launching a new core application which has improved operational efficiency and enhanced the customer experience..

### Governance and Compliance

Throughout 2023, we upheld the highest standards of corporate governance and compliance. We have maintained strong internal controls and risk management frameworks that are aligned with regulatory requirements. Our company remains fully compliant with the Nigerian Insurance Regulatory Authority's (NAICOM) solvency requirements, ensuring that we have the financial stability to meet our obligations to policyholders.

### Challenges and Risks

While we have made significant progress, we do not underestimate the challenges that lie ahead. The ongoing macroeconomic instability and regulatory changes in the industry will continue to pose risks. Additionally, cyber threats remain an emerging risk, and we are investing heavily in strengthening our cyber security infrastructure to protect both company and customer data.

We are also closely monitoring the implications of climate change, particularly its impact on our underwriting practices. Our team is continuously working on innovative solutions to address these challenges, including expanding our product offerings in climate risk insurance.

### Outlook for the Future

Looking ahead to 2025, we remain optimistic about the opportunities available. We are focusing on further enhancing our digital capabilities, which will allow us to better serve our customers and expand our market share in the fast-growing online insurance segment. We will continue to strengthen our underwriting and risk management processes to ensure that we remain competitive and resilient in an ever-changing market.

We are also exploring opportunities for geographic expansion, particularly in other states in Nigeria, where demand for insurance products is growing. In addition, we are committed to broadening our product offerings, especially in microinsurance and to meet the evolving needs of our customers.

### Conclusion

In closing, I would like to express my sincere gratitude to our shareholders, dedicated Board, Management employees, loyal customers, and regulatory bodies for their continued support.

The results of 2023 reflect the strength of our business and the effectiveness of our strategy. As we move forward, we remain committed to our mission of protecting what matters most to our customers and creating value for all our stakeholders. With a clear vision and a focus on execution, I am confident that International Energy Insurance is well-positioned for continued success in the years to come.

Thank you.

**Olasupo Sogelola**

*Managing Director/Chief Executive Officer*



## BOARD OF DIRECTORS



**Alh. Bukar Goni Aji, OON, CFR**

*Chairman*

Alh. Bukar Goni Aji, OON, CFR is an Alumnus of the University of Maiduguri where he obtained a degree in History. He has extensive exposure managing Public Sector organizations. He worked at top level Director roles at the Federal Ministry of Women Affairs. He was a Director at the Presidency coordinating the Family Economic Advancement programme.

He was also a Director at the Ministry of Defence, International Organization office of the Secretary to the Government of the Federation.

He also worked as the Permanent Secretary at the Ministry of Defence, the Ministry of Police Affairs, the Federal Ministry of Works, the Common Services Office, Office of the Head of Service of the Federation. He was one time Head of Civil Service of the Federation.

He is a Non-Executive Director at Oando PLC. He is currently the Pro-Chancellor and Chairman of Council Abubakar Tafawa Balewa university, Bauchi. Alh. Goni Aji, has also received prestigious awards such as Officer of the Order of the Niger (OON), National productivity merit award (NPMA) and Commander of the order of the Federal Republic. C(FR).

Alh. Goni Aji brings his directorate level experience in the public and Private sector to bear on his participation as a member of the Board of the Company.



**Mr. Olasupo Sogelola**

*Managing Director/ Chief Executive Officer*

Olasupo Sogelola is an accomplished executive who has over the years proven himself as a visionary leader and a business strategist.

He graduated with a B.Sc degree in Zoology from the University of Ibadan in 1988 and an MBA Marketing) degree from the University of Lagos in 2005.

His experience in the insurance industry has spanned for over two decades. Olasupo began his career in insurance in 1992 as a Reinsurance Underwriter with Guinea Insurance Plc.,Lagos. In 2010, he joined FBN Insurance Limited (Subsidiary of First Bank & Sanlam of South Africa) as the Head, Corporate Division where he rose to the position of Head, Brokers & Public Sector.

As a result of his extraordinary leadership skills, Olasupo acted as the Managing Director of FBN General Insurance Limited from December 2015 – April 2016.

He is an Associate Member of the Chartered Insurance Institute of Nigeria. He has attended many high profile conferences and trainings both locally and internationally. Olasupo is married with children.



### Mr. Tony Edeh

#### Non-Executive Director

Prior to joining the firm, he worked as the Executive Director and Chief Investment Officer (CIO) of New Frontiers Developments; a venture capital investment firm focused on SMEs.

His wealth of experience ranges from Investment & Portfolio Management, Strategy, Financial Risk Management, Modelling, Financial Reporting and Operations Management. In his role as CIO of New Frontiers Developments, Tony originated and executed several landmark investments and private equity deals which has gained international recognition. He has worked on several green and brownfield transactions covering Oil & Gas, Power, Agriculture, Real Estate, Hospitality, Healthcare, Technology, Financial Services and Impact Investing. Tony was part of the leadership team that successfully transformed an ailing mortgage bank and positioned it as one of the major lenders in the Nigeria financial services sector.

He started his career with the audit firm of KPMG Professional Services (formerly Arthur Andersen) where he spent nearly a decade. While at KPMG, he led various risk management projects on Basel II, Stress Testing Financial Institutions, Asset and Liability Management and Credit & Market Risk Management. He was also accredited by KPMG International to provide advisory services to clients in Credit Risk and Economic Capital Modelling.

He graduated from the University of Ilorin with a degree in Computer Science as the overall best student and attended INSEAD Business School (France and Singapore) for his MBA where he was an INSEAD-Goldman Sachs Scholar. While at INSEAD he was the leader of the Emergent Young African Entrepreneurs. He is also an Alumni of the Wharton Program on International Housing Finance. He is a Fellow Chartered Accountant (FCA).

He has also undertaken several professional training courses across the globe. In the year 2014, he was nominated amongst six Nigerians for the Desmond Tutu Fellowship program. He currently sits on the board of several companies in the financial services industry.



### Mr. Mohammed Ndanusa Mijindadi

#### Non-Executive Director

Mohammed Mijindadi Before his latest appointment has led the Gas Power Systems unit at GE Power as Managing Director since 2015. He steered the growth of an expanded suite of new unit gas power products and new unit service agreements for optimal customer life-cycle value. Before assuming this role, Mohammed worked as the Director of Sales for Sub Saharan Africa between 2014 and 2015.

Mohammed began his GE career in 2007 after previous stints as a Project Engineer at South-eastern Pennsylvania Transportation Authority (SEPTA) and Graduate Assistant at Penn State University.

He went on to aggregate over 13 years of cognate industry experience with GE spanning various roles which included working as an Experienced Commercial Leadership Program (ECLP) Associate and Commercial (TST) Leader for English West & East Africa.

Mohammed possesses a blend of Nigerian and American tertiary education. He is an alumnus of Ahmadu Bello University (Zaria) and Temple University (Philadelphia), where he earned BSc degrees in Civil Engineering. He also holds an MBA in Corporate Marketing Management from Penn State University, Pennsylvania.



### Mr. Oluwateniola O. Eleoramo

#### Non-Executive Director

Teniola Eleoramo is the Founder and Group Managing Director of the Kohath Investment Group, a wholly owned Nigerian holding company formed in 2004 with interests in new city development, mining, energy and agriculture.

Teni earned a Bachelor of Science (B.Sc - Honors) in Chemical Engineering from Obafemi Awolowo University, Nigeria, and also has a Master in Business Administration (Distinction) from the University of Oxford - Said Business School. He is also an Alumnus of the London Business School, where he studied corporate finance and strategy. Mr. Eleoramo has held leadership positions since the age of 17 and through his days as a student, was the award winner of Arthur Anderson's award, and an acknowledgement by the Vice-Chancellor for outstanding Leadership performance in the university community.

Prior to the full diversification of the Kohath Investment group in 2011, the company blossomed as an oil and gas consulting firm under Teni's stewardship, providing bespoke Strategy and Business consultancy services for international companies operating in Nigeria such as Total Exploration and Production Companies, Shell Petroleum Development Company of Nigeria, SAP, Cadbury and many others.



**Dr. Adeyinka Hassan,**  
*Ph.D, FCIA, FCIS, F.CIoD, MNIM, ACIB (Public Notary)*  
*Non-Executive Director*

Dr. Adeyinka Hassan is a distinguished legal and governance Practitioner with over 30 years of post-call experience in corporate law, financial services, and enterprise governance. As the Principal Partner at H. Michael & Co., he has led organizations through complex corporate governance challenges, capital markets advisory, financial structuring, corporate restructuring, and commercial dispute resolution.

His extensive career spans leadership roles in the banking and financial sector, where he provided strategic guidance on credit risk management, regulatory compliance, investor relations, and operational risk management at institutions such as First City Monument Bank, Equitorial Trust Bank, and Intercontinental Bank (now Access Bank Plc).

Dr. Hassan holds multiple academic qualifications, including an LL.B and LL.M from Obafemi Awolowo University, an MBA in Marketing Management from Ladoke Akintola University, an MSc in Corporate Governance (Financial Services Regulation) from London South Bank University, and a Ph.D. in Business Administration (Enterprise Governance) from Babcock University. He has also undergone executive training at Strathmore Business School, Lagos Business School and other notable international institutions.

A renowned corporate governance expert and boardroom strategist, Dr. Hassan currently serves as a Non-Executive Director on the boards of International Energy Insurance PLC and Oluyole Microfinance Bank Limited and previously on the boards of Legacy Insurance Brokers Limited and Norrenberger Pension Managers Limited. He also chairs various governance and transition committees and has played a pivotal role in corporate restructuring, board evaluations, and enterprise risk management.

He is a Fellow and Member of multiple professional bodies, including the Chartered Institute of Directors (Nigeria), Institute of Chartered Secretaries and Administrators (Nigeria and UK), Society for Corporate Governance Nigeria, the Business Recovery and Insolvency Practitioners of Nigeria and Chartered Institute of Bankers amongst others. His expertise spans mergers and acquisitions, alternative dispute resolution, regulatory compliance, corporate secretarial services, and strategic business advisory.

Dr. Hassan has also made significant academic contributions, with over 20 publications covering corporate governance, business sustainability, regulatory frameworks, and enterprise success. He is a recognized trainer and speaker, having facilitated high-profile seminars on corporate governance, financial regulation, fraud risk management, and commercial dispute resolution. With a career marked by integrity, leadership, and a commitment to excellence, Dr. Hassan continues to shape the legal and corporate governance landscape in Nigeria and beyond.



**Hon. Chamberlain S. Peterside, Ph.D, M.IoD**  
*Independent Non-Executive Director*

Chamberlain currently serves as the Director General (DG) of the Rivers State Investment Promotion Agency, where he leads efforts to attract and facilitate foreign and domestic investment by promoting the region and simplifying regulatory processes. In this role, he is instrumental in driving economic growth by engaging with investors and streamlining opportunities for regional development.

In addition to his work in the private sector, Dr. Peterside has held numerous public sector positions in Nigeria. Most notably, he served as the Commissioner of Finance in Rivers State from 2011 to 2015, where he played a pivotal role in managing the state's financial operations and policies. Prior to that, he was a member of the Rivers State Economic Advisory Council (RSEAC) from 2007 to 2015, offering expert advice on economic development strategies for the state.

Beyond his professional pursuits, Dr. Peterside holds a seat on the board of International Energy Insurance (IEI) PLC as an independent director, where he continues to contribute to the strategic direction of the company.

Prior to his public sector engagement, he was with Merrill Lynch Global Private Client Group in New York, USA. He earned a Ph.D. in Economics from Friendship University Moscow in 1992.



# MANAGEMENT TEAM



**Mr. Olasupo Sogelola**

*Managing Director / Chief Executive Officer*



**Mr. Uyi Osagie**

*Chief Financial Officer, Operations*



**Mrs. Confidence Yinusa**

*Acting Head, Business Development*

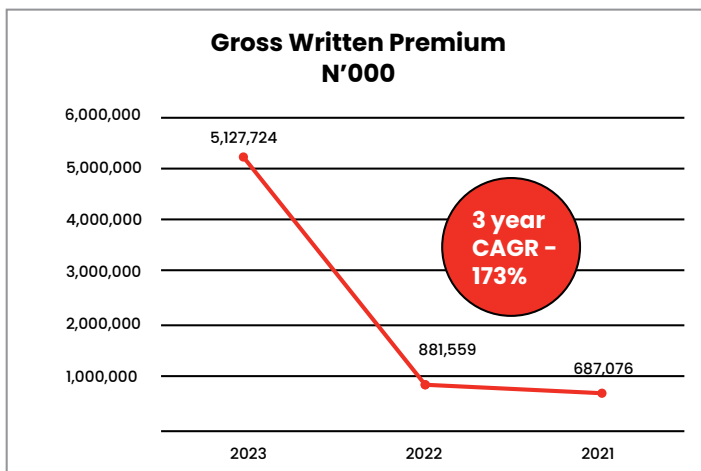


**Mr. Sunday Adeoye**

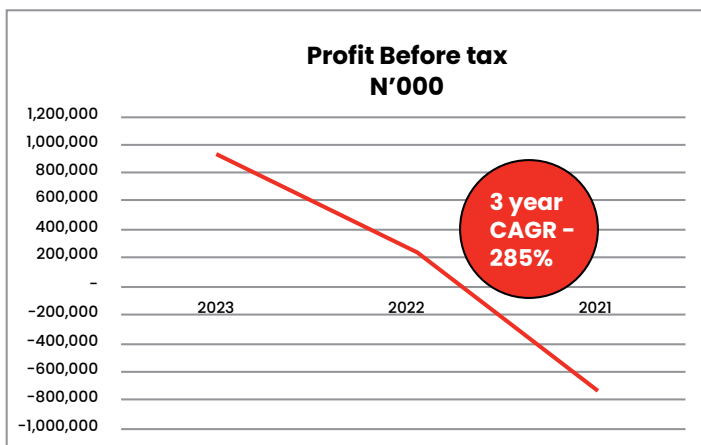
*Head, Internal Audit*



# RESULT AT A GLANCE



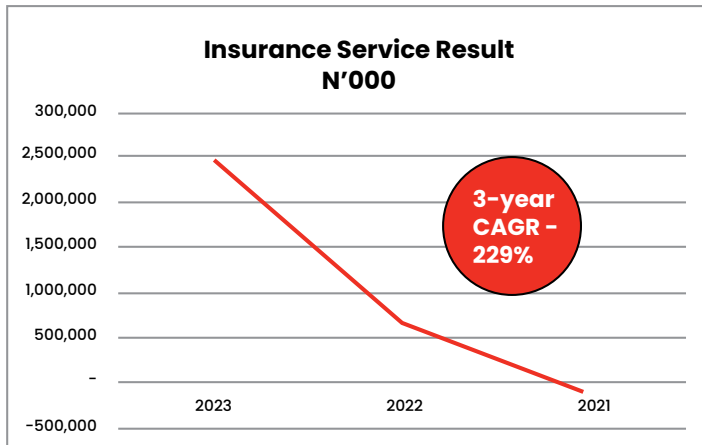
**We are one of the fastest growing Insurance companies in Nigeria.**



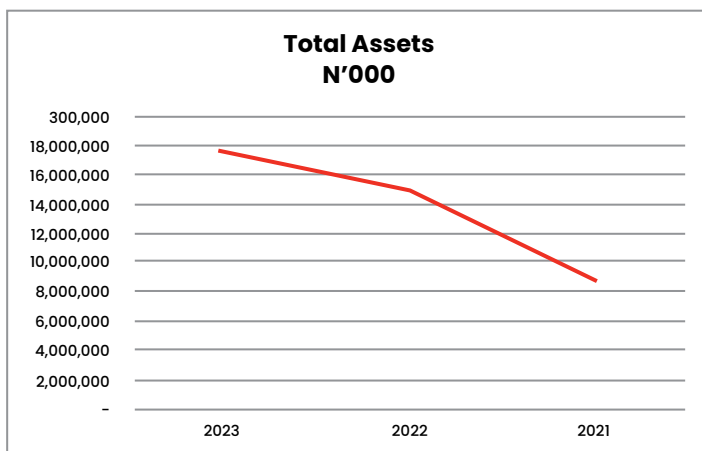
**Our result is a testament of our underwriting philosophy and excellent delivery service to our customers.**



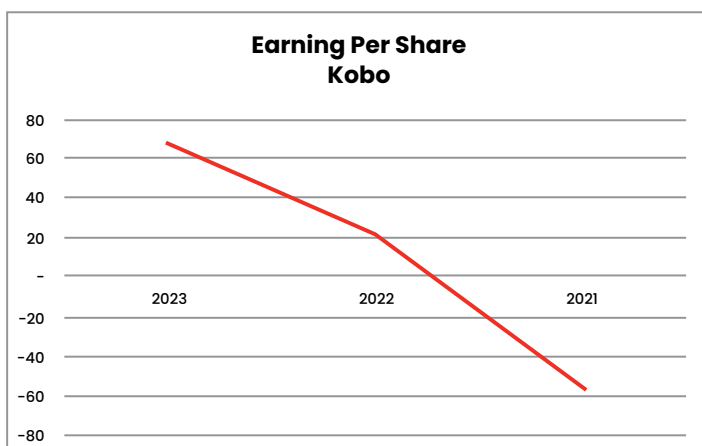
# RESULT AT A GLANCE



**We have course corrected the business trajectory and has consistently delivered returns for the past 2 years.**



**We have grown the net worth of our business significantly despite the economic volatility.**



**Exceptional returns to all stakeholders.**



# MILESTONES

## 04

### 2023 | Market Disruption

IEI emerged as a powerhouse in the industry, gaining market confidence through innovation, aggressive strategies, and a fresh approach to insurance.

## 03

### 2022 | Strategic Growth

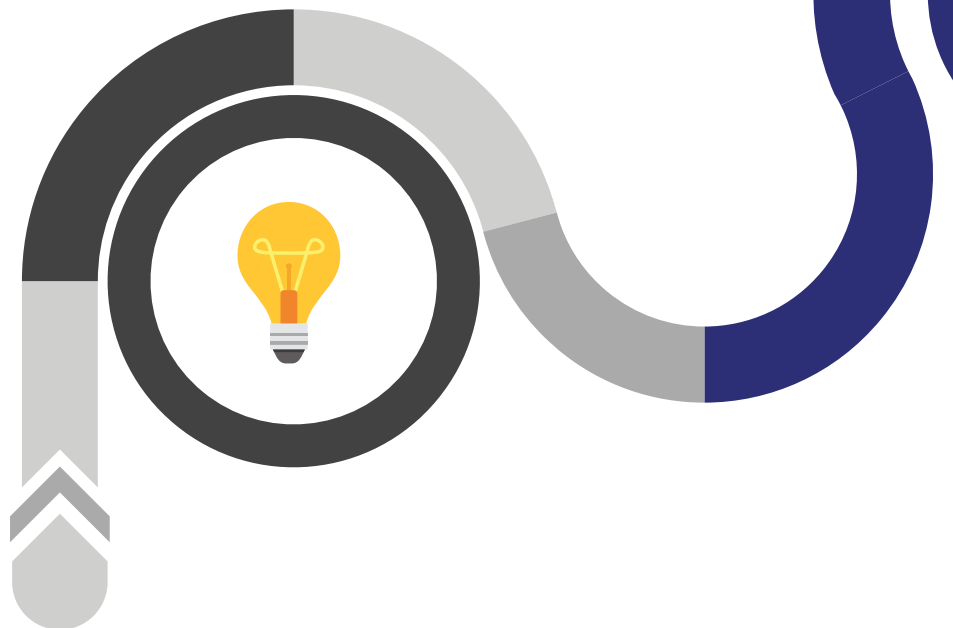
A new chapter unfolded as Norrenberger Advisory Partners Limited took over operations, fueling expansion and financial stability.

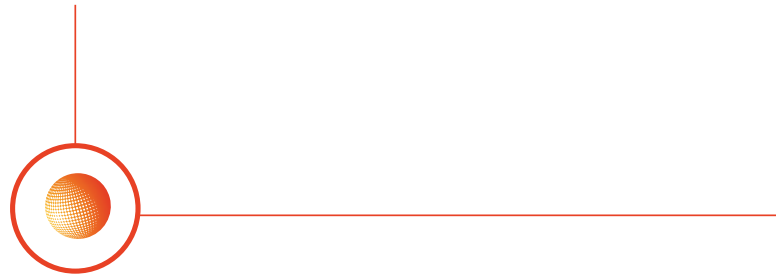


## 01

### 1969 | The Foundation

We began our journey as Nigeria Exchange Insurance Company Limited, setting the stage for decades of excellence in the insurance space.





# 05

## 2024 | Bigger & Bolder

We unveiled a revamped head office and introduced five new products, marking a new era of excellence and customer-focused solutions.



# 02

## 2003 | A New Vision

Recognizing the industry gap, we rebranded as International Energy Insurance (IEI), pioneering Energy-focused insurance solutions in Nigeria.



# Safeguard the future

with our small & medium enterprises (SMEs)

# INSURANCE



## **International Energy Insurance Plc**

9th floor, FF Millennium Tower, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos  
[www.ieiplcng.com](http://www.ieiplcng.com) | [info@ieiplcng.com](mailto:info@ieiplcng.com) | 02012806990 | 09120217206

International Energy Insurance Plc is authorized, licensed and regulated by the National Insurance Commission (NAICOM).



# IEI PLC'S ENGAGEMENTS AND ACTIVITIES IN 2024



Oba Oniru cutting the Commissioning Ribbon at the launch of the new IEI Head office supported by the Board of Directors, alongside the Managing Director, Mr Olasupo Sogelola.



IEI Board of Directors with Oba Oniru of Iru Kingdom at the commissioning of the IEI PLC Head Office.



IEI Booth at the Calabar Festival, 2024 as the Official Insurers of the Carnival.



IEI Staff at the Calabar Carnival, 2024.



IEI Staff at the 2024 Jollof and Palmie Bikers fest with the NCRIB LAC Chairman.



Managing Director IEI Plc, at the LSETF Employment Summit 2024.



The MD being interviewed at the Calabar Festival, as the Official Insurers of the Festival.



The MD receiving his BAFI award as the Transformative leader of the year, 2024.



# DON'T BE CAUGHT **UNPREPARED**

Emergencies happen. Avoid being caught off guard.

secure your peace of mind with our comprehensive motor insurance. **THIRD-PARTY MOTOR INSURANCE**

## **International Energy Insurance Plc**

9th floor, FF Millennium Tower, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos  
[www.ieiplcng.com](http://www.ieiplcng.com) | [info@ieiplcng.com](mailto:info@ieiplcng.com) | 02012806990 | 09120217206

International Energy Insurance Plc is authorized, licensed and regulated by the National Insurance Commission (NAICOM).



# HOUSEHOLDER & HOUSE OWNER INSURANCE

Your home is more than just a building, it's a place of comfort and security.

Our Householder & House Owner Insurance ensures that both the structure and its contents are well-protected.

## International Energy Insurance Plc

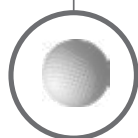
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International Energy Insurance Plc is authorized, licensed and regulated by the National Insurance Commission (NAICOM).

# 2023

**Reports and Accounts**





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# RESULTS AT A GLANCE

For the year ended 31 December 2023

## Major statement of financial position items

<i>In thousands of naira</i>	<b>31-Dec-23</b>	<b>31-Dec-22</b>	<b>Changes</b>	<b>%</b>
Total assets	16,713,283	14,673,222	2,040,061	14
Insurance contract liabilities	5,052,370	4,318,048	734,322	17
Total equity	(10,776,192)	(11,790,176)	1,013,984	(9)

## Major statement of profit or loss items

<i>In thousands of naira</i>	<b>31-Dec-23</b>	<b>31-Dec-22</b>	<b>Changes</b>	<b>%</b>
Insurance service result	2,301,292	169,638	2,131,654	1257
Total investment income	198,869	718,852	(519,983)	(72)
Net insurance and investment income	2,489,856	756,005	1,733,851	229
Profit before taxation	931,017	241,661	689,356	285
Tax expense	(80,353)	(8,671)	(71,682)	827
Profit for the year	850,664	232,990	617,674	265
Earnings per share	66.25	18.14	48	265
Basic and diluted earnings/ (loss) per share	66.25	18.14	48	265

# SHAREHOLDING STRUCTURE AND FREE FLOAT STATUS

For the year ended 31 December 2023

Description	31-Dec-23		31-Dec-22	
	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	649,873,013	50.61%	649,873,013	50.61%
<b>Total substantial shareholding</b>	<b>649,873,013</b>	<b>50.61%</b>	<b>649,873,013</b>	<b>50.61%</b>
Directors Shareholding (Direct & Indirect), Excluding directors with Substantial interests				
Ms. Ibiyemi Adeyinka(Bridget)	-	0.00%	38,888	0.0000%
<b>Total Directors' Shareholding</b>	<b>-</b>	<b>0.00%</b>	<b>38,888</b>	<b>0.00%</b>
<b>Free Float in Units and percentage</b>	<b>634,192,476</b>	<b>49.39%</b>	<b>634,153,588</b>	<b>49.39%</b>
<b>Total</b>	<b>1,284,065,489</b>	<b>100%</b>	<b>1,284,065,489</b>	<b>100%</b>
Free Float in value	₦881,527,541.64k		₦240,978,362.44k	

## Declaration

- A) IEI Plc has a free float of ₦881,527,541.64k as at 31 DEC '23
- B) IEI Plc has a free float of ₦240,978,362.44k as at 31 DEC '22

## Declaration:

- (A) International Energy Insurance Plc with a free float percentage of 49.30% as at 31st December 2023, 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 f ₦240,978,362.64k as at 31st December 2022, 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.



# DIRECTORS' REPORT

For the year ended 31 December 2023

The Directors present their annual report on the affairs of International Energy Plc ("The Company") together with the Company Audited Financial Statements and the Auditors' Report for the year ended December 31, 2023.

## 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:

<i>In thousands of naira</i>	2023	2022
Profit before income tax expense	931,017	241,661
Income tax expense	(80,353)	(8,671)
Profit for the year	850,664	232,990
Other comprehensive income for the year, net of tax	163,319	(166,708)
Total comprehensive income/(loss) for the year	1,013,983	66,282

## 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. Bukar Goni Aji, OON, CFR	Chairman
Mr. Olasupo Sogelola	Managing Director/CEO
Mr. Majeed Shogo	Executive Director (Appointed - 02/01/23 and Resigned - 03/08/23)
Mr. Anthony Edeh	Non-Executive Director
Mr. Mohammed N. Mijindadi	Non-Executive Director
Dr. Chamberlain S. Peterside, Ph.D.	Independent Non-Executive Director
Dr. Adeyinka Hassan, Ph.D.	Non-Executive Director
Mr. Oluwateniola O. Eleoramo	Non-Executive Director
Mrs. Monsurat Ayoola	Non-Executive Director - Resigned wef 11/05/23

## Directors' interest in contracts

In accordance with Section 277 of the Companies and Allied Matters Act of Nigeria, CAP C20 Laws of the Federation of Nigeria, none of the Directors has notified the Company of any declarable interest in contracts during the year.

## 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.

## 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:

African Reinsurance Corporation  
WAICA Reinsurance Corporation Plc.  
CICA Reinsurance Company  
Continental Reinsurance Plc.  
Nigerian Reinsurance Corporation  
PTA/ZEP Reinsurance Company  
NCA Reinsurance Company

### **Post balance sheet events**

There has been no material change in the Company's financial position since 31st December, 2023 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 year is limited to the amounts shown in the financial statements (Note 27). 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 (2022: 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 staff retirement benefit, 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 Organizations (HMO). Firefighting equipment has also been installed in strategic positions within the offices of The Company. The Company incurred a sum of ₦7.654 million (2022: of ₦7.093 million) in providing such medical benefits during the year.



### Dividend

The Directors do not recommend payment of any dividend for the year ended December 31, 2023 (2022: Nil).

### Donations

Donations during the year ended 31 December, 2023 amounted to ₦935,000 (2022: ₦250,000) as follows:

<i>In thousands of naira</i>	<b>Amount</b>
Nile University	200
National Housing Show	85
University of Nigeria Nsukka	200
NIESV LAGOS STATE BRANCH	250
Professional Insurance Ladies Association	100
Nigeria Association of Insurance and Pension Edition	100
	<b>935</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

#### **Anthony Uzodinma Edeh**

*Non-Executive Director*

FRC/2015/PRO/FORM C07/003/00000012821

Lagos, Nigeria

Date: 6th May 2024



# MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 31 December 2023

## 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 2023 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

## Financial performance

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

<i>In thousands of naira</i>	<b>2023</b>	<b>2022</b>	<b>Changes</b>	<b>%</b>
Insurance Revenue	2,727,189	758,907	1,968,282	259
Insurance Service Result	2,301,292	169,638	2,131,654	1,257
Net Investment Income	198,869	718,852	(519,983)	(72)
Other Income	54,940	28,416	26,524	93
Operating expenses including employee benefit expenses	(1,610,325)	(539,317)	(1,071,008)	199
Profit before tax	931,017	241,661	689,356	285
Earnings per share in kobo	66	18	48	265

## 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.



The Company reported profit before tax of #931 million for the year ended 31st December 2023 compared to the profit before tax of #241 million experienced in the prior year 2022. Insurance Revenue grew by 259% compared to that of 2022.

The Company reported an insurance result at the end of the year amounting to an underwriting profit of #2.301 billion compared to an underwriting profit of #169 million reported during the year ended 31 December 2022.

Operating expenses for the year totalled #1.6 billion, compared to prior year of expense of #539 million representing 199% increase. The Company has continued to put structures in place to ensure costs 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 statements 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 variants 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 of International Energy Insurance PLC recognizes that it has the primary responsibility of ensuring good governance, ethics, probity, and professionalism. We continue to be transparent in our business transactions through compliance with ethics and statutory provisions and laws relating to the insurance business to achieve our corporate objectives.

The Company, through the Board, continued to work consistently at ensuring compliance and explaining circumstances through our corporate governance reporting platform to the Regulators. IEI operates its business within the framework of appropriate rules and regulations under which it was incorporated, as well as global best practices, corporate governance codes and guidelines released by relevant regulatory authorities such as the National Insurance Commission, the Financial Reporting Council of Nigeria, the Nigerian Exchange Group, the Securities and Exchange Commission, and the Corporate Affairs Commission.

Best practices principles have been an integral part of how we conduct our business affirming our belief that good corporate governance is a means of retaining and expanding our clientele, sustaining the viability of the business in the long term, and maintaining the confidence of investors. IEI believes that the attainment of its business objectives is, among others, directly aligned with good corporate behaviour as it provides stability and growth to the enterprise. In line with this objective and the need to meet its responsibility to its stakeholders, the Company strives to meet the expectations of its operating environment. That is why we have continued to challenge ourselves and reinvent our processes to effectively tackle the unfolding challenges and exploit emerging opportunities.

International Energy Insurance has undergone a transformative period following the strategic acquisition of 50.60% of its shares by Norrenberger Advisory Partners Limited. This acquisition has initiated a series of expansion steps aimed at achieving strategic objectives, with the new investors' process, people, and product initiatives already demonstrating positive results. To support this growth, a strategically enhanced Executive Management team has been assembled, and the

Board now comprises seasoned business executives focused on driving the company's strategic vision. Since the acquisition, IEI has experienced notable growth, reflected in increased premium collections, improved public perception, and rising share value, alongside enhanced profitability and market share. Furthermore, the company has reinforced its internal control and risk management systems to protect stakeholder interests. In line with director responsibilities and financial statement disclosures, IEI adheres to standard accounting practices, ensuring transparency and the reliability of its financial reporting.

### **ETHICAL STANDARDS**

The leadership of the Board continues to provide ethical leadership where every process of operations is subject to due process and ethical conduct. To maintain a high ethical standard for the conduct of its business, IEI ensures that each director and employee discloses to the board his/her interest in any other company within the insurance industry and in a position where their self-interest conflict with their duty to act in the best interest of the Company. Various policies have been put in place to advance the drive to work in line with the principles and ethics of good governance across the Board.

### **CORPORATE STRUCTURE**

**Shareholders Meeting** The Company in the actualization of its corporate governance objectives recognizes its shareholders as the highest decision-making body in line with the provisions of its Memorandum and Articles of Association. The Annual General Meeting of the Company by statutory requirement is to be held once a year. An Extra-Ordinary General Meeting of the Company may be convened at the behest of the Board or shareholders holding not less than 10% of the Company's paid-up capital. Attendance at these meetings is open to shareholders and/or their proxies and sufficient notice is given to ensure maximum attendance of the shareholders. The Board of Directors of International Energy Insurance Plc has overall responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Company. The following structures have been put in place for the execution of corporate governance strategy:



- (1) Board of Directors
- (2) Board of Committees
- (3) Management and;
- (4) Consultants

### BOARD OF DIRECTORS

During the period 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 financial and nonfinancial reporting. The Board met five (5) times within the year under review. Within the same period, its Statutory Audit Committee met six (6) times. The Board Members are:

1	Alhaji Bukar Goni Aji, OON, CFR	Chairman
2	Mr. Anthony Edeh	Non-Executive Director
3	Mr Mohammed N. Mijindadi	Non-Executive Director
4	Dr. Chamberlain S. Peterside, PhD.	Non-Executive Independent Director
5	Dr. Adeyinka Hassan, PhD.	Non-Executive Director
6	Mr. Oluwateniola O. Eleoramo	Non-Executive Director
7	Mrs. Monsurat Ayoola	Non-Executive Director - Resigned wef. 11-05-23
8	Mr. Olasupo Sogelola	Managing Director/CEO
9	Mr. Majeed Shogo	Executive Director - Appointed - 02/01/23 & Resigned wef 03/08/23
10	H. Michael & Co	Company Secretary

### ROLES OF CHAIRMAN AND MANAGING DIRECTOR

The manner in which the Company structured the roles of the Chairman and the Managing Director has assisted in averting overlaps of roles and enhancing the effectiveness of governance. This is done in accordance with NAICOM guidelines on the Code of Corporate Governance for the Insurance Industry and the Nigerian Code of Corporate Governance 2018. The Chairman has the primary responsibility of ensuring that the Board carries out its governance role in the most effective manner. He is responsible for the overall leadership of the Board and for creating an enabling environment for the effectiveness of individual directors. The Managing Director is responsible for the day-to-day running of the Company to achieve overall efficiency of management. He has responsibilities for developing, implementing, and monitoring the strategic and financial plans of the Company in the most effective manner.

### ROLES OF THE BOARD

- Establish corporate strategies, set performance indices, and monitor implementation and performance.

- Review the alignment of goals, major plans of action, and the annual budget.
- Ensure the integrity of the Company's accounting and financial reporting systems (including the independent audit) and that appropriate systems are in place for monitoring risks, financial control, and compliance with the law.
- Formulate risk strategies and make decisions on business acquisitions and expansions/ investments into foreign markets.
- Ensure that the interests of stakeholders are balanced.
- Ensure that the Company's operations are in accordance with high business and ethical standards.

The Board meets regularly to review financial performance and reports on the contribution of the various business units to the overall performance of the company as well as to consider other matters. Adequate advance notice of the meeting, the agenda, and reports to be considered are circulated to members. Emergency meetings are convened as and when the need arises.

## DIRECTORS' ATTENDANCE

In accordance with Section 284(2) of the Companies and Allied Matters Act 2020, the record of the Directors' attendance at Directors and Committee meetings during the year under review is as shown below.

The Board met five (5) times during the year under review as shown below.

### A The BOARD

S/N	Name	Composition	14-Feb-23	25-May-23	22-Aug-23	20-Oct-23	19-Dec-23
1	ALH. BUKAR GONI AJI, OON, CFR	(CHAIRMAN)	☑	☑	Absent	☑	☑
2	MR. ANTHONY EDEH	(MEMBER)	☑	☑	☑	☑	☑
3	DR. CHAMBERLAIN PETERSIDE, Ph.D	MEMBER	☑	☑	☑	☑	☑
4	DR. HASSAN ADEYINKA, PhD	(MEMBER)	☑	☑	☑	☑	☑
5	MRS. MONSURAT IYABODE AYOOLA *	(MEMBER)	☑	N/A	N/A	N/A	N/A
6	MR. MOHAMMED MIJINDADI	(MEMBER)	☑	☑	☑	☑	☑
7	MR. OLUWATENIOLA OMOGBENGA	(MEMBER)	Absent	☑	☑	☑	☑
8	MR. OLASUPO SOGELOLA	MEMBER	☑	☑	☑	☑	☑
9	MR. MAJEED SHOGO **	(MEMBER)	☑	☑	☑	N/A	N/A

\* Resigned with effect 11-05-23

\*\* Resigned with effect 03-08-23

### B BOARD MEETINGS

The Board carried out its oversight functions with the assistance of four Board Committees namely.

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

## BOARD COMMITTEES

### STATUTORY AUDIT & COMPLIANCE COMMITTEE

The purpose of the Committee is to assist the Board of Directors in carrying out its duties with regard to financial reporting and legal compliance.

In compliance with the provisions of Section 359 of the Companies and Allied Matters Act, Cap C20, LFN 2004, the Company had an Audit Committee comprised of two (2)

Non-executive Directors and two (2) shareholders' representatives as follows:

i	Mr. Moses Igbrude	Chairman
ii	Mr. Anthony Edeh	Non-executive Director
iii	Dr. Chamberlain Peterside	Non-executive Independent Director
iv	Late Chief Godwin Augustine Anono	Shareholders' representative
v	Mr. Oyinwola Mosunmo	Shareholders' representative



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

S/N	Name	Composition	23- Feb-23	08- May-23	07- Aug-23	25- Aug-23	12- Oct-23	12- Dec-23
1	Mr. Moses Igbrude	(CHAIRMAN)	☑	☑	☑	☑	☑	☑
2	Mr. Anthony Edeh	(MEMBER)	☑	☑	☑	☑	☑	☑
3	Dr. Chamberlain Peterside, Ph.D	MEMBER	☑	☑	☑	☑	☑	☑
4	Late Chief Godwin Augustine Anono	(MEMBER)	☑	☑	☑	☑	☑	☑
5	Mr. Oyinwola Mosunmola	(MEMBER)	☑	☑	☑	☑	☑	☑

### FINANCE, INVESTMENT & GENERAL PURPOSES COMMITTEE

The Purpose of the Committee is to provide a body to which the Board can delegate some of its investment decision-making powers to receive researched suggestions/advice that will facilitate the choice of the best investment options for the Company. Its purpose is also to assist the Board in its strategic and financial planning duties including advice on Key Performance Indicators, optimal funding structure, approval of capital expenditure and specific capital projects. The Committee will carry out oversight functions to ensure the effective utilization of the Company's financial resources in accordance with policies laid down by the Board and the law. The Committee will make recommendations to the Board on the company's investments. The Committee was expanded and reconstituted subsequent to the inauguration of the new Board, no meeting of the Committee was held within the year under review because of transition activities.

The members of the Committee are as follows:

i	Mr. Anthony Edeh	Chairman
ii	Mr. Olasupo Sogelola	Member
iii	Mr. Oluwateniola Eleoramo	Member

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

S/N	Name	Composition	25-Jan-23	10-May-23	9-Aug-23	16-Oct-23
1	Mr. Anthony Edeh	(CHAIRMAN)	☑	☑	☑	☑
2	Mr. Olasupo Sogelola	(MEMBER)	☑	☑	☑	☑
3	Mr. Oluwateniola Omogbenga	MEMBER	☑	☑	☑	☑

### ENTERPRISE RISK MANAGEMENT COMMITTEE

The Committee has oversight function over the implementation of the Company's Enterprise Risk Management Framework, assessment of the non-financial risks inherent in the Company's operations and ensuring compliance with both regulatory provisions and directives and internally laid down policies.

The members of the Committee are as follows:

i	Dr. Adeyinka Hassan, PhD	Chairman
ii	Dr. Chamberlain Peterside, PhD	Member
iii	Mr. Mohammed N. Mijindadi	Member
iv	Mrs. Monsurat Ayoola	Member (Resigned w.e.f. 11/05/2023)

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

S/N	Name	Composition	02-Feb-23	11-May-23	11th & 17th Aug '23	13-Oct-23
1	DR. HASSAN ADEYINKA, PhD	CHAIRMAN	☑	☑	☑	☑
2	DR. CHAMBERLAIN PETERSIDE, PhD	MEMBER	☑	☑	☑	☑
3	MR. MOHAMMED MIJINDADI	MEMBER	☑	☑	☑	☑
4	MRS. MONSURAT IYABODE AYoola*	MEMBER	☑	N/A	N/A	N/A

\* Resigned with effect 11-05-23

### NOMINATION, GOVERNANCE AND REMUNERATION COMMITTEE

The Directors are nominated to the Board Nomination, Governance and Remuneration Committee who make recommendations to the Board for further consideration and approval. In considering nominations for Board vacancies, the Board considers the materiality of the cognitive experience, qualifications, and expertise of the nominees for Board appointment. The Board further seeks the approval of the members at the general meeting for the appointment of Directors.

The members of the Committee are as follows:

i	Mr. Mohammed N. Mijindadi	Chairman
ii	Mr. Anthony Edeh	Member
iii	Dr. Adeyinka Hassan, PhD	Member
iv	Mr. Oluwateniola Eleoramo	Member

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

S/N	Name	Composition	27-Feb-23	18-May-23	11-Aug-23	25-Aug-23	16-Oct-23	15-Dec-23
1	MR. MOHAMMED MIJINDADI	CHAIRMAN	☑	☑	☑	☑	☑	☑
2	MR. ANTHONY EDEH	MEMBER	☑	☑	☑	☑	☑	☑
3	DR. HASSAN ADEYINKA, PhD	MEMBER	☑	☑	☑	☑	☑	☑
4	MR OLUWATENIOLA OMOGBENGA	(MEMBER	☑	☑	☑	☑	☑	☑

## 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, 2023 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.

**Olasupo Sogelola**

*Managing Director*

FRC/2016/CIIN/00000013713

06 May 2024

**Uyi Osagie**

*Chief Financial Officer*

FRC/2016/ICAN/00000015704

06 May 2024



## 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.

**Anthony Uzodinma Edeh**

*Non-Executive Director*

FRC/2015/PRO/FORM C07/003/00000012821

06 May 2024

**Olasupo Sogelola**

*Managing Director*

FRC/2016/CIIN/00000013713

06 May 2024



# REPORT OF THE AUDIT COMMITTEE

## To the members of International Energy Insurance Plc.:

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Acts, 2020, the members of the Audit Committee of International Energy Insurance Plc., having carried out our statutory functions under the Act, hereby report as follows:

We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters Act, 2020 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

We are of the opinion that the accounting and reporting policies of the 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 2023 were satisfactory and reinforced 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 systems.

## SIGNED ON BEHALF OF THE COMMITTEE BY:

Moses Igbrude

Chairman, Audit Committee  
FRC/2013/NIMN/00000005585  
06 May 2024

Members of the Audit Committee are:

Mr. Moses Igbrude	Chairman
Mr. Augustine Anono	Shareholders' representative
Mr. Oyiwola Mosunmo	Shareholders' representative
Mr. Anthony Edeh	Non-executive Director
Dr. Chamberlain Peterside, PhD	Independent Non-executive Director

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

# STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

For the period ended 31 December 2023

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 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 31 December 2023, 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.

Signed on behalf of the Directors on 06 May 2024 by:



**Anthony Uzodinma Edeh**

*Non-Executive Director*

FRC/2015/PRO/FORM C07/003/00000012821



**Olasupo Sogelola**

*Managing Director*

FRC/2016/CIIN/00000013713



## INDEPENDENT AUDITOR'S REPORT

### 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 Pie ("the Company") and its associates (collectively "The Company"), which comprise the statements of financial position as at December 31 2023, and the statements of profit or loss, statements of 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 present fairly, in all material respects, the financial position of the Company and its subsidiary as at December 31 2023 and their financial performance and their cash flows for the year then ended and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

#### 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' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audit of International Energy Insurance Pie. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of International Energy Insurance Pie. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Relating to Going Concern

We draw attention to the fact that the Company did not meet the regulatory solvency margin whilst there was a negative solvency margin of N21.138billion as at 31st December 2023(2022:N21.306 billion) (see note 53, page 88). The Company recorded an operating cash flow of N3.6 billion (2022: N601 million negative) (see page 27). The Company has not commenced underwriting Oil and Gas business which is supposed to be a major contributory to its premium written. The note indicates that these conditions, along with other matters, indicate the existence of a material uncertainty which may cast significant doubt on The Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. In addition to the matters described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

14. Falolu Street, off Itire Road, PO Box 16, Surulere

Tel: 0803 359 4053, 0805 475 1901, E-mail: doyinowolabiaudit@yahoo.com

# Doyin Owolabi & Co.

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

Key Audit Matters	How the matter was addressed in the audit
Valuation of Insurance Contract Liabilities. The Company has insurance contract liabilities of N5.1 billion as at December 31, 2023 (2022: N4.3 billion). This is an area that involves significant judgment over uncertain future outcomes and therefore we considered it a key audit matter for our audit.	We used our in-house actuarial specialist to assist us in performing the audit procedures in the area of reviewing The Company's' Actuarial report on non-life business which included among others:  i. Consideration of the appropriateness of assumptions used in the valuation of the Insurance Contracts by reference to company and industry data and expectations.
Consistent with the insurance industry practice, the Company engages an actuary to test the adequacy of this valuation of non-life business 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. Economic assumptions such as interest rates and future inflation rates and actuarial assumptions such as customer behavior and uniform risk occurrence throughout the period are key inputs used to determine these liabilities. Significant judgment is applied in setting these assumptions.	ii. Consideration of the appropriateness of non-economic assumptions used in the valuation of the Insurance Contracts in relation to lapse or extension assumptions by reference to company Other Key audit procedures included: i. We reviewed and documented management's process for estimating insurance contracts.  ii. We performed file review of specific underwriting contracts in order to maximize our understanding of the business and validate initial loss estimates.
Insurance contract liabilities are disclosed in Note 13 to the financial statements.	iii. We performed subsequent year claim payments to confirm the reasonableness of initial loss estimates.

## Other Information

The Directors are responsible for the other information. The other information comprises the Financial Highlights, the Report of the Directors, Management Discussion and Analysis, Report of the Audit Committee, Certification pursuant to section 60 (2) of the Investment and Securities Act No. 29 2007, Statement of Value Added and Five-Year Financial Summary as required by the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria, and Corporate Governance Report as required by the Securities and Exchange Commission, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

## **Responsibilities of the Directors for the Financial Statements**

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards, as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011 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 and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the Going concern basis of accounting unless the Directors either intend to liquidate The Company or Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Company's and the Company's financial reporting processes.

## **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 judgment and maintain professional skepticism 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within The Company to express an opinion on the financial statements. We are

# Doyin Owolabi & Co.

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

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.

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, related safeguards.

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 year 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 Schedule 6 of the Companies and Allied Matters Act, CAP C20 laws of the Federation of Nigeria 2004, the Insurance Act 2003 and NAICOM's Prudential Guidelines we confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. Proper books of account have been kept by the Company, in so far as it appears from our; examination of those books
- iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.
- iv. In our opinion, the financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and NAICOM's Prudential Guidelines so as to present fairly the statements of profit or loss and other comprehensive income of the Company and its subsidiary.

## Contravention of Regulatory Guidelines

The Company incurred penalties in respect of contravention of the requirement of a section of the Investment & Securities Act (ISA) 2007, Rule 7.4 of the Nigerian Stock Exchange, 2015 and Section 26 of the Insurance Act 2003 in conjunction with the National Insurance Commission's Prudential Guidelines for Insurers and Reinsurers, 2015 on the filing and submission of annual reports and accounts. The details of the contravention and penalty are disclosed in the Note 51 of the financial statements.

Lagos Nigeria  
6-May-24



Adedoyin Idowu Owolabi, FCA  
FRC/2013/PRO/ICAN/004/00000000101  
For: Doyin Owolabi & Co.  
(Chartered Accountants)

# NOTES TO THE TRANSITION ADJUSTMENT

## Note

### a Financial Assets – Fair Value Through Profit or Loss

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	89,492	92,255
Financial assets reclassified from amortised cost to FVPL (Note b)	350,368	240,586
<b>Balance as per IFRS 17</b>	<b>439,860</b>	<b>332,841</b>

### b Financial Assets – at Amortised Cost

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	350,368	240,586
Financial assets at reclassified to FVPL (Note a)	(350,368)	(240,586)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

### c Other Receivable

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	996,257	1,932
Reclassification of minimum and Deposit premium from Reinsurance assets (Note d)	67,063	4,030
<b>Balance as per IFRS 17</b>	<b>1,063,320</b>	<b>5,962</b>

### d Reinsurance Assets (IFRS 4)

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	293,936	262,377
Reinsurance share of UPR reclassified to Reinsurance contract asset	(83,906)	(68,367)
Reinsurance Share of outstanding claims reclassified to Reinsurance contract assets (Note e)	(131,034)	(138,562)
Reinsurance share of IBNR reclassified to Reinsurance contract assets (Note e)	(11,933)	(51,418)
Reclassification of Minimum and Deposit premium to Other receivables (Note c)	(67,063)	(4,030)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**e Reinsurance Contract Assets**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	-	-
Reinsurance share of UPR reclassified to Reinsurance contract asset	83,906	68,367
Adjustment made to remeasurement of share of UPR of ARC	(68,491)	(56,469)
<b>Asset for remaining coverage</b>	<b>15,415</b>	<b>11,898</b>
Reinsurance Share of outstanding claims reclassified to Reinsurance contract assets (Note d)	131,034	138,562
Reinsurance Share of IBNR reclassified to reinsurance contract assets (Note d)	11,933	51,418
Amount recoverable on Incurred Claims - Risk adjustment (Note f)	1,833	2,849
<b>Amount recoverable on Incurred Claims</b>	<b>144,800</b>	<b>192,829</b>
<b>Balance as per IFRS 17</b>	<b>160,215</b>	<b>204,727</b>

**f Deferred Acquisition Cost**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	12,472	9,196
Deferred acquisition cost reclassified to Insurance contract liability (Note i)	(12,472)	(9,196)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**g Insurance contract Liability (IFRS 4)**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Balance as at (IFRS 4)	4,733,413	4,248,187
Outstanding Claims Reserve reclassified to Insurance contract Liability (Note i)	(4,254,841)	(3,914,868)
Incurred but not reported (IBNR) reclassified to Insurance contract Liability (Note i)	(46,276)	(19,475)
Unearned Premium Reserve reclassified to Insurance contract Liability (Note i)	(432,296)	(313,844)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**h Insurance Contract Liability (IFRS 17)**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Insurance contract liability (IFRS 4)	-	-
Reclassification from Unearned Premium Reserve (Note h)	432,296	313,844
Insurance acquisition cost reclassified from deferred acquisition cost (Note g)	(12,472)	(9,196)
Remeasurement transferred to retained earnings (Note i)	604	(3,593)
<b>Liability for Remaining Coverage (LRC)</b>	<b>420,428</b>	<b>301,055</b>
Reclassification from Outstanding Claims Reserve (Note h)	4,254,841	3,914,868
Remeasurement transferred to retained earnings (Note i)	(518,410)	(163,354)
Reclassification from Outstanding Claims Reserve (Note h)	46,276	19,475
Remeasurement transferred to retained earnings (Note i)	75,509	123,673
Liability for Incurred Claims (LIC)	4,278,644	4,195,717
Risk Adjustment (Note j)	38,492	38,947
Loss component (Note k)	912	2,104
<b>Balance as per IFRS 17</b>	<b>4,318,048</b>	<b>4,236,768</b>

**i Risk Adjustment**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Opening balance (IFRS 4)	-	-
Opening balance (IFRS 17)	38,947	-
Remeasurement (Note u)	(455)	38,947
<b>Balance as per IFRS 17 (Note i)</b>	<b>38,492</b>	<b>38,947</b>

**j Loss Component**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Opening balance (IFRS 4)	-	-
Opening balance (IFRS 17)	2,104	-
Remeasurement (Note u)	(1,192)	2,104
<b>Balance as per IFRS 17 (Note i)</b>	<b>912</b>	<b>2,104</b>

**k Retained Earnings**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Opening balance (IFRS 4)	(24,750,041)	(24,568,858)
Adjustment transferred to retained earnings	129,786	(51,399)
Transferred from profit or loss	206,553	-
<b>Balance as per IFRS 17</b>	<b>(24,413,702)</b>	<b>(24,620,257)</b>

**l Insurance Revenue**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Gross Premium Income reclassified from Gross Premium Written (Note m)	758,907	646,872
Movement in Remeasurement of Liability for remaining coverage (Note d)	-	-
<b>Balance as per IFRS 17</b>	<b>758,907</b>	<b>646,872</b>

**m Gross Premium Written**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Gross Premium Written (IFRS 4)	881,559	687,076
Changes in Unearned Premium (IFRS 4)	(122,652)	(40,204)
Gross Premium Income (IFRS 4)	758,907	646,872
Reinsurance Expense (IFRS 4)	(94,334)	(103,515)
Net Premium Income (IFRS 4)	664,573	543,357
Gross Premium Income reclassified to Insurance revenue IFRS 17 (Note m)	(758,907)	(646,872)
Reinsurance expense reclassified to Net expenses on reinsurance contracts (Note IFRS 17 (Note o))	94,334	103,515
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**n Net Expenses from Reinsurance Contracts**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Commission received reclassified from Fee and Commission Income (Note p)	17,262	27,698
Recoverable from reinsurance reclassified from Net Claims Expenses (Note r)	(28,450)	14,212
Reinsurance expenses reclassified from Net premium income (Note r)	(94,334)	(103,515)
Remeasurement of reinsurance share of risk adjustment	23,027	-
<b>Balance as per IFRS 17</b>	<b>(82,495)</b>	<b>(61,605)</b>

**o Fee and Commission Income**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Fees and Commission Income received from reinsurance ceded (IFRS 4)	17,262	23,942
Fees and Commission Income received reclassified to Net expenses on reinsurance contracts	(17,262)	(23,942)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**p Insurance Service Expenses**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Gross Claims incurred reclassified from net claims expenses (Note r)	133,998	218,723
Acquisition and maintenance expenses reclassified from underwriting expenses (Note s)	393,666	203,616
<b>Balance as per IFRS 17</b>	<b>527,664</b>	<b>422,339</b>

**q Claims Expense**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Claims paid	181,100	121,415
Changes in outstanding claims	(24,092)	77,833
Changes in IBNR	(21,363)	19,475
Changes in loss component	(1,192)	-
Changes in risk adjustment	(455)	-
Gross claims incurred	133,998	218,723
Reinsurance claims (recovery)/Outgo	(28,450)	14,212
Net claims expense	105,548	232,935
Gross claims incurred	(133,998)	(218,723)
Reinsurance claims (recovery)/Outgo	28,450	(14,212)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**r Underwriting Expenses**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Acquisition expenses IFRS 4	33,495	31,874
Maintenance expenses IFRS 4	129,146	171,742
Insurance service directly attributable expenses (Note v)	231,076	-
Underwriting expense IFRS 4	393,717	203,616
Underwriting expense transferred to Insurance service expenses (Note j)	(393,717)	(203,616)
<b>Balance as per IFRS 17</b>	<b>-</b>	<b>-</b>

**s Insurance Finance Income**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Transfer from claims expenses	2,208	-
	<b>2,208</b>	<b>-</b>

**t Insurance Finance Expenses**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Transfer from claims expenses	11,215	-
	<b>11,215</b>	<b>-</b>

**u Operating Expenses**

<i>In thousands of naira</i>	31-Dec-22	01-Jan-22
Insurance service directly attributable expenses	231,076	-
Non-attributable expenses	539,317	-
	<b>770,393</b>	<b>-</b>



# STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2023

<i>In thousands of naira</i>	<b>Note</b>	<b>31-Dec-23</b>	<b>Restated 31-Dec-2</b>
Insurance revenue	6	2,727,189	758,907
Insurance service expense	7	(343,404)	(527,664)
Net expenses from reinsurance contracts held	8	(82,493)	(61,605)
<b>Insurance service result</b>		<b>2,301,292</b>	<b>169,638</b>
Investment income	9	173,331	24,295
Net gains on FVTPL investments	10	25,538	1,963,557
Net loss on disposal of investment properties	11	-	(1,269,000)
Net credit impairment losses		-	-
Net foreign exchange income/(expense)		-	-
<b>Net investment income</b>		<b>198,869</b>	<b>718,852</b>
Finance expenses from insurance contracts issued	32	(18,887)	(11,215)
Finance income from reinsurance contracts held	32	8,582	2,208
Net insurance finance expenses		(10,305)	(9,007)
Share of loss of equity-accounted investees, net of tax	17	-	(123,478)
<b>Net insurance and investment result</b>		<b>2,489,856</b>	<b>756,005</b>
Other income	12	54,940	28,416
Credit loss reversal/(expense)	13	5,223	(3,443)
Other finance cost	14	(8,677)	-
Operating expenses	15.3	(1,610,325)	(539,317)
<b>Profit before income tax</b>		<b>931,017</b>	<b>241,661</b>
Income tax expense	35.1	(80,353)	(8,671)
<b>Profit for the year</b>		<b>850,664</b>	<b>232,990</b>
Earnings per share			
Basic earning per share (Kobo)	18	66	18

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

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

<i>In thousands of naira</i>	Note	31-Dec-23	31-Dec-22 Restated
<b>Profit/(Loss) for the year</b>		<b>850,664</b>	<b>232,990</b>
<i>Items that may be reclassified to profit or loss</i>			
Net gains on investments in debt securities measured at FVOCI		-	-
Net gain/(loss) on equity instrument designated at fair value through other comprehensive income	19	163,319	109,781
Net gains on investments in debt securities measured at FVOCI reclassified to profit or loss on disposal		-	-
Finance expenses from insurance contracts issued		-	-
Finance income from reinsurance contracts held		-	-
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		-	-
Income tax relating to these items		-	-
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of land and buildings	43	-	(276,489)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		-	-
Remeasurements of post-employment benefit obligations, before tax		-	-
Income tax relating to these items		-	-
<b>Other comprehensive income, net of tax</b>		<b>163,319</b>	<b>(166,708)</b>
<b>Total comprehensive income/ (loss) for the year</b>		<b>1,013,983</b>	<b>66,282</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		1,013,983	66,282

# STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2023

In thousands of naira	Note	Group			Company		
		31-Dec-23	31-Dec-22 Restated	01-Jan-22 Restated	31-Dec-23	31-Dec-22 Restated	01-Jan-22 Restated
<b>Assets</b>							
Cash and cash equivalents	20	-	-	225,817	4,401,204	5,254,685	121,225
Financial assets	21	-	-	332,841	4,238,807	439,860	332,841
Trade receivable	22	-	-	156,687	8,640	-	-
Reinsurance contract assets	23	-	-	204,727	253,693	160,265	204,727
Other receivables and prepayments	24	-	-	492,724	296,745	1,063,320	5,962
Investment in subsidiaries	25	-	-	-	-	-	1,000,000
Investments in associates accounted for using the equity method	26	-	-	-	876,522	876,522	-
Investment properties	27	-	-	3,822,250	6,373,615	4,880,000	3,822,250
Intangible assets	28	-	-	17,066	37,554	2,346	-
Property and equipment	29	-	-	3,520,463	780,525	1,673,724	3,047,490
Statutory deposit	30	-	-	322,500	322,500	322,500	322,500
<b>Total assets</b>		-	-	<b>9,095,075</b>	<b>17,589,806</b>	<b>14,673,222</b>	<b>8,856,995</b>
<b>Liabilities and equity</b>							
<b>Liabilities</b>							
Insurance contract liabilities	31	-	-	4,236,768	5,052,370	4,318,048	4,236,768
Trade payable	33	-	-	266,067	301,245	187,820	189,424
Provisions and other payables	34	-	-	1,238,230	3,322,209	2,034,977	1,159,896
Current income tax liabilities	35	-	-	525,866	281,697	307,162	511,081
Deferred tax liabilities	36	-	-	246,476	206,209	206,209	206,209
Lease obligations	37	-	-	-	43,389	-	-
Borrowings	38	-	-	14,119,342	14,092,841	14,092,842	14,092,842
Deposit for shares	39	-	-	317,233	5,066,039	5,316,339	317,233
<b>Total liabilities</b>		-	-	<b>20,949,982</b>	<b>28,365,999</b>	<b>26,463,397</b>	<b>20,713,453</b>
<b>Equity</b>							
Share capital	40.1	-	-	642,043	642,043	642,043	642,043
Share premium	40.2	-	-	963,097	963,097	963,097	963,097
Statutory contingency reserve	41	-	-	1,657,673	2,745,448	1,630,192	1,603,755
Capital reserve	42	-	-	7,926,399	7,926,399	7,926,399	7,926,399
Property revaluation reserve	43	-	-	1,501,417	1,206,428	1,206,428	1,482,917
Fair value reserve	44	-	-	145,588	418,688	255,369	145,588
Accumulated losses	45	-	-	(24,884,525)	(24,678,296)	(24,413,702)	(24,620,257)
Non-controlling interest		-	-	193,401	-	-	-
<b>Total equity of the group</b>		-	-	<b>(11,854,907)</b>	<b>(10,776,193)</b>	<b>(11,790,175)</b>	<b>(11,856,408)</b>
<b>Total liabilities and equity</b>		-	-	<b>9,095,075</b>	<b>17,589,806</b>	<b>14,673,222</b>	<b>8,856,995</b>

These financial statements were approved by the Board on 6th May 2024 and signed on its behalf by:



**Anthony Uzodinma Edeh**

Non-Executive Director

FRC/2015/PRO/FORM C07/003/00000012821



**Olasupo Sogelola**

Managing Director/CEO

FRC/2016/CIIN/00000013713



**Uyi Osagie**

Chief Financial Officer

FRC/2016/ICAN/00000015704

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

# STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

<i>In thousands of naira</i>	Share capital	Share premium	Statutory contingency reserve	Capital reserve	Accumulated losses	Property revaluation reserve	Fair value reserve	Total
<b>As at 1 January 2022</b>	642,043	963,097	1,603,755	7,926,399	(24,568,858)	1,482,917	145,588	(11,805,059)
Impact of initial application of IFRS 17	-	-	-	-	(51,399)	-	-	(51,399)
Restated balance as at 1 January 2022	642,043	963,097	1,603,755	7,926,399	(24,620,257)	1,482,917	145,588	(11,856,458)
Profit for the year	-	-	-	-	232,990	-	-	232,990
Other comprehensive income	-	-	-	-	-	(276,489)	109,781	(166,708)
Total comprehensive income/loss	-	-	-	-	232,990	(276,489)	109,781	66,283
<b>Transactions with owners of the Company</b>								
<b>Contributions and distributions</b>	-	-	26,437	-	(26,437)	-	-	-
Transfer between reserves	-	-	-	-	-	-	-	-
<b>At 31 December 2022</b>	642,043	963,097	1,630,192	7,926,399	(24,413,702)	1,206,428	255,369	(11,790,175)
Profit for the year	-	-	-	-	850,664	-	-	850,664
Other comprehensive income	-	-	-	-	-	-	163,319	163,319
Total comprehensive profit/(loss)	-	-	-	-	850,664	-	163,319	1,013,983
<b>Transactions with owners of the Company</b>								
Contributions and distributions	-	-	1,115,256	-	(1,115,256)	-	-	-
Transfer between reserves	-	-	-	-	-	-	-	-
<b>At 31st December 2023</b>	642,043	963,097	2,745,448	7,926,399	(24,678,296)	1,206,428	418,688	(10,776,193)

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



# STATEMENT OF CASH FLOWS

for the period ended 31st December 2023

	Note	Group			Company		
		31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-23	31-Dec-22	31-Dec-21
		N'000	N'000	N'000	N'000	N'000	N'000
<b>Operating activities</b>							
Premium received from policy holders	23	-	687,076	5,119,082	881,559	687,076	
Reinsurance premium paid	24.1	-	(115,825)	(335,374)	(116,666)	(115,825)	
Minimum and deposit premium paid	24.1	-	(4,030)	(18,250)	(67,063)	(4,030)	
Commission received	8.1	-	23,942	36,278	17,262	23,942	
Commission paid	31.2	-	(30,564)	(80,974)	(36,770)	(30,564)	
Maintenance cost paid	7	-	(171,742)	(471,646)	(129,146)	(171,742)	
Claims paid	7	-	(121,415)	(740,919)	(181,100)	(121,415)	
Claims recoverable from re-insurers	8.1	-	25,696	190,236	81,743	25,696	
Premium received in advance	32.1	-	161,505	114,946	19,807	161,505	
Loan and advances		-	-	-	(855)	-	
Repayment of loans		-	120	-	-	120	
Other operating cash payments	59	-	(1,512,381)	(162,957)	(882,865)	(585,346)	
Other operating income		-	1,042,554	38,396	25,489	83,718	
Cash used in operating activities	58	-	(15,185)	3,688,818	(388,605)	(46,864)	
Income tax paid		-	(4,304)	(105,817)	(212,590)	(3,000)	
<b>Net cash used in operating activities</b>		-	<b>(19,489)</b>	<b>3,583,001</b>	<b>(601,195)</b>	<b>(49,864)</b>	
<b>Investing activities</b>							
Purchase of property, plant and equipment	29	-	(24,237)	(675,096)	(189,519)	-	
Proceeds from disposal of property, plant and equipment		-	-	1,218	261	-	
Proceeds from disposal of investment properties	27	-	-	-	900,000	-	
Purchase of investment properties	27	-	-	(12,302)	-	-	
Purchase of Intangible assets	28	-	(3,186)	(36,715)	(2,366)	-	
Dividend received	9	-	9,890	3,388	1,807	9,890	
Interest received	9	-	13,417	169,938	22,488	10,450	
Purchase of treasury bill	21.3	-	-	(3,614,705)	-	-	
Disposal of investment	22.1	-	-	14,546	-	-	
<b>Cash provided by investing activities</b>		-	<b>(4,116)</b>	<b>(4,149,728)</b>	<b>732,670</b>	<b>20,340</b>	
<b>Financing activities</b>							
Payment of lease liabilities	37	-	-	(37,537)	-	-	
Repayment of borrowings		-	(12,000)	-	-	-	
Receipts of Deposit for shares during the year	37	-	-	-	5,000,000	-	
Interest paid	37	-	(8,713)	(8,677)	-	-	
Repayment of deposit for shares	37	-	-	(250,300)	(894)	-	
<b>Cash used in financing activities</b>		-	<b>(20,713)</b>	<b>(296,514)</b>	<b>4,999,106</b>	<b>-</b>	
Net decrease in cash and cash equivalents		-	(44,318)	(863,241)	5,130,581	(29,524)	
Cash and cash equivalents at beginning of the year	21	225,816	266,589	5,254,685	121,224	147,204	
Effect of foreign exchange differences	12	-	3,545	9,761	2,880	3,545	
Derecognition on lost of control of subsidiary during the year		(225,816)	-	-	-	-	
<b>Cash and cash equivalents at end of the year</b>		<b>-</b>	<b>225,816</b>	<b>4,401,205</b>	<b>5,254,685</b>	<b>121,224</b>	



# 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 year ended December 31 2023 were authorised for issue in accordance with a resolution by the Board of Directors on 6th May, 2024.

### Principal activities

The activities of the Company include general insurance business. 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. However, the associate company – Norrenberger Pensions Limited, formerly IEI Anchor Pensions Managers Limited which principal activity is pension funds administration has been spined-off during the year under review.

### 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.

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. Consequently, the following provision of the National Insurance Act, 2003 which conflict with the provisions of IFRS have not been adopted:

## 3 Changes in accounting policies and disclosures

### 3.1 New and amended standards and interpretations

In these financial statements, the Company has applied IFRS 17 for the first time. The Company has

not early adopted any other standard, interpretation or amendment that has been issued.

### 3.2 IFRS 17 Insurance Contracts

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

The Company has restated comparative information for 2022 applying the transitional provisions to IFRS 17. The nature of the changes in accounting policies can be summarised, as follows:

#### 3.2.1 Changes to classification and measurement

The Company was previously permitted under IFRS 4 to continue accounting using its previous accounting policies. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Company.

Under IFRS 17, the Company's insurance contracts issued and reinsurance contracts held are all eligible to be measured by applying the Premium Allocation Approach (PAA). The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The measurement principles of the PAA differ from the 'earned premium approach' used by the Company under IFRS 4 in the following key areas:

- The liability for remaining coverage reflects premiums received less insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided.
- Measurement of the liability for remaining coverage includes an adjustment for the time value of money and the effect of financial risk where the premium due date and the related period of services are more than 12 months apart.
- Measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment for non-financial risk when a group of contracts is onerous in order to calculate a loss component (previously these may have formed part of the unexpired risk reserve provision).
- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not reported (IBNR) claims) is determined



on a discounted probability-weighted expected value basis, and includes an explicit risk adjustment for non-financial risk. The liability includes the Company's obligation to pay other incurred insurance expenses.

- Measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance held) is adjusted to include a loss-recovery component to reflect the expected recovery of onerous contract losses where such contracts reinsure onerous direct contracts.

### 3.2.1 Insurance acquisition cash flows

In line with IFRS17(59)(a), 97(c) the Company chooses to amortize acquisition cashflows over the contracts' coverage period, provided that the coverage period of each contract in the group at initial recognition is no more than one year. The Company includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, the group itself or the portfolio of insurance contracts to which the group belongs.

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

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

### 3.2.2 Onerous Contracts

If at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, then the Company determines the loss component and recognizes the loss immediately. The Company considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract, less any previously recognized acquisition cash flows

and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow.

On initial recognition of group of insurance contracts under PAA, the carrying amount of the liability for remaining coverage is reduced by any insurance acquisition flows at that date. However, the Company has adopted an accounting policy that amortizes insurance acquisition as expenses over the life of the contracts rather than when it incurs those cost. In assessing whether a contract is onerous, the Company only considers cashflows that could potentially affect the measurement of the group and consequently exclude any acquisition cashflows that would be expensed. The onerous assessment is done on a portfolio level by assessing future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

A net outflow expected from a group of contracts determined to be onerous is considered to be the Company's 'loss component'. It is initially calculated when the Company is first considered to be onerous and is recognized at that date in profit or loss. The amount of the Company's loss component is tracked for the purposes of presentation and subsequent measurement.

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

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

- Insurance finance income or expense

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

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

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

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

- (a) the carrying amount of the liability for remaining coverage; and

This difference is recognized as a loss and shall increase the liability for remaining coverage.

### 3.2.3 Changes to presentation and disclosure

For presentation in the statement of financial position, the Company aggregates insurance and reinsurance contracts issued and reinsurance contracts held, respectively and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets.
- Portfolios of insurance and reinsurance contracts issued that are liabilities.
- Portfolios of reinsurance contracts held that are assets.

- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously, the Company reported the following line items:

- Gross premium income
- Reinsurance expenses
- Commission income
- Claims expenses
- Acquisition expenses
- Maintenance costs

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Insurance finance income or expenses
- Income or expenses from reinsurance contracts held

### 3.2.4 Transition

On transition date, 1 January 2022, the Company:

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



- See pages 51-55 for transition adjustment

## 4 Summary of material accounting policies

### 4.1 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.

#### 4.1.(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.

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.

#### 4.1.(c) 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.

#### 4.1.(d) 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 Company 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.

#### 4.1.(d)(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.

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.

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.

#### **4.1.(e) Amounts recognised in statement of profit or loss and other comprehensive income**

##### **4.1.(e)(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

##### **4.1.(e)(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:
- h. 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 Company 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.

##### **4.1.(e)(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.



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 Company that are eligible for the PAA, the Company 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.

#### 4.1.2.3 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.

#### 4.1.2.4 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 monthly yield curve published by Nigerian Actuarial Society (NAS).

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

Product	1 year	5 years	10 years	20 years	30 years
Bonds	11.5%	15.2%	15.9%	20%	22.1%
Engineering	11.5%	15.2%	15.9%	20%	22.1%
General accident	11.5%	15.2%	15.9%	20%	22.1%
Fire	11.5%	15.2%	15.9%	20%	22.1%
Motor	11.5%	15.2%	15.9%	20%	22.1%
Marine	11.5%	15.2%	15.9%	20%	22.1%
Oil & Energy	11.5%	15.2%	15.9%	20%	22.1%

#### 4.1.2.5 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.

#### 4.1.2.6 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).

#### 4.1.2.7 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 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.



## 4.2 Financial assets and liabilities

### 4.2.(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

### 4.2.(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.

### 4.2.(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.

## 4.2.1 Financial assets

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

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

- a. AC
- b. FVOCI; or
- c. FVTPL

### 4.2.1.(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.

#### 4.2.1.(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.

#### 4.2.1.(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.

#### 4.2.1.(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.

#### 4.2.2 Financial liabilities

##### 4.2.2.(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.

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.

#### 4.2.2.(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.

#### 4.2.3 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 treated as separate derivatives when:

- 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.



#### 4.2.4 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	<p>The Company has made judgements in applying the business model criteria to its portfolio of debt instruments.</p> <p>The Company has also applied judgement as to whether designating debt instruments at FVTPL significantly reduces an accounting mismatch.</p>
Expected credit loss	<p>A number of significant judgements are required in applying the accounting requirements for measuring the ECL, such as:</p> <ol style="list-style-type: none"> <li>determining criteria for a significant increase in credit risk (SICR);</li> <li>choosing appropriate models and assumptions for the measurement of the ECL;</li> <li>establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and</li> <li>establishing Company's of similar financial assets for the purposes of measuring the ECL.</li> </ol>

#### 4.3 Other Receivables and Prepayments

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

#### 4.4 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.

#### 4.5 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.

#### 4.6 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.

#### 4.7 Property and equipment

##### Recognition and measurement

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.

##### 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 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 value 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.



### Revaluation of land

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 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.

### 4.8 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.

### 4.9 Trade payables

Trade payables (i.e. insurance payables) 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.

### 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.

## 4.13 Borrowing

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 I17 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 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.

#### 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.

Management plans to recapitalize the Company.

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 judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

### **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.

### **5 Standards and interpretations issued but not yet effective**

As at 30 June 2023, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2023.



Title	Key requirements	Effective date
<p>Classification of liabilities as Current or Non-current - Amendments to IAS 1</p> <p>Non-current Liabilities with Covenants - Amendments to IAS 1</p>	<p>Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).</p> <p>Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.</p> <p>The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:</p> <ul style="list-style-type: none"> <li>• the carrying amount of the liability</li> <li>• information about the covenants, and</li> <li>• facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.</li> </ul> <p>The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counter-party, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.</p> <p>The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.</p>	01 January 2024
<p>Lease Liability in a Sale and Leaseback – Amendments to IFRS 16</p>	<p>In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction.</p> <p>The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.</p>	01 January 2024

Title	Key requirements	Effective date
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7	<p>The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments:</p> <p>Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following:</p> <p>The terms and conditions of SFAs:</p> <ol style="list-style-type: none"> <li>1. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented</li> <li>2. The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.</li> <li>3. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.</li> <li>4. Non-cash changes in the carrying amounts of financial liabilities in (b).</li> <li>5. Access to SFA facilities and concentration of liquidity risk with finance providers.</li> </ol> <p>The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.</p>	01 January 2024
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	<p>The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.</p> <p>The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations).</p> <p>Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.</p> <p>** In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.</p>	N/A



## Definitions

The terminology used in this report is described as follows.

### Gross claims paid

The amounts paid to IEI excluding any applicable taxes and including direct claims handling expenses and salvages.

### Gross case reserves / claims outstanding / case estimates

Case estimates provided by IEI Plc that represent claims which have been reported but not yet settled.

### Incurred But Not Reported ("IBNR") claims

Claims which have been incurred by IEI but which have not yet been reported as at the valuation date for all accident years up to and including the valuation date.

### Unexpired Premium Reserve ("UPR")

Total value of premiums received but which have not yet been earned as at the valuation date. The figures shown in this report are balances as at the valuation date.

### Insurance Acquisition Cashflows ("IACF")

The portion of acquisition costs that relates to the portion of premiums which have not been earned at the valuation date.

### Initial Expected Loss Ratio ("IELR")

The ultimate expected loss ratio that is estimated at the start of the contract without knowledge of future claim experience.

### Loss Component ("LC")

If business written is unprofitable, this reserve allows for the additional cost of claims and expenses that will be incurred on the unexpired business for which the UPR reserve will be insufficient to cover during that period.

### Combined Ultimate Loss Ratio ("CULR")

The ultimate claims loss ratio plus expense ratio that was observed over the current financial year and is therefore expected to be experienced during the period of unexpired risk.

### Liability for Incurred Claims (LIC)

An entity's obligation to investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not yet been reported, and other incurred insurance expenses. In this case the includes the Incurred But Not Reported claims (IBNR), Outstanding Claims Reserve (OCR) and the Risk Adjustment (RA).

### Liability for Remaining Coverage

An entity's obligation to investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (ie the obligation that relates to the unexpired portion of the coverage period). In this case this includes the Unearned Premium Reserve (UPR) and Loss Component (LC).

## 6 Insurance revenue

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Insurance revenue from contracts measured under PAA	2,727,189	758,907
<b>Total Insurance revenue</b>	<b>2,727,189</b>	<b>758,907</b>

## 7 Insurance service expenses

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Claims Paid	740,919	181,100
Changes that relate to past service - adjustments to the Liability Incurred Claims	(1,664,176)	(45,455)
<b>Incurred Claims</b>	<b>(923,257)</b>	<b>135,645</b>
Other directly attributable expenses	689,960	231,076
Losses on onerous contracts and reversal of the losses	24,081	(1,557)
Insurance acquisition cash flows amortization	552,620	162,500
<b>Total Insurance Service Expenses for the year - See Note 31.1</b>	<b>343,404</b>	<b>527,664</b>

## 8 Net expenses from reinsurance contracts held

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Allocation of reinsurance premium paid	277,151	112,636
Claims recovered	(194,061)	(51,996)
Changes in risk adjustment on reinsurance	(597)	965
<b>Net expenses from reinsurance contracts held (See Note 32.1 &amp; Note 32.2)</b>	<b>82,493</b>	<b>61,605</b>

## 9 Investment income

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Interest income - bank deposits	150,540	9,857
Interest on statutory deposit	19,398	12,631
Interest on treasury bills	5	-
Dividend income earned	3,388	1,807
	173,331	24,295

## 10 Net Realised gains/(loss) on financial assets

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Realised gain on sales of Quoted equity securities (see note 22.1)	23,282	-
Net fair value gains/(loss) on financial assets at fair value through profit or loss (see note 22.1)	12,187	(2,763)
Net fair value loss on investment properties (see note 27)	(9,931)	1,966,320
	<b>25,538</b>	<b>1,963,557</b>



## 11 Profit/(Loss) on disposal of investment property

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Net loss on disposal of investment properties (see note 27)	-	(1,269,000)
	-	<b>(1,269,000)</b>

## 12 Other income

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Rental Income	38,396	25,848
Foreign exchange gain (cash and cash equivalent)	9,761	2,307
Sundry income	5,606	-
Gain on disposal of assets	1,177	261
	<b>54,940</b>	<b>28,416</b>

## 13 Net credit impairment loss

<i>In thousands of naira</i>	31-Dec-22	Addition/ Reversal	31-Dec-23
<b>2023</b>			
Cash and cash equivalents (see note 20)	3,443	(8,666)	(5,223)
	<b>3,443</b>	<b>(8,666)</b>	<b>(5,223)</b>
<b>2022</b>			
Cash and cash equivalents (see note 21)	12,196	(8,753)	3,443
	<b>12,196</b>	<b>(8,753)</b>	<b>3,443</b>

## 14 Finance costs

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Interest on lease obligations	8,677	-
<b>Net insurance finance expenses</b>	<b>8,677</b>	<b>-</b>

## 15 Operating Expenses

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Employee benefit expenses (Note 15.1)	609,831	316,869
Other operating expenses (Note 15.2)	1,690,454	453,524
	<b>2,300,285</b>	<b>770,393</b>

### 15.1 Breakdown of Employee benefit expenses:

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Wages and salaries	519,405	277,752
Other staff costs	31,220	19,727
	<b>609,831</b>	<b>316,869</b>

## 15.2 Breakdown of Other operating expenses

<i>In thousands of naira</i>	<b>31-Dec-23</b>	<b>31-Dec-22</b>
Directors emoluments	25,000	35,866
Auditors remuneration	13,500	16,000
Depreciation	77,008	26,915
Amortisation	1,507	20
Legal and other professional fees	141,397	68,703
Motor running expenses	38,222	20,509
Subscription	19,549	11,488
Donations	935	-
Brand and communications	152,552	-
AGM expenses	-	17,603
Repairs and maintenance	20,046	593
Ibadan estate repairs	-	21,617
Rent and rates	111,422	6,957
Postage and telephone	2,401	2,886
Transport and travelling	57,034	42,516
Printing and stationery	32,901	28,978
Advertisements, sales and marketing	-	5,688
Security expenses	5,291	6,070
Oil and diesel	6,550	19,696
Insurance and license	21,670	5,008
State and local government levy	6,564	4,154
NAICOM levy	51,277	8,710
Entertainment expenses	12,474	4,348
Board expenses	42,038	24,661
Filing fees	692	3,892
Office cleaning	7,556	4,475
Newspapers & periodicals	1,475	205
ICT consumables	25,648	8,377
Internet subscription	4,786	4,543
Bank charges	15,197	4,030
Electricity and utilities	2,694	4,263
Fines and penalties	14,870	44,753
Marketing expenses	65,920	-
Corporate strategy expenses	11,676	-
Staff productivity bonus	350,602	-
Other expenses	350,000	-
	<b>1,690,454</b>	<b>453,524</b>

## 15.3 Total Operating Expenses (See Note 15)

<i>In thousands of naira</i>	<b>31-Dec-23</b>	<b>31-Dec-22</b>
Insurance service directly attributable expenses (Note 7(c))	689,960	231,076
Non - Attributable expenses	1,610,325	539,317
	<b>2,300,285</b>	<b>770,393</b>



## 16 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:

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Short-term employee benefits:		
Salaries and allowances	49,000	12,000
	40,000	12,000
Fees and other emolument disclosed above includes amount paid to:		
Chairman	5,000	5,000

The number of Directors who received fees and other emoluments (excluding pension contributions and certain benefit) in the following ranges was:

	Number	Number
=N=1,000,001 - =N=5,000,000	8	2
=N=5,000,001 - =N=10,000,000	1	1
	<b>9</b>	<b>3</b>

Personnel		
The average number of persons employed at the end of the year was:		
Administration	12	9
Technical	34	25
	<b>46</b>	<b>34</b>

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

Emolument range	Number	Number
=N=600,001 - =N=1,000,000	-	2
=N=1,000,001 - =N=2,000,000	-	6
=N=2,000,001 - =N=3,000,000	7	15
=N=3,000,001 - =N=4,000,000	12	4
=N=4,000,001 - =N=5,000,000	10	4
=N=5,000,001 - =N=8,000,000	8	2
=N=8,000,001 - =N=10,000,000	5	1
=N=10,000,001 - and above	4	-
	<b>46</b>	<b>34</b>

## 17 Share of profit/(loss) of an associate

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Loss for the year	-	(425,786)
Total comprehensive income/(loss)	-	<b>(425,786)</b>
Share of loss of an associate of 29% shareholding of the Company	-	<b>(123,478)</b>

## 18 Basic and diluted loss per share

Basic earning 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:

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Net profit attributable to owners	850,664	232,990
Weighted average number of shares for the year	1,284,085	1,284,085
Basic and diluted loss per share	66	18

## 19 Net (loss)/gain on available-for-sale financial assets

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22	01-Jan-22
Fair value loss on available-for-sale financial assets	163,319	109,781	(6,695)
Gain on disposal	-	-	-
Impairment recycled through p or l	-	-	-
	<b>163,319</b>	<b>109,781</b>	<b>(6,695)</b>

## 20 Cash and cash equivalents

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Cash in hand	-	1,111	1,111	1,505	352	369
Bank balances	-	67,470	67,470	3,139,464	5,197,921	32,969
Short term deposits	-	169,667	169,667	1,270,651	72,051	100,083
ECL impairment (note 21.1)	-	-	(12,431)	(10,416)	(15,639)	(12,196)
Derecognition on loss of control of subsidiary	-	(238,248)	-	-	-	-
	-	-	<b>225,817</b>	<b>4,401,204</b>	<b>5,254,685</b>	<b>121,225</b>
Current	-	-	225,817	4,401,204	5,254,685	121,225
Non-current	-	-	-	-	-	-
	-	-	<b>225,817</b>	<b>4,401,204</b>	<b>5,254,685</b>	<b>121,225</b>

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

Policyholder insurance funds	-	-	121,225	4,401,204	254,685	121,225
Shareholders' funds	-	-	104,592	-	5,000,000	-
	-	-	<b>225,817</b>	<b>4,401,204</b>	<b>5,254,685</b>	<b>121,225</b>



## 20.1 ECL impairment on cash and cash equivalents

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	12,431	8,347	15,639	12,196	8,112
Changes during the year (note 13)	-	-	4,084	(5,223)	3,443	4,084
Derecognition on loss of control of subsidiary	-	(12,431)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>12,431</b>	<b>10,416</b>	<b>15,639</b>	<b>12,196</b>

## 20. Cash and cash equivalents for cash flow

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Cash and bank balances	-	-	68,489	3,140,454	5,198,181	33,246
Short term deposits	-	-	157,328	1,260,750	56,504	87,979
	-	-	<b>225,817</b>	<b>4,401,204</b>	<b>5,254,685</b>	<b>121,225</b>

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.

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.

## 21 Financial assets

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Financial assets at fair value through profit or loss ( see note 22.1, Below)	-	-	92,255	110,415	89,492	92,255
Financial assets at fair value through other comprehensive income ( see note 22.2, Below)	-	-	240,586	513,687	350,368	240,586
Financial assets at amortised cost (see note 22.3, Below)	-	-	-	3,614,705	-	-
	-	-	<b>332,841</b>	<b>4,238,807</b>	<b>439,860</b>	<b>332,841</b>
Current	-	-	332,841	4,238,807	439,860	332,841
Non-current	-	-	-	-	-	-
	-	-	<b>332,841</b>	<b>4,238,807</b>	<b>439,860</b>	<b>332,841</b>
Policyholder insurance funds	-	-	332,841	2,238,807	439,860	332,841
Shareholders' funds	-	-	-	2,000,000	-	-
	-	-	<b>332,841</b>	<b>4,238,807</b>	<b>439,860</b>	<b>332,841</b>

## 21.1 Financial assets at fair value through profit or loss

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	92,255	93,609	89,492	92,255	93,609
Purchase/(Disposal)during the year	-	-	-	(14,546)	-	-
Net realised gain/(loss) (see note 10)	-	-	-	23,282	-	-
Net fair value (loss)/gain (see note 10)	-	-	(1,354)	12,187	(2,763)	(1,354)
Derecognition on loss of control of subsidiary	-	(92,255)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>92,255</b>	<b>110,415</b>	<b>89,492</b>	<b>92,255</b>

## 21.2 Financial assets at fair value through other comprehensive income

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Heritage Banking Company Limited	-	-	-	15,243	15,243	-
WAICA RE	-	-	116,865	444,206	249,107	116,865
EAIPN	-	-	122,177	52,694	84,474	122,177
First Aluminium	-	-	1,294	1,294	1,294	1,294
West Africa Glass Industry	-	-	250	250	250	250
	-	-	<b>240,586</b>	<b>513,687</b>	<b>350,368</b>	<b>240,586</b>
Movement in FVOCI/AFS						
At beginning of year	-	240,586	247,281	350,368	240,586	247,281
Additions/(disposal)	-	-	-	-	-	-
Fair value gain/(loss) (see note 20)	-	-	(6,695)	163,319	109,782	(6,695)
Derecognition on loss of control of subsidiary	-	(240,586)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>240,586</b>	<b>513,687</b>	<b>350,368</b>	<b>240,586</b>

## 21.3 Debts instrument at amortised cost

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	-	-	-	-	-
Additions during the year	-	-	-	3,614,705	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,614,705</b>	<b>-</b>	<b>-</b>



## 22 Trade receivables

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	156,687	156,687	-	-	-
Gross premium written	-	-	-	5,127,722	881,559	646,872
Premium received from policy holders	-	-	-	(5,119,082)	(881,559)	(646,872)
Premium deposit received in previous year	-	-	-	-	-	-
Derecognition on loss of control of subsidiary	-	(156,687)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>156,687</b>	<b>8,640</b>	<b>-</b>	<b>-</b>

Age analysis of Premium receivable	No. of Policies	Company	
		31-Dec-23	31-Dec-22
(i) Within 14 Days	7	1,378	-
(ii) Within 15 - 30 Days	8	7,262	-
		<b>8,640</b>	<b>-</b>

All the outstanding premiums were paid on or before January 31, 2024

## 23 Reinsurance contract assets

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Assets for remaining coverage (Note 24.1)	-	-	11,898	73,638	15,415	11,898
Assets for Incurred Claims (Note 24.1)	-	-	192,829	180,055	144,850	192,829
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>204,727</b>	<b>253,693</b>	<b>160,265</b>	<b>204,727</b>

**23.1 Reconciliation of reinsurance contract held at December 31, 2023**

	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	
<i>In thousands of naira</i>					
Reinsurance contract assets as of January 1, 2023	15,415	-	142,967	1,883	160,265
Reinsurance contract liabilities as of January 1, 2023	-	-	-	-	-
<b>Net reinsurance contracts as of January 1, 2023</b>	<b>15,415</b>	<b>-</b>	<b>142,967</b>	<b>1,883</b>	<b>160,265</b>
Reinsurance premiums	(277,151)	-	-	-	(277,151)
Amounts recovered from reinsurance:					
Recoveries of Incurred claims and other attributable income	-	-	194,061	597	194,658
Recoveries/(reversals or recoveries) on onerous contracts	-	-	-	-	-
<b>Net expenses from reinsurance contracts held</b>	<b>(277,151)</b>	<b>-</b>	<b>194,061</b>	<b>597</b>	<b>(82,493)</b>
Cash in/(out) flows in the period					
Reinsurance premiums paid	335,374	-	-	-	335,374
Amounts received under reinsurance contracts held	-	-	(150,871)	-	(150,871)
Net cash inflow	335,374	-	(150,871)	-	184,503
Insurance finance income	-	-	(8,582)	-	(8,582)
Insurance finance reserve (changes in discount rate)	-	-	-	-	-
Reinsurance contracts assets as of December 31, 2023	73,638	-	186,157	2,480	262,275
Reinsurance contracts liabilities as of December 31, 2023	-	-	-	-	-
<b>Net reinsurance contracts as of December 31, 2023</b>	<b>73,638</b>	<b>-</b>	<b>177,575</b>	<b>2,480</b>	<b>253,693</b>



### Reconciliation of reinsurance contract held at December 31, 2022

	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	
<i>In thousands of naira</i>					
Reinsurance contract assets as of January 1, 2022	11,898	-	189,980	2,849	204,727
Reinsurance contract liabilities as of January 1, 2022	-	-	-	-	-
<b>Net reinsurance contracts as of January 1, 2022</b>	<b>11,898</b>	<b>-</b>	<b>189,980</b>	<b>2,849</b>	<b>204,727</b>
Reinsurance premiums	(112,636)	-	-	-	(112,636)
<b>Amounts recovered from reinsurance:</b>					
Recoveries of Incurred claims and other attributable income	-	-	51,996	(966)	51,030
Recoveries/(reversals or recoveries) on onerous contracts	-	-	-	-	-
<b>Net expenses from reinsurance Contracts held</b>	<b>(112,636)</b>	<b>-</b>	<b>51,996</b>	<b>(966)</b>	<b>(61,606)</b>
<b>Cash in/(out) flows in the period</b>					
Reinsurance premiums paid	116,153	-	-	-	116,153
Amounts received under reinsurance contracts held	-	-	(96,801)	-	(96,801)
<b>Net cash inflow</b>	<b>116,153</b>	<b>-</b>	<b>(96,801)</b>	<b>-</b>	<b>19,352</b>
Insurance finance income	-	-	(2,208)	-	(2,208)
Insurance finance reserve (changes in discount rate)					
Reinsurance contracts assets as of December 31, 2022	15,415	-	145,175	1,883	162,473
Reinsurance contracts liabilities as of December 31, 2022	-	-	-	-	-
<b>Net reinsurance contracts as of December 31, 2022</b>	<b>15,415</b>	<b>-</b>	<b>142,967</b>	<b>1,883</b>	<b>160,265</b>

## 24 Other receivables

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
<b>(i) Financial assets:</b>						
Receivable from Norrenberger Asset Management Ltd.	-	-	-	-	905,615	-
Transfer to staff loan balance	-	240	240	-	-	240
Sundry receivables	-	17,478	17,478	60,008	11,707	11,707
Balance on Staff loans and Advances	-	-	-	-	548	-
Revised due to derecognition on loss of control of subsidiary	-	(17,718)	-	-	-	-
	-	-	17,718	60,008	917,870	11,947
<b>(ii) Non-financial assets:</b>						
Prepayments	-	-	485,184	246,916	155,629	4,193
	-	-	485,184	246,916	155,629	4,193
<b>Less:</b>						
Impairment allowance on:						
Financial assets:						
Sundry receivables	-	-	(10,179)	(10,179)	(10,179)	(10,179)
	-	-	(10,179)	(10,179)	(10,179)	(10,179)
<b>Net Other receivables and prepayments</b>	<b>-</b>	<b>-</b>	<b>492,723</b>	<b>296,745</b>	<b>1,063,320</b>	<b>5,961</b>
Current	-	-	485,184	238,726	974,755	1,768
Non-current	-	-	7,539	58,019	88,565	4193
	-	-	<b>492,723</b>	<b>296,745</b>	<b>1,063,320</b>	<b>5,961</b>

## 25 Investment in Subsidiary

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Norrenberger Pensions Limited	-	-	-	-	-	1,000,000
	-	-	-	-	-	1,000,000
<b>(i) Movement in Investment in Subsidiary</b>						
At beginning of year	-	-	-	-	1,000,000	1,000,000
Revised due to derecognition on loss of control of subsidiary	-	-	-	-	(1,000,000)	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>

### (ii) Loss of control in Norrenberger Pensions Limited

Norrenberger Pensions Limited (NPL) formerly IEI Anchor Pension Managers Limited was a subsidiary to IEI Plc with 81% shareholding. In 2022, IEI Anchor Pension Managers Limited was acquired by Norrenberger Advisory Partners Limited. During the year 2022, Norrenberger Pensions Limited raised paid-up capital thus increasing their share capital and diluting IEI Plc's holding which resulted in loss of control. IEI Plc now recognises its investment in Norrenberger Pensions Limited as an associate with an equity interest of 29% which is accounted for using equity accounting in line with IAS 28 - Investments in associates and Joint Ventures.



## 26 Investment in associate company - NPL

<i>In thousands of naira</i>	Company		
	31-Dec-23	31-Dec-22	01-Jan-22
Norrenberger Pensions Limited	876,522	1,000,000	1,000,000
Attributable share of profit or loss	-	(123,478)	-
<b>At end of year</b>	<b>876,522</b>	<b>876,522</b>	<b>1,000,000</b>

## 27 Investment properties

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	-	3,617,500	4,880,000	3,822,250	3,617,500
Additions during the year (see note 26(b))	-	-	-	12,302	-	-
Transfer/Reclassification (see note 26(b))	-	-	-	1,491,244	1,260,430	-
Disposal of property (see note 26(b))	-	-	-	-	(2,169,000)	-
Net fair value adjustments	-	-	204,750	(9,931)	1,966,320	204,750
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>3,822,250</b>	<b>6,373,615</b>	<b>4,880,000</b>	<b>3,822,250</b>

Further analysis and details of the investment properties including their location 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>	31-Dec-23	31-Dec-22	01-Jan-22	Status of Title
IEI Ibadan Estate, Liberty Road, Oke Ado, Ibadan	1,384,616	1,200,000	1,457,250	Undergoing Perfection
Rabbah Road, Kaduna, Kaduna State	115,000	110,000	196,000	Undergoing Perfection
8, Ohaeto Street, D-Line, Port Harcourt, Rivers State	74,000	70,000	-	Undergoing Perfection
14, Aba Road, Port Harcourt, Rivers State	3,150,000	3,500,000	-	Undergoing Perfection
Plot 294 Jide Oki Street, Victoria Island, Lagos	1,650,000	-	-	Undergoing Perfection
3A Oshunkeye, off Apapa Oshodi Expressway Gbagada Lagos State	-	-	1,544,000	Disposed
7 Onistha- Aba Benin Expressway Asaba, Delta State	-	-	525,000	Disposed
Ugbo- Enyi- Nike, Enugu Local Government, Enugu State	-	-	100,000	Disposed
	<b>6,373,616</b>	<b>4,880,000</b>	<b>3,822,250</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 Osas & Oseji (a registered estate surveyor & valuer) with FRC Number FRC/2012/00000000522 and Messrs Benson Omoruyi & CO (a registered estate surveyor & valuer) with FRC Number FRC/2013/NIESV/000000003307 as at 31 December 2023, 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	Rabbah Road, Kaduna, Kaduna State	8, Ohaeto Street, D-Line, Port Harcourt, Rivers State	14, Aba Road, Port Harcourt, Rivers State	Plot.294 Jide Oki Street, Victoria Island, Lagos	3A Oshunkeye, off Apapa Oshodi Expressway Gbagada Lagos State	7 Onistha- Aba Benin Expressway Asaba, Delta State	Ugbo- Enyi- Nike, Enugu Local Government, Enugu State	Total Closing Balance
<i>In thousands of naira</i>									
At 1 January 2021	1,457,250	196,000	-	-	-	1,544,000	525,000	100,000	3,822,250
Additions during the year	-	-	82,450	1,177,980	-	-	-	-	1,260,430
Disposal of property	-	-	-	-	-	(1,544,000)	(525,000)	(100,000)	(2,169,000)
Revaluation Gain/(loss)	(257,250)	(86,000)	(12,450)	2,322,020	-	-	-	-	1,966,320
<b>At 31 December 2022</b>	<b>1,200,000</b>	<b>110,000</b>	<b>70,000</b>	<b>3,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,880,000</b>
Additions during the year	12,002	300	-	-	-	-	-	-	12,302
Transfers during the year (see note 29)	-	-	-	-	1,491,244	-	-	-	1,491,244
Revaluation gain/(loss)	172,613	4,700	4,000	(350,000)	158,756	-	-	-	(9,931)
<b>At 31 December 2023</b>	<b>1,384,615</b>	<b>115,000</b>	<b>74,000</b>	<b>3,150,000</b>	<b>1,650,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,373,615</b>



### (c) Revaluation gain on Ibadan Estate

As per the Estate Valuer's Report, Ibadan Estate contains 26 units valued at N1,500,000,000. Meanwhile, IEI Plc currently has 24 units valued at N1,384,615,384.62k as at year end.

#### Basis of computations:

Total units of flats	26 units
IEI Plc's units	24 units
Total valuation	N1,500,000,000
IEI Plc's units in Naira value	N1,384,615,384.62
Improvement during the year ended	N12,002,000
Carrying amount c/f	N1,372,613,384.62
Carrying amount b/f	N1,200,000,000
Fair value gain	N172,613,384.62

## 28 Intangible assets

<i>In thousands of naira</i>	Group	Company
<b>Cost:</b>		
<b>At 1 January 2022</b>	87,894	10,790
Additions	-	2,366
Revised due to derecognition of subsidiary	(87,894)	-
<b>At 31 December 2022</b>	-	13,156
Additions	-	36,715
<b>At end of the year</b>	-	<b>49,871</b>
Accumulated amortisation:		
<b>At 1 January 2022</b>	70,728	10,790
Charge during the year	-	20.00
Revised due to derecognition of subsidiary	(70,728)	-
<b>At 31 December 2022</b>	-	10,810
Charge during the year	-	1,507
<b>At end of the year</b>	-	<b>12,317</b>
<b>Carrying amount:</b>		
At 31st December 2023	-	37,554
At 31st December 2022	-	2,346
At 1st January 2022	17,066	-

## 29 Property and equipment

### Company

<i>In thousands of naira</i>	Land	Buildings	Plant and machinery	Motor vehicles	Furniture, fittings, office & computer equipment	Leasehold Improvement	Total
<b>Cost/valuation:</b>							
<b>At 1 January 2022</b>	<b>1,090,457</b>	<b>1,994,544</b>	<b>105,864</b>	<b>191,243</b>	<b>208,392</b>	<b>-</b>	<b>3,590,500</b>
Additions	-	-	32,642	35,000	121,878	-	189,520
Disposal	-	-	-	-	(261)	-	(261)
Transfer/reclassification/ Revaluation	(466,009)	(1,118,991)	-	-	-	-	(1,585,000)
<b>At 1 January 2023</b>	<b>624,448</b>	<b>875,553</b>	<b>138,506</b>	<b>226,243</b>	<b>330,009</b>	<b>-</b>	<b>2,194,759</b>
Additions	-	-	21,368	281,055	372,673	-	675,096
Disposals	-	-	(810)	(375)	(16,712)	-	(17,897)
Transfer/Reclassification to Investment property	(624,448)	(875,553)	-	-	-	-	(1,500,001)
Write-off/retired	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
<b>At end of the year</b>	<b>-</b>	<b>-</b>	<b>159,064</b>	<b>506,923</b>	<b>685,970</b>	<b>-</b>	<b>1,351,957</b>
<b>Accumulated depreciation:</b>							
<b>At 1 January 2022</b>	<b>-</b>	<b>39,891</b>	<b>105,511</b>	<b>191,243</b>	<b>205,817</b>	<b>-</b>	<b>542,462</b>
Charge for the year	-	16,945	699	1,458	7,812	-	26,914
Disposal	-	-	-	-	(261)	-	(261)
Transfer/Reclassification to Investment property	-	(48,080)	-	-	-	-	(48,080)
<b>At 1 January 2023</b>	<b>-</b>	<b>8,756</b>	<b>106,210</b>	<b>192,701</b>	<b>213,368</b>	<b>-</b>	<b>521,035</b>
Charge for the year	-	-	7,581	41,800	27,627	-	77,008
Disposals	-	-	(810)	(375)	(16,671)	-	(17,856)
Reversal of accumulated depreciation	-	(8,756)	-	-	-	-	(8,756)
Write-off/retired	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
At end of period	-	-	112,981	234,126	224,324	-	571,432
<b>Carrying value</b>							
<b>31 December 2023</b>	<b>-</b>	<b>-</b>	<b>46,083</b>	<b>272,797</b>	<b>461,646</b>	<b>-</b>	<b>780,525</b>
<b>31 December 2022</b>	<b>624,448</b>	<b>866,797</b>	<b>32,296</b>	<b>33,542</b>	<b>116,641</b>	<b>-</b>	<b>1,673,724</b>
<b>01 January 2022</b>	<b>1,090,457</b>	<b>1,954,653</b>	<b>353</b>	<b>-</b>	<b>2,575</b>	<b>-</b>	<b>3,048,038</b>



## 29.1 Property and equipment

### Group

<i>In thousands of naira</i>	Land	Buildings	Plant and machinery	Motor vehicles	Furniture, fittings, office & computer equipment	Leasehold Improvement	Total
Cost/valuation:	1,090,457	2,383,544	122,487	422,596	514,312	19,000	4,552,396
Accumulated depreciation:	-	55,263	120,180	389,004	448,486	19,000	1,031,933
<b>At 1 January 2022</b>	<b>1,090,457</b>	<b>2,328,281</b>	<b>2,307</b>	<b>33,592</b>	<b>65,826</b>	<b>-</b>	<b>3,520,463</b>
Revised due to derecognition on loss of control of subsidiary	(1,090,457)	(2,328,281)	(2,307)	(33,592)	(65,826)	-	(3,520,463)
<b>31 December 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 30 Statutory deposit

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Minimum statutory deposit	-	322,500	322,500	322,500	322,500	322,500
Revised due to derecognition on loss of control of subsidiary	-	(322,500)	-	-	-	-
	-	-	<b>322,500</b>	<b>322,500</b>	<b>322,500</b>	<b>322,500</b>
Current	-	-	-	-	-	-
Non-current	-	-	322,500	322,500	322,500	322,500
	-	-	<b>322,500</b>	<b>322,500</b>	<b>322,500</b>	<b>322,500</b>

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 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.

## 31 Insurance contract liabilities

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Liability for Remaining Coverage (see note 32.1b below)	-	-	303,157	2,813,332	430,347	303,157
Liability for Incurred Claims (see note 32.1b below)	-	-	3,933,611	2,239,039	3,887,701	3,933,611
	-	-	<b>4,236,768</b>	<b>5,052,371</b>	<b>4,318,048</b>	<b>4,236,768</b>

### 31(a) 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.

31-Dec-23

	Aggregated				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	429,435	912	3,849,209	38,492	4,318,048
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>429,435</b>	<b>912</b>	<b>3,849,209</b>	<b>38,492</b>	<b>4,318,048</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	2,727,183	-	(10,305)	-	2,716,878
<b>Total insurance revenue - all transition methods</b>	<b>2,727,183</b>	<b>-</b>	<b>(10,305)</b>	<b>-</b>	<b>2,716,878</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	18,872	740,919	5,209	765,000
Changes that relate to past service - adjustments to the LIC	-	-	(1,664,176)	-	(1,664,176)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	571,288	-	-	-	571,288
<b>Insurance service expenses</b>	<b>571,288</b>	<b>18,872</b>	<b>(923,257)</b>	<b>5,209</b>	<b>(327,888)</b>
<b>Insurance service result</b>	<b>2,155,895</b>	<b>(18,872)</b>	<b>912,952</b>	<b>(5,209)</b>	<b>3,044,766</b>
<b>Insurance Finance Income or Expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount					
	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>2,155,895</b>	<b>(18,872)</b>	<b>912,952</b>	<b>(5,209)</b>	<b>3,044,766</b>
<b>Cash flows</b>					
Premium received	5,127,724	-	-	-	5,127,724
Claims and other directly attributable expenses paid	-	-	(740,919)	-	(740,919)
Insurance acquisition cashflows deducted	(607,716)	-	-	-	(607,716)
<b>Total cash flows</b>	<b>4,520,008</b>	<b>-</b>	<b>(740,919)</b>	<b>-</b>	<b>3,779,089</b>
Outstanding amounts transferred to LIC at end of cover					
	-	-	-	-	-
<b>Net closing balance</b>	<b>2,793,548</b>	<b>19,784</b>	<b>2,195,338</b>	<b>43,701</b>	<b>5,052,371</b>
Closing insurance contract liabilities	2,793,548	19,784	2,195,338	43,701	5,052,371
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>2,793,548</b>	<b>19,784</b>	<b>2,195,338</b>	<b>43,701</b>	<b>5,052,371</b>



31-Dec-22

	Aggregated				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	301,053	2,104	3,894,664	38,947	4,236,768
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>301,053</b>	<b>2,104</b>	<b>3,894,664</b>	<b>38,947</b>	<b>4,236,768</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	749,850	-	-	-	749,850
<b>Total insurance revenue - all transition methods</b>	<b>749,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>749,850</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	(1,192)	181,100	(455)	179,453
Changes that relate to past service - adjustments to the LIC	-	-	(45,095)	-	(45,095)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	162,611	-	-	-	162,611
<b>Insurance service expenses</b>	<b>162,611</b>	<b>(1,192)</b>	<b>136,005</b>	<b>(455)</b>	<b>296,969</b>
<b>Insurance service result</b>	<b>587,239</b>	<b>1,192</b>	<b>(136,005)</b>	<b>455</b>	<b>452,881</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>587,239</b>	<b>1,192</b>	<b>(136,005)</b>	<b>455</b>	<b>452,881</b>
<b>Cash flows</b>					
Premium received	881,558	-	-	-	881,558
Claims and other directly attributable expenses paid	-	-	(181,460)	-	(181,460)
Insurance acquisition cashflows deducted	(165,937)	-	-	-	(165,937)
<b>Total cash flows</b>	<b>715,621</b>	<b>-</b>	<b>(181,460)</b>	<b>-</b>	<b>534,161</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>429,435</b>	<b>912</b>	<b>3,849,209</b>	<b>38,492</b>	<b>4,318,048</b>
Closing insurance contract liabilities	429,435	912	3,849,209	38,492	4,318,048
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>429,435</b>	<b>912</b>	<b>3,849,209</b>	<b>38,492</b>	<b>4,318,048</b>

**31(a)i Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio**

31-Dec-23

	FIRE				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	4,228	912	126,999	1,270	133,409
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>4,228</b>	<b>912</b>	<b>126,999</b>	<b>1,270</b>	<b>133,409</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	69,435	-	(10,305)	-	59,130
<b>Total insurance revenue - all transition methods</b>	<b>69,435</b>	<b>-</b>	<b>(10,305)</b>	<b>-</b>	<b>59,130</b>
<b>Insurance service expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Incurred claims and other directly attributable expenses	-	18,872	5,590	(205)	24,257
Changes that relate to past service - adjustments to the LIC	-	-	(73,748)	-	(73,748)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	30,169	-	-	-	30,169
<b>Insurance service expenses</b>	<b>30,169</b>	<b>18,872</b>	<b>(68,158)</b>	<b>(205)</b>	<b>(19,322)</b>
<b>Insurance service result</b>	<b>39,266</b>	<b>(18,872)</b>	<b>57,853</b>	<b>205</b>	<b>78,452</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>39,266</b>	<b>(18,872)</b>	<b>57,853</b>	<b>205</b>	<b>78,452</b>
<b>Cash flows</b>					
Premium received	85,743	-	-	-	85,743
Claims and other directly attributable expenses paid	-	-	(5,590)	-	(5,590)
Insurance acquisition cashflows deducted	(35,279)	-	-	-	(35,279)
<b>Total cash flows</b>	<b>50,464</b>	<b>-</b>	<b>(5,590)</b>	<b>-</b>	<b>44,874</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>15,426</b>	<b>19,784</b>	<b>63,556</b>	<b>1,065</b>	<b>99,831</b>
Closing insurance contract liabilities	15,426	19,784	63,556	1,065	99,831
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>15,426</b>	<b>19,784</b>	<b>63,556</b>	<b>1,065</b>	<b>99,831</b>



31-Dec-22

	FIRE				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	3,843	2,104	196,193	1,962	204,102
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>3,843</b>	<b>2,104</b>	<b>196,193</b>	<b>1,962</b>	<b>204,102</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	20,563	-	-	-	20,563
<b>Total insurance revenue - all transition methods</b>	<b>20,563</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,563</b>
<b>Insurance service expenses</b>					
Incurring claims and other directly attributable expenses	-	(1,192)	26,650	(692)	24,766
Changes that relate to past service - adjustments to the LIC	-	-	(69,194)	-	(69,194)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	3,599	-	-	-	3,599
<b>Insurance service expenses</b>	<b>3,599</b>	<b>(1,192)</b>	<b>(42,544)</b>	<b>(692)</b>	<b>(40,829)</b>
<b>Insurance service result</b>	<b>16,964</b>	<b>1,192</b>	<b>42,544</b>	<b>692</b>	<b>61,392</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount					
	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>16,964</b>	<b>1,192</b>	<b>42,544</b>	<b>692</b>	<b>61,392</b>
<b>Cash flows</b>					
Premium received	21,099	-	-	-	21,099
Claims and other directly attributable expenses paid	-	-	(26,650)	-	(26,650)
Insurance acquisition cashflows deducted	(3,750)	-	-	-	(3,750)
<b>Total cash flows</b>	<b>17,349</b>	<b>-</b>	<b>(26,650)</b>	<b>-</b>	<b>(9,301)</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>4,228</b>	<b>912</b>	<b>126,999</b>	<b>1,270</b>	<b>133,409</b>
Closing insurance contract liabilities	4,228	912	126,999	1,270	133,409
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>4,228</b>	<b>912</b>	<b>126,999</b>	<b>1,270</b>	<b>133,409</b>

**31a(ii) Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio**

31-Dec-23

	MOTOR				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	406,389	-	294,060	2,941	703,390
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>406,389</b>	<b>-</b>	<b>294,060</b>	<b>2,941</b>	<b>703,390</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	2,481,699	-	-	-	2,481,699
<b>Total insurance revenue - all transition methods</b>	<b>2,481,699</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,481,699</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	152,352	(1,535)	150,817
Changes that relate to past service - adjustments to the LIC	-	-	(223,783)	-	(223,783)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	494,124	-	-	-	494,124
<b>Insurance service expenses</b>	<b>494,124</b>	<b>-</b>	<b>(71,431)</b>	<b>(1,535)</b>	<b>421,158</b>
<b>Insurance service result</b>	<b>1,987,575</b>	<b>-</b>	<b>71,431</b>	<b>1,535</b>	<b>2,060,541</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>1,987,575</b>	<b>-</b>	<b>71,431</b>	<b>1,535</b>	<b>2,060,541</b>
<b>Cash flows</b>					
Premium received	4,812,354	-	-	-	4,812,354
Claims and other directly attributable expenses paid	-	-	(152,352)	-	(152,352)
Insurance acquisition cashflows deducted	(515,674)	-	-	-	(515,674)
<b>Total cash flows</b>	<b>4,296,680</b>	<b>-</b>	<b>(152,352)</b>	<b>-</b>	<b>4,144,328</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>2,715,494</b>	<b>-</b>	<b>70,277</b>	<b>1,406</b>	<b>2,787,177</b>
Closing insurance contract liabilities	2,715,494	-	70,277	1,406	2,787,177
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>2,715,494</b>	<b>-</b>	<b>70,277</b>	<b>1,406</b>	<b>2,787,177</b>



31-Dec-22

	MOTOR				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	282,819	-	253,487	2,535	538,841
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>282,819</b>	<b>-</b>	<b>253,487</b>	<b>2,535</b>	<b>538,841</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	659,943	-	-	-	659,943
<b>Total insurance revenue - all transition methods</b>	<b>659,943</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>659,943</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses		-	71,575	406	71,981
Changes that relate to past service - adjustments to the LIC			40,573	-	40,573
Losses on onerous contracts and reversal of those losses			-	-	-
Insurance acquisition cashflows amortisation	72,631				72,631
<b>Insurance service expenses</b>	<b>72,631</b>	<b>-</b>	<b>112,148</b>	<b>406</b>	<b>185,185</b>
<b>Insurance service result</b>	<b>587,312</b>	<b>-</b>	<b>(112,148)</b>	<b>(406)</b>	<b>474,758</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>587,312</b>	<b>-</b>	<b>(112,148)</b>	<b>(406)</b>	<b>474,758</b>
<b>Cash flows</b>					
Premium received	785,441				785,441
Claims and other directly attributable expenses paid			(71,575)		(71,575)
Insurance acquisition cashflows deducted	(74,559)				(74,559)
<b>Total cash flows</b>	<b>710,882</b>	<b>-</b>	<b>(71,575)</b>	<b>-</b>	<b>639,307</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>406,389</b>	<b>-</b>	<b>294,060</b>	<b>2,941</b>	<b>703,390</b>
Closing insurance contract liabilities	406,389	-	294,060	2,941	703,390
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>406,389</b>	<b>-</b>	<b>294,060</b>	<b>2,941</b>	<b>703,390</b>

**31(a)iii Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio**

31-Dec-23

	GENERAL ACCIDENT				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimats of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	12,572	-	483,020	4,830	500,422
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>12,572</b>	<b>-</b>	<b>483,020</b>	<b>4,830</b>	<b>500,422</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	79,745	-	-	-	79,745
<b>Total insurance revenue - all transition methods</b>	<b>79,745</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79,745</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses		-	126,321	(3,121)	123,200
Changes that relate to past service - adjustments to the LIC			(397,547)		(397,547)
Losses on onerous contracts and reversal of those losses					-
Insurance acquisition cashflows amortisation	29,850				29,850
<b>Insurance service expenses</b>	<b>29,850</b>	<b>-</b>	<b>(271,226)</b>	<b>(3,121)</b>	<b>(244,497)</b>
<b>Insurance service result</b>	<b>49,895</b>	<b>-</b>	<b>271,226</b>	<b>3,121</b>	<b>324,242</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>49,895</b>	<b>-</b>	<b>271,226</b>	<b>3,121</b>	<b>324,242</b>
<b>Cash flows</b>					
Premium received	100,524				100,524
Claims and other directly attributable expenses paid			(126,321)	-	(126,321)
Insurance acquisition cashflows deducted	(33,785)		-	-	(33,785)
<b>Total cash flows</b>	<b>66,739</b>	<b>-</b>	<b>(126,321)</b>	<b>-</b>	<b>(59,582)</b>
Outstanding amounts transferred to LIC at end of cover					
<b>Net closing balance</b>	<b>29,416</b>	<b>-</b>	<b>85,473</b>	<b>1,709</b>	<b>116,598</b>
Closing insurance contract liabilities	29,416	-	85,473	1,709	116,598
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>29,416</b>	<b>-</b>	<b>85,473</b>	<b>1,709</b>	<b>116,598</b>



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	GENERAL ACCIDENT				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	7,961	-	513,739	5,137	526,837
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>7,961</b>	<b>-</b>	<b>513,739</b>	<b>5,137</b>	<b>526,837</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	24,485	-	-	-	24,485
<b>Total insurance revenue - all transition methods</b>	<b>24,485</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,485</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	64,502	(307)	64,195
Changes that relate to past service - adjustments to the LIC	-	-	(30,719)	-	(30,719)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	75,397	-	-	-	75,397
<b>Insurance service expenses</b>	<b>75,397</b>	<b>-</b>	<b>33,783</b>	<b>(307)</b>	<b>108,873</b>
<b>Insurance service result</b>	<b>(50,912)</b>	<b>-</b>	<b>(33,783)</b>	<b>307</b>	<b>(84,388)</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>(50,912)</b>	<b>-</b>	<b>(33,783)</b>	<b>307</b>	<b>(84,388)</b>
<b>Cash flows</b>					
Premium received	30,367	-	-	-	30,367
Claims and other directly attributable expenses paid	-	-	(64,502)	-	(64,502)
Insurance acquisition cashflows deducted	(76,668)	-	-	-	(76,668)
<b>Total cash flows</b>	<b>(46,301)</b>	<b>-</b>	<b>(64,502)</b>	<b>-</b>	<b>(110,803)</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>12,572</b>	<b>-</b>	<b>483,020</b>	<b>4,830</b>	<b>500,422</b>
Closing insurance contract liabilities	12,572	-	483,020	4,830	500,422
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>12,572</b>	<b>-</b>	<b>483,020</b>	<b>4,830</b>	<b>500,422</b>

**31(a)iv Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio**

31-Dec-23

	MARINE				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	6,234	-	86,018	860	93,112
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>6,234</b>	<b>-</b>	<b>86,018</b>	<b>860</b>	<b>93,112</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	86,810	-	-	-	86,810
<b>Total insurance revenue - all transition methods</b>	<b>86,810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,810</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses		-	13,797	540	14,337
Changes that relate to past service - adjustments to the LIC			(16,017)		(16,017)
Losses on onerous contracts and reversal of those losses					-
Insurance acquisition cashflows amortisation	14,934				14,934
<b>Insurance service expenses</b>	<b>14,934</b>	<b>-</b>	<b>(2,220)</b>	<b>540</b>	<b>13,254</b>
<b>Insurance service result</b>	<b>71,876</b>	<b>-</b>	<b>2,220</b>	<b>(540)</b>	<b>73,556</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>71,876</b>	<b>-</b>	<b>2,220</b>	<b>(540)</b>	<b>73,556</b>
<b>Cash flows</b>					
Premium received	116,697				116,697
Claims and other directly attributable expenses paid			(13,797)	-	(13,797)
Insurance acquisition cashflows deducted	(20,266)		-	-	(20,266)
<b>Total cash flows</b>	<b>96,431</b>	<b>-</b>	<b>(13,797)</b>	<b>-</b>	<b>82,634</b>
Outstanding amounts transferred to LIC at end of cover					
<b>Net closing balance</b>	<b>30,789</b>	<b>-</b>	<b>70,001</b>	<b>1,400</b>	<b>102,190</b>
Closing insurance contract liabilities	30,789	-	70,001	1,400	102,190
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>30,789</b>	<b>-</b>	<b>70,001</b>	<b>1,400</b>	<b>102,190</b>



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	MARINE				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	6,307	-	106,077	1,061	113,445
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>6,307</b>	<b>-</b>	<b>106,077</b>	<b>1,061</b>	<b>113,445</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	44,528	-	-	-	44,528
<b>Total insurance revenue - all transition methods</b>	<b>44,528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,528</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	18,373	(201)	18,172
Changes that relate to past service - adjustments to the LIC	-	-	(19,699)	-	(19,699)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	10,964	-	-	-	10,964
<b>Insurance service expenses</b>	<b>10,964</b>	<b>-</b>	<b>(1,326)</b>	<b>(201)</b>	<b>9,437</b>
<b>Insurance service result</b>	<b>33,564</b>	<b>-</b>	<b>1,326</b>	<b>201</b>	<b>35,091</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>33,564</b>	<b>-</b>	<b>1,326</b>	<b>201</b>	<b>35,091</b>
<b>Cash flows</b>					
Premium received	44,451	-	-	-	44,451
Claims and other directly attributable expenses paid	-	-	(18,733)	-	(18,733)
Insurance acquisition cashflows deducted	(10,960)	-	-	-	(10,960)
<b>Total cash flows</b>	<b>33,491</b>	<b>-</b>	<b>(18,733)</b>	<b>-</b>	<b>14,758</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>6,234</b>	<b>-</b>	<b>86,018</b>	<b>860</b>	<b>93,112</b>
Closing insurance contract liabilities	6,234	-	86,018	860	93,112
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>6,234</b>	<b>-</b>	<b>86,018</b>	<b>860</b>	<b>93,112</b>

**31(a)v Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio**

31-Dec-23

	BONDS				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	12	-	285,228	2,852	288,092
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>12</b>	<b>-</b>	<b>285,228</b>	<b>2,852</b>	<b>288,092</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	9,494	-	-	-	9,494
<b>Total insurance revenue - all transition methods</b>	<b>9,494</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,494</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	74,450	(597)	73,853
Changes that relate to past service - adjustments to the LIC	-	-	(172,490)	-	(172,490)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	2,211	-	-	-	2,211
<b>Insurance service expenses</b>	<b>2,211</b>	<b>-</b>	<b>(98,040)</b>	<b>(597)</b>	<b>(96,426)</b>
<b>Insurance service result</b>	<b>7,283</b>	<b>-</b>	<b>98,040</b>	<b>597</b>	<b>105,920</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount					
	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>7,283</b>	<b>-</b>	<b>98,040</b>	<b>597</b>	<b>105,920</b>
<b>Cash flows</b>					
Premium received	12,406	-	-	-	12,406
Claims and other directly attributable expenses paid	-	-	(74,450)	-	(74,450)
Insurance acquisition cashflows deducted	(2,712)	-	-	-	(2,712)
<b>Total cash flows</b>	<b>9,694</b>	<b>-</b>	<b>(74,450)</b>	<b>-</b>	<b>(64,756)</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>2,423</b>	<b>-</b>	<b>112,738</b>	<b>2,255</b>	<b>117,416</b>
Closing insurance contract liabilities	2,423	-	112,738	2,255	117,416
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>2,423</b>	<b>-</b>	<b>112,738</b>	<b>2,255</b>	<b>117,416</b>



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	BONDS				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	123	-	256,620	2,566	259,309
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>123</b>	<b>-</b>	<b>256,620</b>	<b>2,566</b>	<b>259,309</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	331	-	-	-	331
<b>Total insurance revenue - all transition methods</b>	<b>331</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>331</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	-	286	286
Changes that relate to past service - adjustments to the LIC	-	-	28,608	-	28,608
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	20	-	-	-	20
<b>Insurance service expenses</b>	<b>20</b>	<b>-</b>	<b>28,608</b>	<b>286</b>	<b>28,914</b>
<b>Insurance service result</b>	<b>311</b>	<b>-</b>	<b>(28,608)</b>	<b>(286)</b>	<b>(28,583)</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>311</b>	<b>-</b>	<b>(28,608)</b>	<b>(286)</b>	<b>(28,583)</b>
<b>Cash flows</b>					
Premium received	200	-	-	-	200
Claims and other directly attributable expenses paid	-	-	-	-	-
Insurance acquisition cashflows deducted	-	-	-	-	-
<b>Total cash flows</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>12</b>	<b>-</b>	<b>285,228</b>	<b>2,852</b>	<b>288,092</b>
Closing insurance contract liabilities	12	-	285,228	2,852	288,092
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>12</b>	<b>-</b>	<b>285,228</b>	<b>2,852</b>	<b>288,092</b>

**31(a)vi Reconciliation of the liability for remaining coverage and liability for incurred claims at Portfolio**

31-Dec-23

	ENERGY				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	-	-	2,573,884	25,739	2,599,623
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>-</b>	<b>-</b>	<b>2,573,884</b>	<b>25,739</b>	<b>2,599,623</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
<b>Total insurance revenue - all transition methods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	368,409	10,127	378,536
Changes that relate to past service - adjustments to the LIC	-	-	(780,591)	-	(780,591)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	-	-	-	-	-
<b>Insurance service expenses</b>	<b>-</b>	<b>-</b>	<b>(412,182)</b>	<b>10,127</b>	<b>(402,055)</b>
<b>Insurance service result</b>	<b>-</b>	<b>-</b>	<b>412,182</b>	<b>(10,127)</b>	<b>402,055</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>-</b>	<b>-</b>	<b>412,182</b>	<b>(10,127)</b>	<b>402,055</b>
<b>Cash flows</b>					
Premium received	-	-	-	-	-
Claims and other directly attributable expenses paid	-	-	(368,409)	-	(368,409)
Insurance acquisition cashflows deducted	-	-	-	-	-
<b>Total cash flows</b>	<b>-</b>	<b>-</b>	<b>(368,409)</b>	<b>-</b>	<b>(368,409)</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>-</b>	<b>-</b>	<b>1,793,293</b>	<b>35,866</b>	<b>1,829,159</b>
Closing insurance contract liabilities	-	-	1,793,293	35,866	1,829,159
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>-</b>	<b>-</b>	<b>1,793,293</b>	<b>35,866</b>	<b>1,829,159</b>



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	ENERGY				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
<i>In thousands of naira</i>					
Opening insurance contract liabilities	-	-	2,568,548	25,686	2,594,234
Opening insurance contract assets	-	-	-	-	-
<b>Net opening balance</b>	<b>-</b>	<b>-</b>	<b>2,568,548</b>	<b>25,686</b>	<b>2,594,234</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
<b>Total insurance revenue - all transition methods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Insurance service expenses</b>					
Incurred claims and other directly attributable expenses	-	-	-	53	53
Changes that relate to past service - adjustments to the LIC	-	-	5,336	-	5,336
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	-	-	-	-	-
<b>Insurance service expenses</b>	<b>-</b>	<b>-</b>	<b>5,336</b>	<b>53</b>	<b>5,389</b>
<b>Insurance service result</b>	<b>-</b>	<b>-</b>	<b>(5,336)</b>	<b>(53)</b>	<b>(5,389)</b>
<b>Insurance finance income or expense</b>					
The effect of and changes in time of time value of money and foreign exchange differences on changes in the carrying amount	-	-	-	-	-
<b>Total amounts recognized in comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(5,336)</b>	<b>(53)</b>	<b>(5,389)</b>
<b>Cash flows</b>					
Premium received	-	-	-	-	-
Claims and other directly attributable expenses paid	-	-	-	-	-
Insurance acquisition cashflows deducted	-	-	-	-	-
<b>Total cash flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
<b>Net closing balance</b>	<b>-</b>	<b>-</b>	<b>2,573,884</b>	<b>25,739</b>	<b>2,599,623</b>
Closing insurance contract liabilities	-	-	2,573,884	25,739	2,599,623
Closing insurance contract assets	-	-	-	-	-
<b>Net closing balance</b>	<b>-</b>	<b>-</b>	<b>2,573,884</b>	<b>25,739</b>	<b>2,599,623</b>

### 31.3 2023 Age analysis of reported claims is as follows:

In thousands of naira

S/N	Days	No. of Claimants	Total
1	0 - 90days	93	37,398
2	91 - 180days	53	5,327
3	181 - 270days	-	-
4	271 - 365days	-	-
5	Above 365 days	169	2,196,314
<b>Total</b>		<b>315</b>	<b>2,239,039</b>

31.3(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	93	37,398	-	-	-	-	-	-	18	412,102	111	449,500
Awaiting final report from adjuster	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting lead insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting outstanding document	-	-	53	5,327	-	-	-	-	151	1,784,212	204	1,789,539
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total reported claims</b>	<b>93</b>	<b>37,398</b>	<b>53</b>	<b>5,327</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>2,196,314</b>	<b>315</b>	<b>2,239,039</b>

### 31.3(ii) 2022 Age analysis of reported claims is as follows:

In thousands of naira

S/N	Days	No. of claimants	Total
1	0 - 90days	-	-
2	91 - 180days	-	-
3	181 - 270days	-	-
4	271 - 365days	1	900
5	Above 365 days	2,548	3,886,801
<b>Total</b>		<b>2,549</b>	<b>3,887,701</b>



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			-	-	-	-	-	-	101	1,049,543	101	1,049,543
Awaiting final report from adjuster	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting lead insurer's instruction	-	-	-	-	-	-	-	-	1	801,325	1	801,325
Awaiting outstanding document	-	-	-	-	-	-	1	900	2,447	2,035,933	2,448	2,036,833
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total reported claims</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>900</b>	<b>2,549</b>	<b>3,886,801</b>	<b>2,550</b>	<b>3,887,701</b>

### 31.3(iii) 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 2023

	Accident Year					Total		
	2019	2020	2021	2022	2023			
	₹'000	₹'000	₹'000	₹'000	₹'000			
Estimate of ultimate claim costs (net of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)								
End of accident year		975,014	865,890	1,069,739	1,761,569	1,667,890	-	
1 year later		1,565,234	1,267,124	567,100	879,011	-	-	
2 years later		1,500,231						
3 years later								
4 years later								
5 years later								
<b>Cumulative gross claims and other directly attributable expenses paid</b>		<b>1,500,231</b>	<b>1,267,124</b>	<b>567,100</b>	<b>879,011</b>	<b>1,667,890</b>	<b>5,881,356</b>	
Gross cumulative claims liabilities – accident years from 2019 to 2023		-	-				-	
Gross cumulative claims liabilities – prior accident years		(1,119,214)	(1,830,444)	(461,708)	(442,599)	(788,826)		
Effect of discounting								
Effect of the risk adjustment margin for non-financial risk		990,168	(1,119,214)	(1,830,444)	(461,708)	(442,599)	(788,826)	-3,652,623
<b>Gross LIC for the contracts originated</b>		<b>990,168</b>	<b>(738,197)</b>	<b>(393,764)</b>	<b>(810,920)</b>	<b>(6,187)</b>	<b>(809,762)</b>	<b>2,228,733</b>

The Company provides information on the gross and net claims development for the current reporting period and five years prior to it. The Company considers that there is no significant uncertainty with regard to claims that were incurred more than five years before the reporting period.

## Net 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 net of reinsurance basis as at 31 December 2023.

	Accident Year						
	2019	2020	2021	2022	2023	Total	
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	
Estimate of ultimate claim costs (net of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)							
End of accident year	1,750,955	975,014	865,890	1,069,739	1,761,569	-	
1 year later	1,790,134	1,565,234	1,267,124	567,100	-	-	
2 years later	1,767,133	443,341	-	-	-	-	
3 years later	345,678	-	-	-	-	-	
4 years later	-	-	-	-	-	-	
5 years later	-	-	-	-	-	-	
<b>Cumulative gross claims and other directly attributable expenses paid</b>	<b>345,678</b>	<b>443,341</b>	<b>223,400</b>	<b>567,100</b>	<b>456,789</b>	<b>2,036,308</b>	
Gross cumulative claims liabilities – accident years from 2019 to 2023							
Gross cumulative claims liabilities – prior accident years	-	1,119,214	830,444	689,010	247,877	303,303	-
Effect of discounting				-	-	-	-
Effect of the risk adjustment margin for non-financial risk	100,891	1,119,214	830,444	689,010	247,877	303,303	3,290,739
<b>Net LIC for the contracts originated</b>	<b>100,891</b>	<b>773,536</b>	<b>387,103</b>	<b>465,610</b>	<b>(319,223)</b>	<b>(153,486)</b>	<b>1,254,431</b>

## 32 Net finance income/(expense) from insurance contracts issued

<i>In thousands of naira</i>	Company		
	31-Dec-23	31-Dec-22	01-Jan-22
Insurance finance expense	15,320	8,905	-
Reinsurance finance income	(3,220)	(1,102)	-
Foreign exchange difference on Insurance contracts	3,567	2,310	-
Foreign exchange difference on reinsurance contracts	(5,362)	(1,106)	-
<b>Net insurance finance expense</b>	<b>10,305</b>	<b>9,007</b>	<b>-</b>

### 32.1 Net finance income/(expense) from reinsurance contracts held

<i>In thousands of naira</i>	Company						Total
	Fire	Motor	General accident	Marine	Bonds	Oil and energy	
31 December 2023							
Allocation of reinsurance premium paid	(35,289)	(66,198)	(50,764)	(74,144)	(1,193)	(49,563)	(277,151)
Other incurred directly attributable expenses	-	-	-	-	-	-	-
Claims recovered	83,923	35,694	63,516	83,092	(72,164)	-	194,061
Changes in risk adjustment on reinsurance	(78)	261	171	97	146	-	597
	<b>48,556</b>	<b>(30,243)</b>	<b>12,923</b>	<b>9,045</b>	<b>(73,211)</b>	<b>(49,563)</b>	<b>(82,493)</b>



### 32.2 Net finance income/(expense) from reinsurance contracts held

<i>In thousands of naira</i>	Fire	Motor	General accident	Marine	Bonds	Oil and energy	Total
<b>31 December 2022</b>							
Allocation of reinsurance premium paid	(1,150)	(60,027)	(9,506)	(23,285)	(18,668)	-	(112,636)
Other incurred directly attributable expenses	-	-	-	-	-	-	-
Claims recovered	(3,772)	(3,391)	(29,969)	89,128	-	-	51,996
Changes in risk adjustment on reinsurance	(836)	-	(156)	26	-	-	(966)
	<b>(5,758)</b>	<b>(63,418)</b>	<b>(39,631)</b>	<b>65,869</b>	<b>(18,668)</b>	<b>-</b>	<b>(61,606)</b>

### 33 Trade payables

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Reinsurance payable	-	266,067	104,562	4,987	6,508	27,919
Deposit premium (see note 32.1 below)	-	-	161,505	296,258	181,312	161,505
Derecognition on loss of control of subsidiary	-	(266,067)	-	-	-	-
	<b>-</b>	<b>-</b>	<b>266,067</b>	<b>301,245</b>	<b>187,820</b>	<b>189,424</b>

### 33.1 Movement in premium deposit

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	161,505	156,187	181,312	161,505	156,187
Additions during the year	-	-	5,318	114,946	19,807	5,318
Transfer to other Income	-	-	-	-	-	-
Derecognition on loss of control of subsidiary	-	(161,505)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>161,505</b>	<b>296,258</b>	<b>181,312</b>	<b>161,505</b>

### 34 Provisions and other payables

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Staff pension	-	-	177,197	26,530	129,199	177,190
Accruals (see note 34.1)	-	-	513,631	1,152,822	310,622	487,724
Sundry creditors (see note 34.2)	-	-	483,191	2,078,646	1,530,945	430,771
Unclaimed dividend (see note 34(i), below)	-	-	64,211	64,211	64,211	64,211
	<b>-</b>	<b>-</b>	<b>1,238,230</b>	<b>3,322,209</b>	<b>2,034,977</b>	<b>1,159,896</b>

#### 34(i) 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 amount involved has been fixed in an interest yielding fixed deposit, in accordance with the extant laws.

### 34.1 Accruals comprise:

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Accrued expenses (see note 34.2, below)	-	-	423,000	1,123,987	263,714	397,043
Professional fees	-	-	64,528	-	-	64,578
Rent received in advance	-	-	15,793	22,220	21,743	15,793
Audit fee	-	-	10,310	6,615	25,165	10,310
	-	-	<b>513,631</b>	<b>1,152,822</b>	<b>310,623</b>	<b>487,724</b>

### 34.2 Accrued expenses comprises of the following

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Advertisement	-	-	-	-	450	-
ECOWAS Brown Card	-	-	-	259,179	-	-
Productivity bonus	-	-	-	350,602	-	-
Group related expenses	-	-	-	350,000	-	-
Survey fees	-	-	204	-	154	204
Courier services	-	-	312	-	-	312
Motor running	-	-	868	30	450	868
Repairs & maintenance	-	-	1,267	-	343	1,267
Rent & rates	-	-	2,470	-	-	2,470
ICT & internet subscription	-	-	9,162	17,584	29,077	9,162
Staff training & subscriptions	-	-	30,706	-	4,324	30,706
Directors remuneration	-	-	35,964	-	67,500	35,964
Staff allowances	-	-	39,058	-	14,115	39,058
Statutory levies & dues	-	-	72,322	51,127	19,882	72,322
Legal & professional fees	-	-	85,507	95,465	117,145	85,507
Salary control - outstanding salaries	-	-	119,203	-	10,274	119,203
	-	-	<b>397,042</b>	<b>1,123,987</b>	<b>263,714</b>	<b>397,043</b>

### 34.3 Sundry creditors comprise:

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Sundry creditors comprise:						
Amount due to NACML	-	-	-	1,701,930	1,157,768	-
IEIAnchor Pension	-	-	46,180	-	-	46,180
Staff cooperative	-	-	64,113	8,036	43,716	64,113
Other creditors	-	-	372,847	368,680	329,460	320,478
	-	-	<b>483,140</b>	<b>2,078,646</b>	<b>1,530,945</b>	<b>430,771</b>



### 35 Current income tax liabilities

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	-	525,522	307,162	511,081	512,464
Current year charge (see note 25.1)	-	-	46,488	80,353	8,671	1,617
Payment made during the year	-	-	(4,304)	(105,817)	(212,590)	(3,000)
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>525,866</b>	<b>281,697</b>	<b>307,162</b>	<b>511,081</b>

#### 35.1 Income tax expenses:

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Company income tax						
Minimum tax	-	-	1,922	15,101	8,671	1,617
Education tax	-	-	2,201	52,049	-	-
Information technology development levy	-	-	525	9,310	-	-
Police trust fund levy	-	-	-	47	-	-
Stamp duty	-	-	-	3,846	-	-
	-	-	4,648	80,353	8,671	1,617
Deferred tax expense						
Origination and reversal of temporary differences	-	-	3,587	-	-	-
	-	-	8,235	80,353	8,671	1,617

#### Reconciliation of effective tax rate

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
Profit from continuing operations	931,017	1,448,079
Analysis of tax charge for the year		
Profit/(loss) before tax	931,017	241,661
Taxable income	3,597,567	1,195,402
Tax free income	(568,565)	(674,818)
Taxable profit	3,029,002	520,584
Income tax	15,101	8,671
Education tax at 3%	52,049	-
Information technology development levy	9,310	-
Police trust fund levy	47	-
Stamp duty	3,846	-
Current tax on income for the year	80,353	8,671
Deferred tax charge (temporary difference)	-	-
Tax on profit on ordinary activities	80,353	8,671
Effective tax rate	2%	1%

### 36 Deferred taxation

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	246,476	246,476	206,209	206,209	206,209
Deferred income tax expense recognised in profit or loss	-	-	-	-	-	-
Revised due to derecognition on loss of control of subsidiary	-	(246,476)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>246,476</b>	<b>246,476</b>	<b>206,209</b>	<b>206,209</b>	<b>206,209</b>

### 37 Lease obligation

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At 1 January	-	-	-	-	-	-
Lease during the year	-	-	-	89,603	-	-
Payment made during the year	-	-	-	(46,214)	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,389</b>	<b>-</b>	<b>-</b>

### 38 Borrowing

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Daewoo Securities (Europe) Limited (Note 38.1)	-	-	14,092,842	14,092,842	14,092,842	14,092,842
Term- loan Fidelity Bank	-	-	26,500	-	-	-
Revised due to derecognition on loss of control of subsidiary	-	-	-	-	-	0
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>14,119,342</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>

#### 38.1 Daewoo Securities (Europe) Limited

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At 1 January	-	-	14,092,842	14,092,842	14,092,842	14,092,842
Exchange rate differences (see note 12)	-	-	-	-	-	-
Write back of interest element on Daewoo loan (see note 14)	-	-	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>

International Energy Insurance Plc issued a bond valued at 1,850,000,000 Japanese Yen (JPY) to Daewoo Securities (Europe) Limited who have acted as the foreign agent. The bond has a tenor of 20 years commencing on 24 January 2008 and maturing on 23 January 2028. The bond was issued at a zero coupon interest rate. A premium of 29% of the face value of the bond is payable on the maturity date.

The bond has options to subscribe to the equity of the Company for the period commencing on 25 January 2009 and closing on 24 January 2028. The option rights under clause 3 of the option agreement states



that the Naira equivalent value of the bond held shall form the consideration for the shares for which the option rights are being issued.

The current Board is engaging the new owner of the loan to restructure the said loan by converting the loan to common equity or a combination of ordinary and preference shares. The meeting is yielding positive result.

### 39 Deposit for shares

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Private placement - Norrenberger Advisory Partners Ltd	-	-	-	5,000,000	5,000,000	-
Private placement - Others	-	-	279,360	29,360	279,360	279,360
Non- staff (see note 28.1 for the movement)	-	-	279,360	5,029,360	5,279,360	279,360
Staff - (see note 28.2 for the movement)	-	-	37,873	36,679	36,979	37,873
	-	-	<b>317,233</b>	<b>5,066,039</b>	<b>5,316,339</b>	<b>317,233</b>

#### 39.1 Deposit for shares

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Opening balance- 1st January	-	-	279,360	5,279,360	279,360	279,360
Additions/(Withdrawals)	-	-	-	(250,000)	5,000,000	-
<b>Closing balance</b>	-	-	<b>279,360</b>	<b>5,029,360</b>	<b>5,279,360</b>	<b>279,360</b>

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

#### 39.2 Deposit for shares - Staff

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Opening balance - 1st January	-	-	37,873	36,979	37,873	37,873
Withdrawal	-	-	-	(300)	(894)	-
<b>Closing balance</b>			<b>37,873</b>	<b>36,679</b>	<b>36,979</b>	<b>37,873</b>

### 40 Capital and reserves

#### 40.1 Share capital

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Authorized						
<b>1,284,085,489 ordinary shares of 50 kobo each</b>	-	-	<b>642,043</b>	<b>642,043</b>	<b>642,043</b>	<b>642,043</b>

#### 40.2 Share premium

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Share premium	-	-	963,097	963,097	963,097	963,097

#### 41 Statutory contingency reserve

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	-	1,629,867	1,630,192	1,603,755	1,583,143
Transfer from profit or loss	-	-	27,806	1,115,256	26,437	20,612
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>1,657,673</b>	<b>2,745,448</b>	<b>1,630,192</b>	<b>1,603,755</b>

#### 42 Capital reserve

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
Capital reserve	-	-	7,926,399	7,926,399	7,926,399	7,926,399

#### 43 Property revaluation reserve

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At beginning of year	-	1,507,417	1,507,417	1,206,428	1,482,917	1,482,917
Transfer from OCI (see note 29)	-	-	-	-	(276,489)	-
Derecognition on loss of control of subsidiary	-	(1,507,417)	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>1,507,417</b>	<b>1,206,428</b>	<b>1,206,428</b>	<b>1,482,917</b>

This reserve contains surplus on revaluation of Property and Equipment. A revaluation surplus is recorded in other comprehensive Income and credited to the property revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

#### 44 Fair value reserve

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
At 1 January	-	145,588	152,283	255,369	145,588	152,283
Transfer from OCI (see note 20)	-	-	(6,695)	163,319	109,781	(6,695)
Derecognition on lost on control of subsidiary	-	(145,588)	-	-	-	-
	<b>-</b>	<b>-</b>	<b>145,588</b>	<b>418,688</b>	<b>255,369</b>	<b>145,588</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.



## 45 Accumulated losses

<i>In thousands of naira</i>	31-Dec-23	31-Dec-22
At beginning of year	(24,413,702)	(24,568,858)
Opening balance adjustment (see note 54)	-	(51,399)
Transition adjustment		
Restated opening balance	(24,413,702)	(24,620,257)
Transfer to contingency reserves (see note 40)	(1,115,256)	(26,437)
Transfer from profit or loss	850,664	232,991
<b>At end of year</b>	<b>(24,678,296)</b>	<b>(24,413,702)</b>

## 46 Related party transactions

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

<i>In thousands of naira</i>			31-Dec-23	31-Dec-22
	Relationship	Nature of Transactions	Transactions value	Transactions value
Norrenberger Advisory Partners Limited	Member of the Group	Insurance services	445	-
Clear Pay Microfinance Bank Limited, formerly Fedeth MFB.	Member of the Group	Insurance services	541	-
Clear Pay Microfinance Bank Limited, formerly Fedeth MFB.	Member of the Group	Finance lease obligation	89,603	-
Norrenberger Securities Limited	Member of the Group	Insurance services	656	-
Transkredit Finance	Member of the Group	Insurance services	1,516	-
Norrenberger Investment & Capital Mgmt. Ltd (NACML)	Member of the Group	Insurance services	6,086	884
Infrastructure Bank Plc	Member of the Group	Insurance services	583	-
Norrenberger Pension Limited	Member of the Group	Insurance services	2,861	3,069
Norrenberger Investment & Capital Mgmt. Ltd	Member of the Group	Shared services	3,788	-
Norrenberger Pension Limited	Member of the Group	Shared services	1,187	-
Norrenberger Securities Limited	Member of the Group	Shared services	6,955	-
NICML & NSL (FF Towers Office Rent)	Member of the Group	Shared services	31,333	-
Norrenberger Advisory Partners Limited	Member of the Group	Portfolio management	100,000	-
Transkredit Finance	Member of the Group	Portfolio management	100,000	-
Norrenberger Investment & Capital Mgmt. Ltd (NACML)	Member of the Group	Working capital funding	1,701,930	-

Insurance and other services were at arms length.

## 47 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 #209.4 million (2022:#209.4million). However, the actions are being defended and the Directors are of the opinion that no material liability would arise therefrom.

## 48 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.

## 49 Non compliance with laws and regulations

The Company contravened certain laws and regulations during the year ended December 31 2023. Details of the contraventions and penalty is as follows:

<i>In thousands of naira</i>	<b>Name of regulator</b>	<b>31-Dec-23</b>	<b>31-Dec-22</b>
Late submission of accounts	Securities and Exchange Commission (SEC)	7,875	42,005
Late filing of audited accounts	National Insurance Commission (NAICOM)	1,790	1,155
Late filing of accounts	Corporate Affairs Commission (CAC)	1,820	-
		<b>11,485</b>	<b>43,160</b>

## 50 Segment reporting

Replace with For management purpose, the Company is organized into business units based on their products, services and customer base as follows: Retail and Corporate:

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:

**DETAILED REVENUE ACCOUNT****31 December 2023**

<i>In thousands of naira</i>	<b>Fire</b>	<b>Motor</b>	<b>General accident</b>	<b>Marine</b>	<b>Bonds</b>	<b>Oil and energy</b>	<b>Total</b>
Direct premium	67,051	4,803,152	93,507	115,902	12,406	-	5,092,018
Inward premium	18,692	9,202	7,017	795	-	-	35,705
Gross written premium	85,742	4,812,354	100,524	116,697	12,406	-	5,127,723
Change in liability for remaining coverage	(16,301)	(2,330,655)	(20,779)	(29,887)	(2,912)	-	(2,400,534)
<b>Insurance revenue</b>	<b>69,441</b>	<b>2,481,699</b>	<b>79,745</b>	<b>86,810</b>	<b>9,494</b>		<b>2,727,189</b>
<b>Insurance service expenses:</b>							
Claims paid	(5,590)	(152,352)	(126,321)	(13,797)	(74,450)	(368,409)	(740,919)
Increase/(decrease) in liability for incurred claims	86,447	219,942	440,035	25,239	165,336	788,994	1,725,993
Changes in Incurred but not Reported (IBNR)	(12,699)	3,841	(42,488)	(9,222)	7,154	(8,403)	(61,817)
<b>Total claims incurred</b>	<b>68,158</b>	<b>71,431</b>	<b>271,226</b>	<b>2,220</b>	<b>98,040</b>	<b>412,182</b>	<b>923,257</b>
Changes in risk adjustment	205	1,535	3,121	(540)	597	(10,127)	(5,209)
Changes in 'Loss component	(18,872)	-	-	-	-	-	(18,872)
Insurance service directly attributable expense	(11,537)	(647,526)	(13,526)	(15,702)	(1,669)	-	(689,960)
Amortization of insurance acquisition cash flows	(11,290)	(35,852)	(16,687)	(14,934)	(2,211)	-	(80,974)
Maintenance cost	(212)	(458,272)	(13,162)	-	-	-	(471,646)
	<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>(1,266,661)</b>
<b>Total insurance service expenses</b>	<b>26,452</b>	<b>(1,068,684)</b>	<b>230,973</b>	<b>(28,956)</b>	<b>94,757</b>	<b>402,055</b>	<b>(343,404)</b>
<b>Net expenses from reinsurance contracts held</b>							
Re-insurance expenses incurred	(44,715)	(81,513)	(55,463)	(93,948)	(1,512)	-	(277,151)
Amortization of minimum & deposit premium reinsurance commission income	(10,000)	(7,500)	-	-	-	(49,563)	(67,063)
Insurance claims recovered from re-insurers	120,068	44,334	75,516	93,367	(72,164)	-	261,121
Changes in Risk adjustment on reinsurance recoverable	(78)	261	171	97	146	-	597
Net expenses from reinsurance contracts held	65,276	(44,418)	20,224	(484)	(73,530)	(49,563)	(82,495)
<b>Insurance service result</b>	<b>161,169</b>	<b>1,368,597</b>	<b>330,941</b>	<b>57,369</b>	<b>30,721</b>	<b>352,492</b>	<b>2,301,290</b>

**31 December 2022**

<i>In thousands of naira</i>	<b>Fire</b>	<b>Motor</b>	<b>General accident</b>	<b>Marine</b>	<b>Bonds</b>	<b>Oil and energy</b>	<b>Total</b>
Direct premium	21,099	785,314	30,105	44,451	200	-	881,169
Inward premium	-	127	262	-	-	-	389
Gross written premium	21,099	785,441	30,367	44,451	200	-	881,559
Change in liability for remaining coverage	(536)	(116,441)	(5,882)	77	131	-	(122,651)
<b>Insurance revenue</b>	<b>20,563</b>	<b>669,000</b>	<b>24,485</b>	<b>44,528</b>	<b>331</b>		<b>758,908</b>
<b>Insurance service expenses:</b>							
Claims paid	(26,650)	(71,575)	(64,502)	(18,373)	-	-	(181,100)
Increase/(decrease) in liability for incurred claims	40,664	(36,462)	(112)	20,002	-	-	24,092
Changes in Incurred but not Reported (IBNR)	28,530	(4,111)	30,831	57	(28,608)	(5,336)	21,363
<b>Total claims incurred</b>	<b>42,544</b>	<b>(112,148)</b>	<b>(33,783)</b>	<b>1,686</b>	<b>(28,608)</b>	<b>(5,336)</b>	<b>(135,645)</b>
Risk adjustment	692	(406)	307	201	(286)	(53)	455
Loss component	1,102	-	-	-	-	-	1,102
Insurance service directly attributable expense	(5,531)	(205,881)	(7,960)	(11,652)	(52)		(231,076)
Amortization of insurance acquisition cash flows	(3,599)	(17,260)	(4,588)	(7,998)	-	-	(33,444)
Maintenance cost	-	(55,371)	(70,809)	(2,966)	-	-	(129,146)
	<b>(7,335)</b>	<b>(278,918)</b>	<b>(83,050)</b>	<b>(22,415)</b>	<b>(338)</b>	<b>(53)</b>	<b>(392,109)</b>
<b>Total insurance service expenses</b>	<b>35,209</b>	<b>(391,066)</b>	<b>(116,833)</b>	<b>(20,729)</b>	<b>(28,946)</b>	<b>(5,389)</b>	<b>(527,754)</b>
<b>Net expenses from reinsurance contracts held</b>							
Re-insurance expenses incurred	(1,150)	(60,027)	(9,506)	(23,285)	(18,668)	-	(112,636)
Amortization of minimum & deposit premium reinsurance commission income	(3,000)	(1,030)	-	-	-	-	(4,030)
Insurance claims recovered from re-insurers	(3,772)	(3,391)	(30,438)	93,628	-	-	56,027
Changes in risk adjustment on reinsurance recoverable	(836)	-	(156)	26	-	-	(966)
Net expenses from reinsurance contracts held	(8,758)	(64,448)	(40,100)	70,369	(18,668)	-	(61,605)
<b>Insurance service result</b>	<b>47,014</b>	<b>213,486</b>	<b>(132,447)</b>	<b>94,168</b>	<b>(47,283)</b>	<b>(5,389)</b>	<b>169,548</b>



## 51 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 with the Statement of Financial Position to the classes and portfolios used in the Company's ALM framework.

### 31 December 2023

*In thousands of Naira*

The Company	Insurance contract	Shareholders' funds	Total
<b>Assets</b>			
Cash and cash equivalents	4,401,204	-	4,401,204
Financial assets	2,238,807	2,000,000	4,238,807
Other receivables and prepayments	-	296,745	296,745
Insurance contract assets	8,640	-	8,640
Reinsurance assets	253,693	-	253,693
Investment in associate company	-	876,522	876,522
Investment properties	-	6,373,615	6,373,615
Intangible assets	-	37,555	37,555
Property and equipment	-	780,525	780,525
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>6,902,344</b>	<b>10,687,462</b>	<b>17,589,806</b>
<b>Liabilities</b>			
Insurance contract liabilities	5,052,370	-	5,052,370
Trade payables	-	301,245	301,245
Provisions and other payables	-	3,322,209	3,322,209
Current income tax payable	-	281,697	281,697
Deferred tax liabilities	-	206,209	206,209
Lease obligations	-	43,389	43,389
Borrowings	-	14,092,841	14,092,841
Deposit for shares	-	5,066,039	5,066,039
<b>Total liabilities</b>	<b>5,052,370</b>	<b>23,313,629</b>	<b>28,365,999</b>
<b>Gap</b>	<b>1,849,974</b>	<b>(12,626,167)</b>	<b>(10,776,193)</b>

**31 December 2022**
*In thousands of Naira*

<b>The Company</b>	<b>Insurance fund</b>	<b>Shareholders' funds</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	254,685	5,000,000	5,254,685
Financial assets			
- Fair value through PoL	89,492	-	89,492
- Fair value through OCI	350,368	-	350,368
Other receivables and prepayments	-	1,063,320	1,063,320
Reinsurance assets	293,936	-	293,936
Investment in associate company	-	876,522	876,522
Investment properties	-	4,880,000	4,880,000
Intangible assets	-	2,346	2,346
Property and equipment	-	1,673,724	1,673,724
<b>Total assets</b>	<b>988,481</b>	<b>13,818,412</b>	<b>14,806,893</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,733,413	-	4,733,413
Trade payables	-	187,820	187,820
Provisions and other payables	-	2,034,979	2,034,979
Current income tax payable	-	307,161	307,161
Deferred tax liabilities	-	206,209	206,209
Borrowings	-	14,092,842	14,092,842
Deposit for shares	-	5,316,339	5,316,339
<b>Total liabilities</b>	<b>4,733,413</b>	<b>22,145,350</b>	<b>26,878,763</b>
Gap	<b>(3,744,932)</b>	<b>(8,326,938)</b>	<b>(12,071,871)</b>

## 52 Capital Management

The main objectives of the Company when managing capital are:

- To ensure that the Minimum Capital Requirement of ₦3 billion as required by the Insurance Act CAP I17, LFN 2004, 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

The Insurance Act CAP I17, LFN 2004 specifies the amount of capital 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 Insurance Act CAP I17, LFN 2004 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 paid-up capital or 15% of the gross premium income less reinsurance premiums paid out during the year, whichever is higher in accordance with section 24 of Insurance Act CAP I17 LFN, 2004.

- (a) In the case of Existing Company:
- the excess of admissible assets over liabilities, less the amount of own shares held by the Company.
  - subordinated liabilities subject to approval by the Commission, and
  - any other financial instrument as prescribed by the Commission

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:
- Government Bonds and Treasury Bills,
  - Cash and bank balances, and
  - Cash and cash equivalents

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

	2023	2022
	₦'000	₦'000
Share capital	642,043	642,043
Share premium	963,097	963,097
Statutory contingency reserve	2,745,448	1,630,193
Accumulated losses	(24,678,295)	(24,750,041)
<b>Excess of admissible assets over liabilities</b>	<b>(20,327,707)</b>	<b>(21,514,709)</b>
	(20,327,707)	(21,514,709)
Subordinated liabilities approved by the Commission	-	-
Other instruments approved by the Commission	5,000,000	5,000,000
<b>Capital requirements</b>	<b>(15,327,707)</b>	<b>(16,514,709)</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 ₦3 billion specified by NAICOM.

The Company's capital requirement of ₦3,000,000,000 was not maintained as at the end of the financial year, while the Solvency margin was also below the requirements of the Insurance Act CAP I17, LFN 2004 as a result of the restriction on the admissibility of certain assets.

**53 Capital Management – Solvency Margin – continued**

	2023	2023	2023	2022	2022	2022
	Admissible	Inadmissible	Total	Admissible	Inadmissible	Total
Cash and cash equivalents	4,380,661	20,543	4,401,204	5,236,950	17,735	5,254,685
Financial assets						
- Fair value through OCI	110,415	-	110,415	89,492	-	89,492
- Fair value through PoL	513,687	-	513,687	350,368	-	350,368
- Debt instruments at amortised cost	3,614,705	-	3,614,705	-	-	-
Trade receivables	8,640	-	8,640	-	-	-
Other receivables and prepayments	-	296,745	296,745	-	996,256	996,256
Reinsurance assets	253,693	-	253,693	293,936	-	293,936
Deferred acquisition costs	-	-	-	12,422	-	12,422
Investment in associate	-	-	876,522	876,522	-	876,522
Investment in subsidiary	-	-	-	-	-	-
Investment properties	-	6,373,615	6,373,615	-	4,880,000	4,880,000
Intangible assets	37,554	-	37,554	2,346	-	2,346
Property and equipment - Land & Building	-	-	-	1,000,000	491,245	1,491,245
Property and equipment - Others	780,525	-	780,525	182,478	-	182,478
Statutory deposit	322,500	-	322,500	322,500	-	322,500
<b>Admissible assets</b>	<b>10,022,381</b>	<b>6,690,903</b>	<b>17,589,806</b>	<b>8,367,014</b>	<b>6,385,236</b>	<b>14,752,250</b>
Insurance contract liabilities	5,052,370	-	5,052,370	4,733,413	-	4,733,413
Trade payables	301,245	-	301,245	187,820	-	187,820
Provision and other payables	3,322,209	-	3,322,209	2,034,979	-	2,034,979
Current income tax payable	281,697	-	281,697	307,161	-	307,161
Deferred tax liabilities	-	206,209	206,209	-	206,209	206,209
Lease obligations	43,389	-	43,389	-	-	-
Borrowings	14,092,841	-	14,092,841	14,092,842	-	14,092,842
Deposit for shares	5,066,039	-	5,066,039	5,316,339	-	5,316,339
<b>Admissible liabilities</b>	<b>28,159,790</b>	<b>206,209</b>	<b>28,365,999</b>	<b>26,672,554</b>	<b>206,209</b>	<b>26,878,763</b>
Solvency margin	<b>(18,137,409)</b>		<b>(18,305,540)</b>			
The higher of:						
15% of net premium income and Shareholders' funds	<b>3,000,000</b>		<b>3,000,000</b>			
Shortfall in solvency margin	<b>(21,137,409)</b>		<b>(21,305,540)</b>			



## 54 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.

31 December 2023	Note	Fair value through OCI	Fair value through P & L
		₺'000	₺'000
Quoted equities at FVTPL	2	110,415	
Fair value through OCI - unquoted	2, 2.1		513,686
		<b>110,415</b>	<b>513,686</b>
31 December 2022			
Quoted equities at FVTPL	2	89,492	
Fair value through OCI - unquoted	2.1		350,368
		<b>89,492</b>	<b>350,368</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.

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 - treasury bills

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.

Company	2023	2022
	N'000	N'000
<b>Financial Assets measured at:</b>		
Quoted prices in active markets (level 1)	110,415	89,492
Valuation technique:		
Market observable data (level 2)	-	-
Other than observable market data (level 3)	513,687	350,368
	624,102	439,860

## 54.1 Fair value measurement

### 54.1.1 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



### 54.1.2 Recognised fair value measurement

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

In thousands of naira	2023				2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Investment assets at FVTPL</b>								
Fair value through profit or loss	110,415	-	-	110,415	89,492	-	-	89,492
	<b>110,415</b>	<b>-</b>	<b>-</b>	<b>110,415</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89,492</b>
<b>Investment assets at FVOCI</b>								
Fair value through OCI	-	-	513,686	513,686	-	-	350,368	350,368
Other debt securities	-	-	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>513,686</b>	<b>513,686</b>	<b>-</b>	<b>-</b>	<b>350,368</b>	<b>350,368</b>
<b>Total investment assets at FV</b>	<b>110,415</b>	<b>-</b>	<b>513,686</b>	<b>624,101</b>	<b>-</b>	<b>-</b>	<b>350,368</b>	<b>439,860</b>

### 54.1.3 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.

### 54.2 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

The borrower meets the unlikeliness to pay criterion, which indicates that the borrower is in significant financial difficulty. These are instances 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.

### 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.

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.

#### 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.

### 54.3 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.

#### Concentration of insurance risk

The following table discloses the concentration of claims by class of business and the gross future claims paid that are incurred by the Company:

Business Class	Gross outstanding claims balance 2021 (N'000)	Gross outstanding claims balance 2022 (N'000)	Gross outstanding claims balance 2023 (N'000)
Accident	462,633	462,743	22,710
Bonds	256,582	256,582	91,246
Fire	162,343	121,679	35,232
Marine	97,918	77,918	52,677
Motor	224,095	260,557	40,615
Oil	2,547,945	2,547,945	1,758,951
<b>Total</b>	<b>3,751,516</b>	<b>3,727,424</b>	<b>2,001,431</b>

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.



## Incurred but not Reported (IBNR)

The table below shows the best estimate IBNR calculated per segment of business of IEI Plc as at 31 December 2021, 2022, and 2023, gross and net of reinsurance.

A summary by business class is given below:

Class of business	2021		2022		2023	
	Gross IBNR (N '000)	Net IBNR (N '000)	Gross IBNR (N '000)	Net IBNR (N '000)	Gross IBNR (N '000)	Net IBNR (N '000)
Accident	51,106	32,197	20,275	17,031	62,763	38,285
Bonds	38	34	28,646	28,646	21,492	14,185
Fire	33,850	3,385	5,320	1,330	18,019	13,515
Marine	8,159	6,119	8,101	3,402	17,325	17,325
Motor	29,393	29,393	33,504	33,504	29,662	16,610
Oil	20,603	20,603	25,939	25,939	34,341	34,342
<b>Total</b>	<b>143,149</b>	<b>91,731</b>	<b>121,785</b>	<b>109,852</b>	<b>183,602</b>	<b>134,262</b>

## 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 Cost of Capital (CoC) approach calibrated using the Solvency II assumptions. The results of our findings are given below.

Class of business	2021		2022		2023	
	Gross Adjustment	Net Adjustment	Gross Adjustment	Net Adjustment	Gross Adjustment	Net Adjustment
Accident	5,137	4,209	4,830	4,058	1,709	766
Bonds	2566	2566	2,852	2,852	2,255	2,109
Fire	1,962	253	1,270	397	1,065	270
Marine	1,061	849	860	622	1,400	1,064
Motor	2,536	2,535	2,941	2,941	1,406	1,145
Oil	25,685	25,685	25,739	25,739	35,866	35,866
<b>Total</b>	<b>38,947</b>	<b>36,097</b>	<b>38,492</b>	<b>36,609</b>	<b>43,701</b>	<b>41,220</b>

## 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.

## 55 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.

### 55.1 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.

### 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 not hedged.

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

At 31 December 2023	¥'000	€'000	£'000	\$'000	€'000	Total
<b>Assets:</b>						
Non-current assets	8,878,647	-	-	-	-	8,878,647
Current assets	584,833	-	-	-	-	584,833
Bank balances, deposits and cash	8,105,782	-	207	13,587	6,749	8,126,325
Unquoted stocks	69,480	-	-	444,206	-	513,686
<b>Total assets</b>	<b>17,569,263</b>	<b>-</b>	<b>207</b>	<b>13,587</b>	<b>6,749</b>	<b>17,589,806</b>
<b>Liabilities:</b>						
Current liabilities	9,782,873	-	-	14,092,841	-	23,875,714
Non-current liabilities	5,066,039	-	-	-	-	5,066,039
<b>Total liabilities</b>	<b>14,848,912</b>	<b>-</b>	<b>-</b>	<b>14,092,841</b>	<b>-</b>	<b>28,941,753</b>



At 31 December 2022	₦'000	¥'000	£'000	\$'000	€'000	Total
<b>Assets:</b>						
Non-current assets	8,585,912	-	-	-	-	8,585,912
Current assets	482,765	-	-	-	-	482,765
Bank balances, deposits and cash	5,358,230	-	207	10,774	6,747	5,375,958
Unquoted stocks	69,480	-	-	249,107	-	318,587
<b>Total assets</b>	<b>14,496,387</b>	<b>-</b>	<b>207</b>	<b>259,881</b>	<b>6,747</b>	<b>14,763,222</b>
<b>Liabilities:</b>						
Current liabilities	7,054,216	-	-	14,092,842	-	21,147,058
Non-current liabilities	5,316,339	-	-	-	-	5,316,339
<b>Total liabilities</b>	<b>12,370,555</b>	<b>-</b>	<b>-</b>	<b>14,092,842</b>	<b>-</b>	<b>26,463,397</b>

### 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:

Impact on results	NGN	Yen	GBP	USD	Euro	Carrying value	+5%	-5%
							₦'000	₦'000
<b>Company</b>								
<b>At 31 December 2023</b>								
Bank balances and deposits	8,105,782	-	207	13,587	6,749	8,126,325	1,027	(1,027)
Borrowings	-	-	-	(14,092,841)	-	(14,092,841)	704,642	(704,642)
Unquoted Stocks	69,480	-	-	444,206	-	513,686	22,210	(22,210)
<b>At 31 December 2022</b>								
Bank balances and deposits	5,358,230	-	207	10,774	6,747	5,375,958	886	(886)
Unquoted Stocks	101,261	-	-	249,107	-	350,368	12,455	(12,455)
Borrowings	(4,782,238)	-	-	(14,092,842)	-	(18,875,080)	(704,642)	(704,642)

### 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 Company's views of possible near-term market changes that cannot be predicted with any certainty.

**56 Reconciliation of profit/(loss) before income taxation expense to cash provided by operating activities**

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
	N'000	N'000	N'000	N'000	N'000	N'000
Profit/(Loss) before income tax expense	-	-	(688,968)	931,017	241,662	(720,958)
Adjustments for items not involving movement of cash:	-	-	-	-	-	-
Depreciation	-	-	82,149	77,008	26,915	24,871
Profit on disposal of associate company	-	-	-	(523,478)	-	-
Amortisation of intangible assets	-	-	3,805	1,507	20	-
Profit on disposal of property and equipment	-	-	-	1,177	-	-
(Gain)/Loss on revaluation of investment properties	-	-	-	-	276,489	-
Interest income	-	-	(43,954)	(169,943)	(44,529)	(40,937)
Dividend income	-	-	(9,890)	(3,388)	(1,807)	(9,890)
Fair value loss/(gain) on held-for-trading assets	-	-	1,354	(12,187)	2,763	1,354
Recycled to profit or loss (financial asset)	-	-	6,695	(23,282)	109,781	6,695
Fair value loss / (gains) on investment properties	-	-	(204,750)	9,931	(1,966,320)	(204,750)
Profit or loss on disposal of investment property	-	-	-	-	1,269,000	-
Charge on impairment of assets	-	-	(3,583)	5,223	(3,443)	(4,603)
Interest expense	-	-	-	8,677	-	-
Finance costs	-	-	563,896	-	-	555,183
Exchange gains	-	-	(3,545)	(9,761)	(2,307)	(3,545)
			<b>392,177</b>	<b>(638,515)</b>	<b>(333,437)</b>	<b>324,379</b>
Changes in working capital:						
Loans and receivables			759	-	-	759
Trade receivables	-	-	(23,778)	(8,640)	-	-
Other receivables and prepayments	-	-	(74,680)	717,762	(994,324)	363
Lease liabilities	-	-	-	89,603	-	-
Reinsurance assets	-	-	31,628	(44,615)	(18,571)	31,628
Deferred acquisition costs	-	-	(1,317)	-	-	(1,317)
Insurance contract liabilities	-	-	137,512	734,322	81,230	137,512
Trade payables	-	-	31,546	113,425	(1,607)	4,008
Provisions and other payables	-	-	179,936	1,794,466	636,441	176,762
			<b>281,606</b>	<b>3,396,323</b>	<b>(296,830)</b>	<b>349,715</b>
<b>Cash used in operating activities</b>			<b>(15,185)</b>	<b>3,688,825</b>	<b>(388,606)</b>	<b>(46,864)</b>

**57 Reconciliation of other operating cash payments**

<i>In thousands of naira</i>	Group			Company		
	31-Dec-23	31-Dec-22	01-Jan-22	31-Dec-23	31-Dec-22	01-Jan-22
	N'000	N'000	N'000	N'000	N'000	N'000
Auditors' remuneration	-	-	(8,450)	(13,500)	(16,000)	(6,450)
Other expenses	-	-	(1,611,003)	(2,180,664)	(507,379)	(730,296)
Change in other assets and receivables	-	-	(73,921)	717,762	(994,324)	1,122
Change in trade payables and other liabilities	-	-	180,993	1,313,445	634,838	150,278
	-	-	(1,512,381)	(162,957)	(882,865)	(585,346)

**OTHER  
NATIONAL DISCLOSURES**



# VALUE ADDED STATEMENT

For the year ended 31 December 2023

	2023		Restated 2022	
	₺'000	%	₺'000	%
Insurance revenue	2,727,189		758,907	
Net investment income	198,869		718,852	
Credit loss reversal/(expense)	5,223		(3,443)	
Share of loss of equity-accounted investees, net of tax	-		(123,478)	
Other income	54,940		28,416	
	<b>2,986,221</b>		<b>1,379,254</b>	
Net expenses from reinsurance contracts held	(82,493)		(61,605)	
Insurance service expense	(343,404)		(527,664)	
Other business costs	(932,284)		(204,520)	
<b>Value added</b>	<b>1,628,040</b>		<b>585,464</b>	
<b>Applied as follows:</b>				
<b>To pay employees:</b>				
Salaries, wages and benefits	609,831	37	316,869	0.54
<b>To pay Government:</b>				
Taxes	80,353	5	8,671	0.01
<b>To pay providers of capital:</b>				
Finance costs	8,677	1	-	-
<b>Retained for asset replacement and future expansion of business:</b>				
-Depreciation and amortisation	78,515	5	26,934	0.05
-Profit / loss for the year	850,664	52	232,990	0.40
<b>Value added</b>	<b>1,628,040</b>	<b>100</b>	<b>585,464</b>	<b>1.00</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 31 DECEMBER

<i>In thousands of naira</i>	Restated		IFRS 4			
	2023	2022	2021	2020	2019	2018
<b>Assets</b>						
Cash and cash equivalents	4,401,204	5,254,685	121,225	147,204	136,093	278,458
Financial assets	4,238,807	439,860	332,841	341,409	302,726	327,976
Trade receivables	8,640	-	-	-	79	100
Other receivables and prepayments	296,745	1,063,320	5,962	1,997	13,910	5,222
Reinsurance contract assets	253,693	160,265	204,727	294,005	268,466	319,085
Deferred acquisition costs				10,465	4,384	
Investment in associate company	876,522	876,522	-	-	-	-
Investment in subsidiary	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Investment properties	6,373,615	4,880,000	3,822,250	3,617,500	3,315,000	2,686,250
Intangible assets	37,554	2,346	-	-	-	-
Property, plant and equipment	780,525	1,673,724	3,047,490	3,072,362	3,273,065	2,710,722
Statutory deposit	322,500	322,500	322,500	322,500	322,500	322,500
<b>Total assets</b>	<b>17,589,806</b>	<b>14,673,222</b>	<b>8,856,995</b>	<b>8,807,441</b>	<b>8,636,224</b>	<b>7,551,962</b>
<b>Liabilities</b>						
Insurance contract liabilities	5,052,370	4,318,048	4,236,768	4,110,675	4,053,715	3,956,877
Trade payable	301,245	187,820	189,424	23,905	16,053	158,356
Provisions and other payables	3,322,209	2,034,977	1,159,846	1,175,086	1,077,843	1,294,118
Current income tax payable	281,697	307,162	511,081	512,464	497,936	480,676
Deferred tax liabilities	206,209	206,209	206,209	206,209	792,724	630,908
Lease obligations	43,389	-	-			
Borrowings	14,092,841	14,092,842	14,092,842	13,537,660	12,454,934	12,454,934
Deposit for shares	5,066,039	5,316,339	317,233	317,233	318,127	373,567
<b>Total liabilities</b>	<b>28,365,999</b>	<b>26,463,397</b>	<b>20,713,403</b>	<b>19,883,232</b>	<b>19,211,332</b>	<b>19,349,436</b>
<b>Equity</b>						
Share capital	642,043	642,043	642,043	642,043	642,043	642,043
Share premium	963,097	963,097	963,097	963,097	963,097	963,097
Other reserves	(12,381,333)	(13,395,315)	(13,461,548)	(12,680,931)	(12,180,248)	(13,402,614)
<b>Total equity</b>	<b>(10,776,193)</b>	<b>(11,790,175)</b>	<b>(11,856,408)</b>	<b>(11,075,791)</b>	<b>(10,575,108)</b>	<b>(11,797,474)</b>
<b>Total liabilities and equity</b>	<b>17,589,806</b>	<b>14,673,222</b>	<b>8,856,995</b>	<b>8,807,441</b>	<b>8,636,224</b>	<b>7,551,962</b>

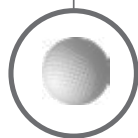
<i>In thousands of naira</i>		Restated	Restated	IFRS 4	IFRS 4	
	2023	2022	2021	2020	2019	2018
<b>STATEMENT OF PROFIT OR LOSS</b>						
Profit/(loss) before income tax	931,017	241,662	(720,958)	(1,207,080)	276,230	(3,981,220)
Income tax expense	(80,353)	(8,671)	(1,617)	571,989	(8,816)	(183,866)
Profit/(loss) after income tax	850,664	232,991	(722,575)	(635,091)	267,414	(4,165,086)
Other comprehensive income/(loss)	163,319	(166,708)	(6,695)	109,382	469,804	(15,626)
Total comprehensive loss	1,013,983	66,283	(729,271)	(525,709)	737,218	(4,180,712)
Basic and diluted (loss)/income per share (kobo)	66	18	(56)	(49)	21	(324)
Net Assets/(liabilities) per share (kobo)	(839)	(918)	(923)	(863)	(824)	(919)

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.

# 2022

Reports and Accounts





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# CORPORATE INFORMATION

## DIRECTORS

Alhaji Bukar Goni Aji, OON, CFR	-	Chairman (Appointed on 07/06/2022)
Alhaji Muhammad K. Ahmad, OON	-	Interim Chairman (Tenure Expired on 06/06/2022)
Mr. Olasupo Sogelola	-	Managing Director/CEO (Appointed 01/01/2023)
Mr. Egun Ayeni	-	Managing Director/CEO (Resigned 31/12/2022)
Mr. Anthony Edeh	-	Non-Executive Director (Appointed 07/06/22)
Mr. Mohammed N. Mijindadi	-	Non-Executive Director (Appointed 07/06/22)
Dr. Chamberlain S. Peterside, Ph.D.	-	Non- Executive Director (Appointed 07/06/22)
Dr. Adeyinka Hassan, Ph.D.	-	Non- Executive Director (Appointed 07/06/22)
Mr. Oluwateniola O. Eleoramo	-	Non-Executive Director (Appointed 07/06/22)
Mrs. Monsurat Ayoola	-	Non-Executive Director (Appointed 07/06/22)
Ms. Daisy Ekineh	-	Interim Director (Tenure expired 06/06/22)
Ms. Ibiyemi B. Adeyinka	-	Interim Director (Tenure expired 06/06/22)

### SECRETARY

#### H. Michael & Co

48B, Lasode Crescent  
Victoria Island, Lagos

### REGISTRATION NO.

RC No. 6126

### REGISTERED OFFICE

FF Towers, 13/14, Ligali Ayorinde Street,  
Victoria Island, Lagos

### SOLICITORS

#### Bayo Osipitan & Co.

2A Irete Street  
Off Thorburn Avenue, Yaba

#### Solola & Akpana

3B, Tokunbo Omisore Street,  
Off Wole Olateju, Lekki Phase 1, Lagos

### AUDITORS

#### Doyin Owolabi & Co. (Chartered Accountants)

FRC/2013/ICAN/00000000101  
14, Falolu Street,  
Surulere, Lagos.

### BANKERS

Keystone Bank Limited  
United Bank for Africa Plc.  
Zenith Bank Plc.  
First Bank of Nigeria  
Access Bank Plc.  
GT Bank Plc.  
Wema Bank Plc.  
Fidelity Bank Plc.

### ACTUARIES

#### 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

# FINANCIAL HIGHLIGHTS

For the year ended 31 December 2022

## Major statement of financial position items As at December 31:

<i>In thousands of naira</i>	Group			Company		
	2022	2021		2022	2021	
	N'000	N'000	%	N'000	N'000	%
Total assets	-	9,157,842	64	14,752,250	8,919,763	65
Insurance contract liabilities	-	4,248,187	11	4,733,413	4,248,187	11
Total Surplus/Deficit	-	11,996,909	83	12,126,514	11,805,059	3

## Major statement of profit or loss items For the year ended December 31:

<i>In thousands of naira</i>	Group			Company		
	2022	2021		2022	2021	
	N'000	N'000	%	N'000	N'000	%
Gross written premium	-	687,076	28	881,559	687,076	28
Underwriting results						
Investment and other operating income	-	131,279	79	3,970	131,279	(97)
Net realized, fair value changes and Interest Revenue	-	1,303,289	140	747,268	310,999	(109)
(Loss)/profit before income tax expense	-	(688,967)	(70)	(146,075)	(720,957)	(80)
Income tax expense	-	(8,235)	436	(8,671)	(1,617)	436
(Loss)/profit for the year	-	(697,202)	(69)	(154,746)	(722,574)	(79)
<b>Net Assets/Liabilities Per Share</b>	-	<b>178</b>		<b>153</b>	<b>178</b>	
(Loss)/profit Per Share:		(55)		(12)	(56)	
Basic and Diluted loss per share (Kobo)		(55)		(12)	(56)	



## SHAREHOLDING STRUCTURE AND FREE FLOAT STATUS

**Company name:** International Energy Insurance Plc

**Year-end:** 31st December

**Reporting Period:** 31st December 2022

**Share Price at end of reporting period:** ₦0.38 (31st December 2021: ₦0.38)

Description	31-Dec-22		31-Dec-21	
	Units	Percentage (in relation to Issued Share Capital)	Units	Percentage (in relation to Issued Share Capital)
<b>Substantial Shareholding (5% &amp; Above)</b>				
NORRENBERGER ADVISORY PARTNERS	649,873,013	50.61%	-	0.00%
Rivers State Government	-	0.00%	79,745,246	6.21%
Pearlchrix Propertys Limited	-	0.00%	140,990,312	10.98%
Rivers State Government Min of Fin (MOFI)	-	0.00%	280,000,000	21.81%
<b>Substantial Shareholding</b>	<b>649,873,013</b>	<b>50.61%</b>	<b>500,735,558</b>	<b>39.00%</b>
<b>Directors Shareholding (Direct and Indirect), Excluding directors with Substantial interests</b>				
Ms. Ibiyemi B. Adeyinka	38,888	0.00%	38,888	0.00%
<b>Total Directors' Shareholding</b>	<b>38,888</b>	<b>0.00%</b>	<b>38,888</b>	<b>0.00%</b>
<b>Details of Other influential shareholdings, if any (E.g. Government, Promoters)</b>				
Stanbic Nom./AMCON/BANK PHB PLC	-	0.00%	13,572,642	1.06%
SKI CONSULT	-	0.00%	14,006,135	1.09%
SNNL/ASSET MGMT CORPORATION OF NIG - MAIN	-	0.00%	21,283,917	1.66%
TRUSTBANC ASSET MGT. LTD	-	0.00%	49,236,151	3.83%
SKI CONSULT	-	0.00%	51,065,848	3.98%
<b>Total of Other influential shareholdings</b>	<b>-</b>	<b>0.00%</b>	<b>149,164,693</b>	<b>11.62%</b>
<b>Free Float in Units and percentage</b>	<b>634,153,588</b>	<b>49%</b>	<b>634,126,350</b>	<b>49%</b>
<b>Total</b>	<b>1,284,065,489</b>	<b>100%</b>	<b>1,284,065,489</b>	<b>100%</b>
<b>Free Float in value</b>	<b>₦240,978,363.44k</b>		<b>₦240,968,013.00k</b>	



### **Declaration**

- A) IEI Plc has a free float of #240,978,363.44k as at 31 DEC '22
- B) IEI Plc has a free float of #240,968,013.00k as at 31 DEC '21

### **Declaration:**

- (A) International Energy Insurance Plc with a free float percentage of 49% as at 31st December 2022, 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 #240,978,363.44K as at 31st December 2022, 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 aware of any infringement of the policy during the period under review.

### **Rules Governing Free Float Requirement**

In accordance with Rule 2.2 - Rules Governing Free requirement.

International Energy Insurance Plc complies with The Exchange's Free Float Requirement.



# DIRECTORS' REPORT

For the year ended 31 December 2022

The Directors submit their Report on the affairs of International Energy Insurance Plc (“the Company”) and its subsidiary, or associate company, (collectively “The Company”) together with the financial statements for the year ended December 31, 2022.

## 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. The Company now has 29% shareholding in Norrenberger Pension Limited, (NPL) formerly IEI Anchor Pensions Managers Limited is engaged in Pension Fund Administration for employees in the private and public sector.

## RESULTS FOR THE YEAR

	Group		Company	
	2022	2021	2022	2021
	N '000	N '000	N '000	N '000
(Loss)/Profit before income tax expense	-	(688,967)	(146,075)	(720,957)
Income tax (expense)/credit	-	(8,235)	(8,671)	(1,617)
(Loss)/Profit for the year	-	(697,202)	(154,746)	(722,574)
Other comprehensive income/(loss) for the year, net of tax	-	(6,695)	(166,707)	(6,695)
<b>Total comprehensive (loss)for the year</b>	<b>-</b>	<b>(703,897)</b>	<b>(321,453)</b>	<b>(729,270)</b>

## DIVIDEND

The Directors do not recommend payment of any dividend for the year ended December 31, 2022 (2021: Nil).

## EVENTS AFTER REPORTING DATE

There are no events after the reporting date, which could have had a material effect on the financial position of The Company as at December 31, 2022 and the profit for the year then ended.

## BOARD OF DIRECTORS

The following are members of the Interim board of Directors who held office during the year and at the date of this report, these directors were appointed by NAICOM:

Alhaji Bukar Goni Aji, OON, CFR	- Chairman (Appointed on 07/06/2022)
Alhaji Muhammad K. Ahmad, OON	- Interim Chairman (Tenure Expired on 06/06/2022)
Mr. Olasupo Sogelola	- Managing Director/CEO (Appointed 01/01/2023)
Mr. Ebun Ayeni	- Managing Director/CEO (Resigned 31/12/2022)
Mr. Anthony Edeh	- Non-Executive Director (Appointed 07/06/22)
Mr. Mohammed N. Mijindadi	- Non-Executive Director (Appointed 07/06/22)
Dr. Chamberlain S. Peterside, Ph.D.	- Non- Executive Director (Appointed 07/06/22)
Dr. Adeyinka Hassan, Ph.D.	- Non- Executive Director (Appointed 07/06/22)
Mr. Oluwateniola O. Eleoramo	- Non-Executive Director (Appointed 07/06/22)
Mrs. Monsurat Ayoola	- Non-Executive Director (Appointed 07/06/22)
Ms. Daisy Ekineh	- Interim Director (Tenure expired 06/06/22)
Ms. Ibiyemi B. Adeyinka	- Interim Director (Tenure expired 06/06/22)

### DIRECTORS' INTEREST IN CONTRACTS

In accordance with Section 277 of the Companies and Allied Matters Act of Nigeria, CAP C20 Laws of the Federation of Nigeria, none of the Directors has notified the Company of any declarable interest in contracts during the year.

### DIRECTORS' INTEREST IN SHARES

The Directors' direct and indirect interests in the issued share capital of the Company are as follows:

Directors	2022	2021
Alhaji Bukar Goni Aji, OON, CFR	-	-
Alhaji Muhammad K. Ahmad, OON	-	-
Mr. Olasupo Sogelola	-	-
Mr. Anthony Edeh	-	-
Mr. Mohammed N. Mijindadi	-	-
Dr. Chamberlain S. Peterside, Ph.D.	-	-
Dr. Adeyinka Hassan, Ph.D.	-	-
Mr. Oluwateniola O. Eleoramo	-	-
Mrs. Monsurat Ayoola	-	-
Ms. Ibiyemi B. Adeyinka	38,888	38,888

### 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).

### 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:

- African Reinsurance Corporation
- WAICA Reinsurance Corporation Plc.
- CICA Reinsurance Company
- NCA Reinsurance Company
- Continental Reinsurance Plc
- Nigerian Reinsurance Corporation
- PTA/ZEP Reinsurance Company

### RESEARCH AND DEVELOPMENT

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



### DISABLED PERSONS

The Company believes in giving full and fair consideration to all current and prospective staff. No disabled person (2021: 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.

### GIFTS AND DONATIONS

The Company made charitable donations of the sum of ₦250,000.00 (2021: Nil) during the year under review.

	₦
Professional Insurance Ladies Association (PILA)	100,000.00
Union of Tipper and Quarry Employees of Nigeria	150,000.00
<b>Total</b>	<b>250,000.00</b>

### HEALTH AND SAFETY AT WORK OF EMPLOYEES

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 Group's appointed Health Management Organizations (HMO). Firefighting equipment has also been installed in strategic positions within the offices of The Company. The Company incurred a sum of ₦7.093million (2021: of ₦5.103 million) in providing such medical benefits during the year.

### EMPLOYEE INVOLVEMENT AND TRAINING

In addition to in-house training. The Company, where necessary sends its employees on various seminars, conferences, workshops and courses both locally and abroad. The staff are encouraged to improve themselves academically in any chosen profession, which is relevant to their job. The Company refunds a substantial proportion of all expenses incurred on such courses on the successful completion of the course. The Company incurred ₦6.5million (2021: ₦8.36 million) on employees training during the year.

### AUDITORS

Messrs. Doyin Owolabi & Co (Chartered Accountants) have indicated their willingness to continue in office as auditors of the Company in accordance with Section 357 (2) the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria.



#### H. Michael & Co.

Company Secretary

FRC/2013/NBA/00000001060

Lagos, Nigeria

21 November 2023



# MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 31 December 2022

## Management Objectives

International Energy Insurance Plc is the first energy-sector focused insurance company in the country providing first class underwriting solutions for offshore, onshore as well as general business risks using a combination of strategic initiatives and excellent service delivery.

We are a market oriented Company that focuses on customers' satisfaction. Our business model is "Superior Service Delivery" which is customer-centric. It is aimed at meeting and surpassing the expectations of internal and external customers'.

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.

## Management Strategy

The Company's strategy is to use technology and international best practice and superior services to provide its customers with tailor made solutions. The Company has put series of measures, initiatives and target aimed at profitable growth and increase market share. The Company aspire to achieve market leadership in all segment of the business.

	Group		Company	
	2022	2021	2022	2021
	₦'000	₦'000	₦'000	₦'000
Gross Premium written	-	687,076	881,559	687,076
(Loss)/Profit before income tax expense	-	( 688,967)	( 146,075)	(720,958)
Income tax expense/credit	-	(8,235)	(8,671)	(1,617)
(Loss)/Profit for the year	-	( 697,202)	(154,746)	(722,575)



## CORPORATE GOVERNANCE REPORT

The Board of Directors of International Energy Insurance Plc recognizes that it has the primary responsibility of ensuring good governance, ethics, probity, and professionalism. We continue to be transparent in our business transactions through compliance with ethics and statutory provisions and laws relating to the insurance business to achieve our corporate objectives.

The Company, through the Board, continued to work consistently at ensuring compliance and explaining circumstances through our corporate governance reporting platform to the Regulators.

International Energy Insurance Plc operates its business within the framework of appropriate rules and regulations under which it was incorporated, as well as global best practices, corporate governance codes and guidelines released by relevant regulatory authorities such as the National Insurance Commission, the Financial Reporting Council of Nigeria, the Nigerian Exchange Group, the Securities and Exchange Commission, and the Corporate Affairs Commission.

Best practices principles have been an integral part of how we now conduct our business affirming our belief that good corporate governance is a means of retaining and expanding our clientele, sustaining the viability of the business in the long term, and maintaining the confidence of investors. IEI believes that the attainment of its business objectives is, among others, directly aligned with good corporate behaviour as it provides stability and growth to the enterprise. In line with this objective and the need to meet its responsibility to its stakeholders, the Company strives to meet the expectations of its operating environment. That is why we have continued to challenge ourselves and reinvent our processes to effectively tackle the unfolding challenges and exploit emerging opportunities.

The Company recently embarked on a strategic acquisition that led to the acquisition of 50.60% of its shares by Norrenberger Advisory Partners Limited. Since the acquisition, the Company has taken expansion steps towards achieving its strategic objectives, the process, people, and product initiatives of the new investors are beginning to yield positive progress for the Company. The Executive Management of the Company has

been orchestrated with strategic hires. The Board comprises astute business executives poised towards helping the Company achieve its strategic objectives. Since the acquisition of the shares of the Company, the Company has started to grow with an increase in its premium collections and improved perception of the public. The share value of the Company has improved with upward profitability and improved market share.

The Company has further strengthened its systems of internal control and risk management to safeguard the interests of all the stakeholders in the business. As indicated in the statement of responsibility of Directors and notes to the Financial Statements, IEI adopts standard accounting practices to engender transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

### ETHICAL STANDARDS

The leadership of the Board continues to provide ethical leadership where every process of operations is subject to due process and ethical conduct. To maintain a high ethical standard for the conduct of its business, IEI ensures that each director and employee discloses to the board his/her interest in any other company within the insurance industry and in a position where their self-interest conflict with their duty to act in the best interest of the Company. Various policies have been put in place to advance the drive to work in line with the principles and ethics of good governance across the Board.

### CORPORATE STRUCTURE

#### Shareholders Meeting

The Company in the actualization of its corporate governance objectives recognizes its shareholders as the highest decisionmaking body in line with the provisions of its Memorandum and Articles of Association. The Annual General Meeting of the Company by statutory requirement is to be held once a year. An Extra-Ordinary General Meeting of the Company may be convened at the behest of the Board or shareholders holding not less than 10% of the Company's paid-up capital. Attendance at these meetings is open to shareholders and/or their proxies and sufficient notice is given to ensure maximum attendance of the shareholders. IEI held its 43rd Annual General Meeting on October

11, 2022, and decisions affecting the strategic development and direction of the Company were taken under the watchful eyes of representatives of regulatory authorities such as the National Insurance Commission, Financial Reporting Council of Nigeria, Nigerian Exchange Group, Securities and Exchange Commission and members of the press. The approval of the Corporate Affairs Commission was duly sought and obtained to hold the meeting by proxy.

The Board of Directors of International Energy Insurance Plc has overall responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Company.

The Board met 10 times within the year under review. Within the same period, its Statutory Audit Committee met two times.

1.	Alhaji Bukar Goni Aji, OON, CFR	-	Chairman (Appointed on 07/06/2022)
2.	Alhaji Muhammad K. Ahmad, OON	-	Interim Chairman (Tenure expired 06/06/22)
3.	Mr. Olasupo Sogelola	-	Managing Director/CEO (Appointed 01/01/2023)
4.	Mr. Ebun Ayeni	-	Managing Director/CEO (Resigned 31/12/2022)
5.	Mr. Anthony Edeh	-	Non-Executive Director (Appointed 07/06/22)
6.	Mr. Mohammed N. Mijindadi	-	Non-Executive Director (Appointed 07/06/22)
7.	Dr. Chamberlain S. Peterside, Ph.D.	-	Non- Executive Director (Appointed 07/06/22)
8.	Dr. Adeyinka Hassan, Ph.D.	-	Non- Executive Director (Appointed 07/06/22)
9.	Mr. Oluwateniola O. Eleoramo	-	Non-Executive Director (Appointed 07/06/22)
10.	Mrs. Monsurat Ayoola	-	Non-Executive Director (Appointed 07/06/22)
11.	Ms. Daisy Ekineh	-	Interim Director (Tenure expired 06/06/22)
12.	Ms. Ibiyemi B. Adeyinka	-	Interim Director (Tenure expired 06/06/22)
13.	H. Michael & Co	-	Company Secretary

### ROLES OF CHAIRMAN AND MANAGING DIRECTOR

The manner in which the Company structured the roles of the Chairman, and the Managing Director has assisted in averting overlaps of roles and effectiveness of governance. This is done in accordance with NAICOM guidelines on the Code of Corporate Governance for the Insurance Industry and the Nigerian Code of Corporate Governance 2018.

The Chairman has the primary responsibility of ensuring that the board carries out its governance role in the most effective manner. He is responsible for the overall leadership of the

The following structures have been put in place for the execution of corporate governance strategy:

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

### BOARD OF DIRECTORS

During the period 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 financial and non-financial reporting.

board and for creating an enabling environment for the effectiveness of individual directors. The Managing Director is responsible for the day-to-day running of the Company to achieve overall efficiency of management. He has responsibilities for developing, implementing, and monitoring the strategic and financial plans of the Company in the most effective manner.

### ROLE OF THE BOARD

- Establish corporate strategies, set performance indices, and monitor the implementation and performance.
- Review alignment of goals, major plans of action and annual budget.



- Ensure the integrity of the Company's accounting and financial reporting systems (including the independent audit) and that appropriate systems are in place for monitoring risks, financial control and compliance with the law.
- Formulate risk strategies and make decisions on business acquisitions and expansions/ investments into foreign markets.
- Ensure that the interests of the stakeholders are balanced.
- Ensure that the Company's operations are in accordance with high business and ethical standards.

The Board meets regularly to review financial performance and reports on the contribution of the various business units to the overall performance of the company as well as to consider other matters. Adequate advance notice of the meeting, the agenda, and reports to be considered are circulated to members. Emergency meetings are convened as and when the need arises.

#### DIRECTORS' ATTENDANCE

In accordance with Section 284(2) of the Companies and Allied Matters Act 2020, the record of the Directors' attendance at Directors and Committee meetings during the year under review is as shown below.

The Board met ten (10) times during the year under review as shown below.

#### (A) THE INTERIM BOARD – SIX (6) TIMES

		14-Jan-22	21-Jan-22	22-Apr-22	26-APR-22	04-June-22	06-June-22
		Meeting No.					
S/N	Name	71st	72nd	73rd	74th	74th	76th
1	MR M.K AHMAD	☑	☑	☑	☑	☑	☑
2	MS IBIYEMI ADEYINKA	☑	☑	☑	☑	☑	☑
3	MS. DAISY EKINEH	☑	☑	☑	☑	☑	☑
4	MR EBUN AYENI	☑	☑	☑	☑	☑	☑

#### (B) THE NEW BOARD – FOUR (4) TIMES

		07-June-22	29-Sep-22	11-Nov-22	15-Dec-22
		Meeting No.			
S/N	Name	77th	78th	79th	80th
1	ALH. BUKAR GONI AJI	☑	☑	☑	☑
2	MR. ANTHONY EDEH	☑	☑	☑	☑
3	DR. CHAMBERLAIN PETERSIDE	☑	☑	☑	☑
4	DR. HASSAN ADEYINKA	☑	☑	☑	☑
5	MRS. MONSURAT IYABODE AYoola	☑	☑	☑	☑
6	ALH. MOHAMMED MIJINDADI	x	☑	☑	☑
7	MR. OLUWATENIOLA OMOGBENGA ELEORAMO	x	☑	x	☑
8	MR. EBUN AYENI	☑	☑	☑	☑

#### BOARD MEETINGS

The Board carried out its oversight functions with the assistance of four Board Committees namely.

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

## BOARD COMMITTEES

### STATUTORY AUDIT & COMPLIANCE COMMITTEE

The purpose of the Committee is to assist the Board of Directors in carrying out its duties with regard to financial reporting and legal compliance.

In compliance with the provisions of Section 359 of the Companies and Allied Matters Act, Cap C20, LFN 2004, the Company had an Audit Committee comprised of two (2) Non-executive Directors and two (2) shareholders' representatives as follows:

- i. Mr. Augustine Anono - Chairman (Re-elected 11/10/2022)
- ii. Mr. Moses Igbrude - Shareholders' representative (Re-elected 11/10/2022)
- iii. Mr. Oyinwola Mosunmo - Shareholders' representative (Elected 11/10/2022)
- iv. Mr. Anthony Edeh - Non-executive Director (Appointed 07/09/2022)
- v. Dr. Chamberlain Petersid - Independent Director (Appointed 07/09/2022)
- vi. Ms. Ibiyemi B. Adeyinka - Interim Director (Tenure expired 06/06/2022)
- vii. Ms. Daisy Ekineh - Interim Director (Tenure expired 06/06/2022)

S/N	Name	Composition	07-Jan-22	15-Sep-22
i.	Mr. G.A. Anono	CHAIRMAN	☑	☑
ii.	Mr. Moses Igbrude	MEMBER	☑	☑
iii.	Ms. Ibiyemi B. Adeyinka	MEMBER	☑	☑
iv.	Ms. Daisy Ekineh	MEMBER	☑	☑
v.	Mr. Anthony Edeh	MEMBER	x	☑
vi.	Dr. Chamberlain Peterside	MEMBER	x	☑
vii.	Mr. Oyinwola Mosunmola	MEMBER	x	☑

### FINANCE, INVESTMENT & GENERAL PURPOSES COMMITTEE

The Purpose of the Committee is to provide a body to which the Board can delegate some of its investment decision making powers to receive researched suggestions/advice that will facilitate the choice of the best investment options for the Company. Its purpose is also to assist the Board in its strategic and financial planning duties including advice on Key Performance Indicators, optimal funding structure, approval of capital expenditure and specific capital projects. The Committee will carry out oversight functions to ensure the effective utilization of the Company's financial resources in accordance with policies laid down by the Board and the law. The Committee will make recommendations to the Board on the company's investments. The Committee was expanded and reconstituted subsequent to the inauguration of the new Board, no meeting of the Committee was held within the year under review because of transition activities.

The members of the Committee are as follows.

- i. Mr. Anthony Edeh - Chairman (Appointed w.e.f. 07/09/2022)
- ii. Ms. Daisy Ekineh - Interim Chairman (Tenure expired 06/06/2022)
- iii. Ms. Ibiyemi B. Adeyinka - Member (Tenure expired 06/06/2022)
- iv. Mr. Ebun Ayeni - Member/MD/CEO (Resigned w.e.f. 31/12/2022)
- v. Mr. Oluwateniola Eleoramo - Member (appointed w.e.f. 07/09/2022)
- vi. Mr. Olasupo Sogelola - Member (appointed w.e.f. 01/01/2023)



### **ENTERPRISE RISK MANAGEMENT COMMITTEE**

This is a new Committee established by the new Board of Directors with effect from the 4th Quarter of the year 2022. The Board has delegated this Committee to govern enterprise risk and oversight of the company. Its responsibilities include identifying and managing risk as well as implementing systems, processes, and controls of operational and enterprise-wide risk management of the company. The Committee is established to ensure oversight by the Board of Directors with regard to the risk appetite and risk tolerance levels of the company, to provide assurance of the process and system of internal control and to strengthen those systems and compliance with the applicable laws, regulations and ethics related policies by monitoring and advising on the Management of all material business risks, including but not limited to strategic, operational, reputational, ethical, environmental, legislative, regulatory or market-related risk.

The members of the Committee are as follows.

- i. Dr. Adeyinka Hassan - Chairman
- ii. Dr. Chamberlain Peterside - Member
- iii. Mr. Mohammed Mijindadi - Member
- iv. Mrs. Monsurat Ayoola - Member (Resigned w.e.f. 14/02/2023)

### **DIRECTORS NOMINATION PROCESS**

The Directors are nominated to the Board Nomination, Governance and Remuneration Committee who make recommendations to the Board for further consideration and approval. In considering nominations for Board vacancies, the Board considers the materiality of the cognitive experience, qualifications, and expertise of the nominees for Board appointment. The Board further seeks the approval of the members at the general meeting for the appointment of Directors.

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

We the undersigned hereby certify the following with regards to our financial statements for the year ended 31 December 2022 that:

- We have reviewed the report.
  - (i) To the best of our knowledge, the report does not contain
  - (ii) Any untrue statement of a material fact, or
  - (iii) Omit 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 operations of The Company as of, and for the period presented in the report,
- We
  - (i) are responsible for establishing and maintaining internal controls;
  - (ii) have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
  - (iii) have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report:
  - (iv) have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- We have disclosed to the auditors of the Company and the Audit Committee:
  - (i) all significant deficiency in the design or operations of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls, and
  - (ii) any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls;



**Mr. Olasupo Sogelola**

*Managing Director*

FRC/2016/CIIN/00000013713



**Mr. Emmanuel Bassey**

*Chief Financial Officer*

FRC/2013/ICAN/0000000635

21 November, 2023

## 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.



**Dr. Adeyinka Hassan, PhD**

*Director*

FRC/2013/NBA/00000001514



**Mr. Olasupo Sogelola**

*Managing Director*

FRC/2016/CIIN/00000013713

23 November, 2023



# REPORT OF THE AUDIT COMMITTEE

## 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 C29, Laws of the Federation of Nigeria 2004, the members of the Audit Committee of International Energy Insurance Pic 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 2022 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.

**Chief Augustine G. Anono**  
*Chairman, Audit Committee*  
FRC/2021/002/00000020618

23 November, 2023

Members of the Audit Committee are:

Mr. Mr. Augustine Anono	-	Chairman (re-elected 11/10/2022)
Mr. Moses Igbrude	-	Shareholders representative (re-elected 11/10/2022)
Mr. Oyinwola Mosunmola	-	Shareholders representative (re-elected 11/10/2022)
Mr. Anthony Edeh	-	Non-executive Director (appointed 07/09/2022)
Dr. Chamberlain Peterside	-	Independent Director (appointed 07/09/2022)
Ms. Ibiyemi B. Adeyinka	-	Interim Director (Tenure expired 06/06/2022)
Ms. Daisy Ekinch	-	Interim Director (Tenure expired 06/06/2022)

Secretary to the committee

**H. Michael & Co.**  
FRC/2013/NBA/00000001060  
Lagos, Nigeria

# STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

The Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, requires the Directors to prepare consolidated financial statements for each financial year that present fairly, in all material respects, the state of financial affairs of the Company and its subsidiary at the end of the year and of its profit or loss and other comprehensive income. The responsibilities include ensuring that the Company and its subsidiary:

- a) 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, CAP C20 Laws of the Federation of Nigeria 2004;
- b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- c) 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, CAP C20 Laws of the Federation of Nigeria 2004, 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 No. 6, 2011.

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 and its subsidiary as at 31 December 2022, and of their financial performance for the year ended then. Nothing has come to the attention of the Directors to indicate that the Company and its subsidiary will not remain a going concern for at least twelve months from the date of this statement.

**Dr. Adeyinka Hassan, Phd**

Director

FRC/2013/NBA/00000001514

**Mr. Olasupo Sogelola**

Managing Director

FRC/2016/CIIN/00000013713

23 November, 2023



## INDEPENDENT AUDITOR'S REPORT

### 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") and its associates (collectively "The Company"), which comprise the statements of financial position as at December 31 2022, and the statements of profit or loss, statements of 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 present fairly, in all material respects, the financial position of the Company and its subsidiary as at December 31 2022 and their financial performance and their cash flows for the year then ended and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

#### 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' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audit of International Energy Insurance Plc. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of International Energy Insurance Plc. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Relating to Going Concern

We draw attention to the fact that the Company did not meet the regulatory solvency margin whilst there was a shortfall of ₦3.75billion (2021: ₦2.67billion) in the assets cover (see note 59, page 83). The Company also had a negative solvency margin of ₦21.306 billion as at 31st December 2022 (2021: ₦19,429 billion) (see note 60, page 86). The Company recorded a negative operating cash flow of ₦601 million (2021: ₦50 million) (see page 53). The Company no longer carries out oil and gas business and this led to its declining revenue over the years. The note indicates that these conditions, along with other matters, indicate the existence of a material uncertainty which may cast significant doubt on The Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. In addition to the matters described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and

# Doyin Owolabi & Co.

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 accompanying financial statements.

Key Audit Matters	How the matter was addressed in the audit
<p><b>Valuation of Insurance Contract Liabilities.</b></p> <p>The Company has insurance contract liabilities of ₦4.733 billion as at December 31, 2022 (2021: ₦4.248 billion) representing 37% (2021:20.5%) of The Company's and the Company's total liabilities. This is an area that involves significant judgment over uncertain future outcomes and therefore we considered it a key audit matter for our audit.</p> <p>Consistent with the insurance industry practice, the Company engages an actuary to test the adequacy of this valuation of non-life business 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. Economic assumptions such as interest rates and future inflation rates and actuarial assumptions such as customer behavior 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>Insurance contract liabilities are disclosed in Note 13 to the financial statements.</p>	<p>We used our in-house actuarial specialist to assist us in performing the audit procedures in the area of reviewing The Company's Actuarial report on non-life business which included among others:</p> <ul style="list-style-type: none"> <li>i. Consideration of the appropriateness of assumptions used in the valuation of the Insurance Contracts by reference to company and industry data and expectations.</li> <li>ii. Consideration of the appropriateness of non-economic assumptions used in the valuation of the Insurance Contracts in relation to lapse or extension assumptions by reference to company specific and industry data.</li> </ul> <p><b>Other Key audit procedures included:</b></p> <ul style="list-style-type: none"> <li>i. We reviewed and documented management's process for estimating insurance contracts.</li> <li>ii. We performed file review of specific underwriting contracts in order to maximize our understanding of the business and validate initial loss estimates.</li> <li>iii. We performed subsequent year claim payments to confirm the reasonableness of initial loss estimates.</li> </ul>

## Other Information

The Directors are responsible for the other information. The other information comprises the Financial Highlights, the Report of the Directors, Management Discussion and Analysis, Report of the Audit Committee, Certification pursuant to section 60 (2) of the Investment and Securities Act No. 29 2007, Statement of Value Added and Five-Year Financial Summary as required by the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria, and Corporate Governance Report as required by the Securities and Exchange Commission, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. 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 on the other information obtained prior to the date of this auditor's report, we

conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

## **Responsibilities of the Directors for the Financial Statements**

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards, as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6. 2011 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 and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the Going concern basis of accounting unless the Directors either intend to liquidate The Company or Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Company's and the Company's financial reporting processes.

## **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 judgment and maintain professional skepticism 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 Company to cease to continue as a going concern.

# Doyin Owolabi & Co.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within The Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of The Company audit. We remain solely responsible for our audit opinion.

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.

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, related safeguards.

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 year 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 Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and NAICOM's Prudential Guidelines we confirm that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit,
- ii. proper books of account have been kept by the Company, in so far as it appears from our examination of those books;
- iii. the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.
- iv. In our opinion, the financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and NAICOM's Prudential Guidelines so as to present fairly the statements of profit or loss and other comprehensive income of the Company and its subsidiary.

## Contravention of Regulatory Guidelines

The Company incurred penalties in respect of contravention of the requirement of a section of the Investment & Securities Act (ISA) 2007, Rule 7.4 of the Nigerian Stock Exchange, 2015 and Section 26 of the Insurance Act 2003 in conjunction with the National Insurance Commission's Prudential Guidelines for Insurers and Reinsurers, 2015 on the filing and submission of annual reports and accounts. The details of the contravention and penalty are disclosed in the Note 51 to the of the financial statements.

Lagos Nigeria  
23 November 2023



# STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2022

	Notes	Group		Company	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
		₦'000	₦'000	₦'000	₦'000
Gross written premium	28	-	687,076	881,559	687,076
Gross premium income	28	-	646,872	763,106	646,872
Reinsurance expenses	29	-	(103,515)	(94,334)	(103,515)
Net premium income		-	543,357	668,772	543,357
Commission income	30	-	23,942	17,262	23,942
<b>Net underwriting income</b>		-	<b>567,299</b>	<b>686,034</b>	<b>567,299</b>
Underwriting expenses					
Claims expenses	31	-	(232,404)	(519,423)	(232,405)
Acquisition costs	32	-	(31,874)	(33,495)	(31,874)
Maintenance costs	33	-	(171,742)	(129,146)	(171,742)
<b>Total underwriting expenses</b>		-	<b>(436,020)</b>	<b>(682,064)</b>	<b>(436,021)</b>
Underwriting results		-	131,279	3,970	131,279
Interest Income	34.1	-	13,417	22,488	10,450
Other investment income	34.2	-	9,890	1,807	9,890
Net realised gain	35	-	-	261	-
Net fair value gain/(loss)	36	-	203,396	1,963,557	203,396
Loss on disposal of investment property	36.1	-	-	(1,269,000)	-
Other income	37	-	1,076,586	28,155	87,263
Credit loss expense	38	-	(17,008)	(3,443)	(4,603)
Management expenses	39	-	(1,542,631)	(770,391)	(603,449)
Results from operating activities		-	(125,071)	(22,597)	(165,775)
Finance costs	41	-	(563,896)	-	(555,183)
Share of (loss) of an Associate	42	-	-	(123,478)	-
(Loss) before income tax expense		-	(688,967)	(146,075)	(720,958)
Income tax expense/credit	16	-	(8,235)	(8,671)	(1,617)
Loss After Taxation		-	(697,202)	(154,746)	(722,575)



# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

	Notes	Group		Company	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
		€'000	€'000	€'000	€'000
(Loss) for the year	-	(697,202)	(697,202)	(154,746)	( 722,574)
Other comprehensive income (OCI) Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Net (loss)/gain on available-for-sale financial assets	44	-	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Net gain/(loss) on equity instrument designated at fair value through other comprehensive income	45	-	( 6,695)	109,781	(6,695)
Revaluation gain/(loss) on property	11.3	-	-	(276,489)	-
Income tax relating to items not to be reclassified to profit or loss	16	-	-	-	-
OCI for the year, net of tax		-	( 6,695)	(166,708)	(6,695)
Total comprehensive (Loss) for the year		-	( 6,695)	(166,708)	(6,695)
Total comprehensive (loss) attributable to:		-	(703,897)	(321,454)	( 729,270)
Total comprehensive (loss) attributable to:					
Equity holders of the parent		-	(710,712)	(321,454)	( 729,270)
Non-controlling interests		-	6,814	-	-
		-	<b>7 03,899</b>	<b>321,454</b>	<b>729,270</b>

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

# STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2022

	Notes	Group		Company	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
		N'000	N'000	N'000	N'000
<b>Assets:</b>					
Cash and cash equivalents	1	-	225,817	5,254,685	121,225
Financial assets					
- Fair value through profit or loss	2.1	-	92,255	89,492	92,255
- Fair value through other comprehensive income	2.2	-	240,586	350,368	240,586
- Debt instruments at amortised cost	2.3	-	-	-	-
Trade Receivables	3	-	156,687	-	-
Other receivables and prepayments	4	-	488,693	996,256	1,932
Reinsurance assets	5	-	262,377	293,936	262,377
Deferred acquisition costs	6	-	9,148	12,422	9,148
Investment in subsidiary	7	-	-	-	1,000,000
Investment in Associate Company	8	-	-	876,522	-
Investment properties	9	-	3,822,250	4,880,000	3,822,250
Intangible assets	10	-	17,066	2,346	-
Property, plant and equipment	11	-	3,520,463	1,673,724	3,047,490
Statutory deposit	12	-	322,500	322,500	322,500
<b>Total assets</b>		-	<b>9,157,842</b>	<b>14,752,250</b>	<b>8,919,763</b>
<b>Liabilities:</b>					
Insurance contract liabilities	13	-	4,248,187	4,733,413	4,248,187
Trade payables	14	-	266,067	187,820	189,424
Provision and other payables	15	-	1,238,179	2,034,979	1,159,846
Current income tax payable	16	-	525,866	307,161	511,081
Deferred tax liabilities	17	-	246,476	206,209	206,209
Borrowings	18	-	14,119,342	14,092,842	14,092,842
Deposit for shares	19	-	317,233	5,316,339	317,233
<b>Total Liabilities</b>		-	<b>20,961,350</b>	<b>26,878,764</b>	<b>20,724,822</b>
<b>Capital and Reserves:</b>					
Share capital	20	-	642,043	642,043	642,043
Share premium	21	-	963,097	963,097	963,097
Statutory contingency reserve	22	-	1,657,673	1,630,193	1,603,755
Capital reserve	23	-	7,926,399	7,926,398	7,926,399
Accumulated losses	24	-	(24,833,126)	(24,750,041)	(24,568,858)
Property revaluation reserve	25	-	1,501,417	1,206,428	1,482,917
Fair value reserve	26	-	145,588	255,369	145,588
<b>Total Surplus/ (Deficit)</b>		-	<b>(11,996,909)</b>	<b>(12,126,514)</b>	<b>(11,805,059)</b>
Non-controlling interest		-	193,401	-	-
		-	(11,803,508)	(12,126,514)	(11,805,059)
<b>Total liabilities and equity</b>		-	<b>9,157,842</b>	<b>14,752,250</b>	<b>8,919,763</b>



**Dr. Adeyinka Hassan, PhD**

Director

FRC/2013/NBA/0000001514



**Mr. Olasupo Sogelola**

Managing Director

FRC/2016/CIIN/00000013713



**Mr. Emmanuel Bassey**

Chief Financial Officer

FRC/2013/ICAN/0000000635

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

# STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

Group	Share capital	Share premium	Statutory contingency reserve	Capital reserve	Accumulated losses	Property revaluation reserve	Fair value reserve	Total	Non-controlling interests	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>As at 1 January 2022</b>	642,043	963,097	1,657,673	7,926,398	(24,833,126)	1,501,417	145,588	11,996,910	193,401	(11,803,509)
Profit/Loss for the year	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	-	-	-	-	-	-
Transfer between reserves	-	-	-	-	-	-	-	-	-	-
<b>Derecognition on lost of control of subsidiary during the year</b>	(642,043)	(963,097)	(1,657,673)	(7,926,398)	24,833,126	(1,501,417)	(145,588)	11,996,910	(193,401)	11,803,509
<b>At 31 December 2022</b>	-	-	-	-	-	-	-	-	-	-
(Loss)/Profit for the year	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	-	-	-	-	-	-
Transfer between reserves	-	-	-	-	-	-	-	-	-	-
<b>At 31 December 2022</b>	-	-	-	-	-	-	-	-	-	-

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

## Statement of Changes in Equity

For the year ended 31 December 2022

### Attributable to owners of the Company

	Share capital = N='000	Share premium = N='000	Statutory Contingency reserve = N='000	Capital reserve = N='000	Accumulated losses = N='000	Property revaluation reserve = N='000	Fair value reserve = N='000	Total = N='000
<b>As at 1 January 2021</b>	642,043	963,097	1,583,143	7,926,398	(23,825,671)	1,482,917	152,283	(11,075,790)
Loss for the year	-	-	-	-	(722,574)	-	-	(722,574)
Other comprehensive income	-	-	-	-	-	-	(6,695)	(6,695)
Total comprehensive loss	-	-	-	-	(722,574)	-	(6,695)	(729,269)
Transfer between reserves	-	-	20,612	-	(20,612)	-	-	-
Other reserve	-	-	-	-	-	-	-	-
<b>At 31 December 2021</b>	642,043	963,097	1,603,755	7,926,398	(24,568,858)	1,482,917	145,588	(11,805,060)
<b>Restated opening balance</b>	642,043	963,097	1,603,755	7,926,398	(24,568,858)	1,482,917	145,588	(11,805,060)
Loss for the year ended	-	-	-	-	(154,746)	-	-	(154,746)
Other comprehensive income	-	-	-	-	-	(276,489)	109,781	(166,708)
<b>Total comprehensive loss</b>	-	-	-	-	(154,746)	(276,489)	109,781	(321,454)
Transfer between reserves	-	-	26,437	-	(26,437)	-	-	-
Transfer to Other reserves	-	-	-	-	-	-	-	-
<b>At 31st December 2022</b>	642,043	963,097	1,630,193	7,926,398	(24,750,041)	1,206,428	255,369	(12,126,514)

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



# STATEMENT OF CASH FLOWS

for the period ended 31st December 2022

	Notes	Group		Company	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
		€'000	€'000	€'000	€'000
<b>Operating activities</b>					
Premium received from policy holders		-	687,076	720,054	687,076
Reinsurance premium paid	29	-	(115,825)	(137,564)	(115,825)
Minimum ans Deposit Premium paid	5.4		(4,030)	(67,063)	(4,030)
Commission received	30	-	23,942	17,262	23,942
Commission paid	6	-	(30,564)	(36,770)	(30,564)
Maintenance cost paid	32		(171,742)	(129,146)	(171,742)
Claims paid	31	-	(121,415)	(181,100)	(121,415)
Claims recoverable from re-insurers	31.2	-	25,696	81,743	25,696
Premium received in advance	14.1.2	-	161,505	161,505	161,505
Loan and advances	4.1	-	-	(856)	-
Repayment of loan and advances	4.1	-	120	548	120
Other operating cash payments	48	-	(1,512,501)	(842,708)	(585,346)
Other operating income		-	1,042,554	25,489	83,718
Cash used in operating activities	47	-	(15,184)	(388,606)	(46,864)
Income tax paid	16	-	(4,304)	(212,590)	(3,000)
<b>Net cash used in operating activities</b>		-	<b>(19,488)</b>	<b>(601,196)</b>	<b>(49,864)</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment	11	-	(24,237)	(189,519)	-
Proceeds from disposal of property, plant and equipment		-	-	261	-
Proceeds from disposal of investment properties	9.3	-	-	900,000	-
Purchase of Intangible assets	10	-	(3,186)	(2,366)	-
Dividend received	35.2	-	9,890	1,807	9,890
Interest received	35	-	13,417	22,488	10,450
<b>Cash provided by investing activities</b>		-	<b>(4,116)</b>	<b>732,670</b>	<b>20,340</b>
<b>Financing activities</b>					
Repayment of borrowings	18.2	-	(12,000)	-	-
Receipts of Deposit for shares during the year		-	-	5,000,000	-
Interest paid		-	(8,713)	-	-
Repayment of deposit for shares		-	-	(894)	-
<b>Cash used in financing activities</b>		-	<b>(20,713)</b>	<b>4,999,106</b>	-
Net decrease in cash and cash equivalents	50	-	(44,317)	5,130,580	(29,524)
Cash and cash equivalents at beginning of the year		225,817	266,589	121,798	147,204
Effect of foreign exchange differences		-	3,545	2,307	3,545
Derecognition on lost of control of subsidiary during the year		(225,817)	-	-	-
<b>Cash and cash equivalents at end of the year</b>		-	<b>225,817</b>	<b>5,254,685</b>	<b>121,225</b>

# SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## 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 a group of investors Norrenberger Investment and Capital Management Limited 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 Investment and Capital Management Limited. Norrenberger Investment and Capital Management 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 year ended December 31 2022 were authorised for issue in accordance with a resolution by the Board of Directors on 20th October 2023.

### Principal activities

The activities of the Company include general insurance business. 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. It has an associate company Norrenberger Pensions Limited, formerly IEI Anchor Pensions Managers Limited which principal activity

is pension funds administration for employees in private and public sectors.

### 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 as stated in Note 3.36.1. For this reason, these financial statements are prepared on a going-concern basis.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

## 2. Newly effective standards for 01 January 2022 and/or disclosures in these financial statements

The effective interpretations and standards for the financial years ended 31 December 2022 are listed below. These standards do not have a significant impact on the entity.

- a. Annual improvement to IFRS Standards 2018-2020 Amendment to IFRS 1 First-time Adoption of the International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture
- b. Reference to the Conceptual Framework- Amendments to IFRS 3 Business combinations
- c. Property, Plant, and Equipment Proceeds before intended Use: Amendment to IAS 16 Property, Plant and Equipment
- d. Onerous Contract the cost of Fulfilling a Contract: Amendment to IAS 37 Provisions, Contingent Liabilities, and Contingent Asset

### 2.1 Standards and interpretations not yet effective for the 31 December 2022 year-end

There are new or revised Accounting Standards and interpretations in issue that are not yet effective. These include the following Standards and Interpretations that are applicable to the business of the entity.



2.2. New or amended standards and effective	Summary of the requirements
<p><b>IFRS 17 including amendments Initial application of IFRS 17- Comparative Information – 1 January 2023</b></p>	<p>IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model (“general model”) for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:</p> <ul style="list-style-type: none"> <li>- Reinsurance contracts held;</li> <li>- Direct participating contract and;</li> <li>- Investment contract with discretionary participation features. Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rate and other financial risk in the profit or loss or OCI.</li> </ul>
<p><b>Insurance Contracts</b></p>	<p>The new standard include various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity’s financial statements. The standard is effective for annual periods beginning on or after 1 January 2023.</p>

2.3 Possible impact on financial statements Change from IFRS 4	Impact on equity on transition to IFRS 17
<p>Under IFRS 17, the company will discount the future cash flow when measuring liabilities for incurred claims, unless they are expected to occur in one year or less than the date on which the claims are incurred.</p>	<p>Increase</p>
<p>The company does not currently discount such future cash flows IFRS 17 requires the fulfillment cash flow to include a risk adjustment for nonfinancial risk. This is not explicitly allowed for currently.</p>	<p>Decrease</p>
<p>The Company’s accounting policy under IFRS 17 to expense eligible insurance acquisition cash flows when they are incurred differs from the current practice under which these amounts are recognized separately as deferred acquisition costs.</p> <p>The amendments are effective for annual periods beginning from 1 January 2023. The impact of the application of IFRS 17 is being assessed. This is not expected to have a significant impact on the financial statements since the Company will adopt Premium Allocation Approach (PPA) which is similar to what the Company’s assessment of the estimated impact that the initial application of IFRS 17 will have on its financial statements is ongoing and the Company has refined the new accounting processes and internal controls required for applying IFRS 17. The Company has finalized the testing and assessment of controls over its new IT systems and changes to its governance framework and has also opted for qualitative disclosures of transition impact in the financial statements.</p>	<p>Decrease</p>

## 2.4 Amendments to IAS 8 – 1 January 2023

This amendment provides clarifications to companies on how to distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarifies the following:

- an entity develops an accounting estimate to achieve the objective set out by an accounting policy.
- developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) and choosing the inputs to be used when applying the chosen measurement technique.
- a change in accounting estimate that results from new information or new development is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimate if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period's profit or loss or the profit or loss of both the current period and future periods. The effect to the change relating to the current period is recognized as income or expenses in the current period.

The effect, if any, on future periods is recognized as income or expenses in those future periods. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

### Possible impact on financial statements

The amendments are effective for annual periods beginning from 1 January 2023. The application of this standard is not expected to have significant impact on the financial statements.

## 2.5 Amendments to IAS 1 and IFRS Practice Statement 2 – 1 January 2023

### Disclosure initiative: Accounting Policies

The amendments were issued to assist companies provide useful accounting policies disclosures. The key amendment to IAS 1 include :

- Requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- Clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- Clarifying that not all accounting policies that relate to material transactions, other event or conditions are themselves material to a Company's financial statements; The amendments are consistent with the refined definition of material: "Accounting policies information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements". The amendments are effective from 1 January 2023.

### Possible impact on financial statements

The amendments are effective for annual periods beginning from 1 January 2023. The application of this standard is not expected to have a significant impact on the financial statements.

## 2.6 Amendment to IAS 12 – 1 January 2023

### Deferred Tax Related to assets and Liabilities Arising from a Single Transaction

The amendment clarifies that the initial recognition exemption does not apply to transactions that give rise to equal and offsetting temporary differences such as leases and decommissioning obligations. As a result, companies will need to recognize a deferred tax liability for temporary differences arising on initial recognition arising from these transactions. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. If any entity previously accounted for deferred tax on these transactions using the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability. The standard is effective for annual periods beginning on after 1 January 2023.

### Possible impact on financial statements

The amendments are effective for annual periods beginning from 1 January 2023. The application of



this standard is not expected to have significant impact on the financial statements.

## 2.7 Amendment to IFRS 16 – 1 January 2024

### Lease Liability in a Sale and Leaseback

Amendments to IFRS 16 Lease requires a seller-lessee impact how a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendment also requires that the seller-lessee to include variable lease payments when it measure a lease liability arising from a sale-and-leaseback transaction. The amendments confirm the following.

- On initial recognition, the seller-lessee includes variable lease payment when it measure a lease liability arising from a sale-and-leaseback transaction .
- After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognize no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, Under IAS 8 Accounting policies, Charges in Accounting Estimate and Errors, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16. This means that it will need to identify and re-examine sale and leaseback transaction entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments.

### Possible impact on financial statements

The amendments are effective for annual periods beginning from 1 January 2023. The application of this standard is not expected to have significant impact on the financial statements.

## 2.8 Amendment to IAS 1 – 1 January 2024

### Classification of Liabilities as Current or Non-current Liabilities with Convents

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. As part of the amendment, the

Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. The existing requirement to ignore management intentions or expectations for settling a liability when determining its classification is unchanged. In additions, a Company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. Such right may be subject to the Company complying with conditions (covenants) specified in the loan arrangements. The amendment also clarifies how a company classifies a liability that include a counterparty conversion opinion, which could either be recognized as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation The standard is effective for annual period beginning on or after 1st January 2023.

### Possible impact on financial statements

The amendments are effective for annual periods beginning from 1 January 2023. The application of this standard is not expected to have significant impact on the financial statements.

## 3.1 Basis of preparation and compliance with International Financial Reporting Standard (IFRS)

The financial statements of International Energy Insurance Plc have been prepared on a going concern principles in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Standing Interpretations Committee (SIC) interpretations, and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011 to the extent that they are not in conflict with IFRS.

These financial statements are presented in Nigerian Naira, rounded to the nearest thousand, and prepared under the historical cost convention, except for financial assets measured at fair value through profit or loss, investment properties, equity instruments measured at fair value through Other Comprehensive Income (OCI) and 'land and building' which have been measured at fair value.

### 3.2 Basis of consolidation

#### Subsidiary

The financial statements of the subsidiary is consolidated from the date The Company acquires control, up to the date that The Company loses control.

Profit or loss and each component of other comprehensive income (OCI) is attributed to the equity holders of the parent of The Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to reflect their accounting policies in line with The Company's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of The Company are eliminated in full on consolidation.

For the purpose of these financial statements, subsidiary is an entity over which The Company, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from their activities. Control is achieved when The Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, The Company controls an investee if, and only if, The Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by The Company. In the separate financial statements, investments in subsidiary is measured at cost.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when The Company has less than a majority of the voting or similar rights of an investee, The Company considers all relevant facts

and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as owners and therefore no goodwill is recognized as a result of such transactions. The adjustments to non-controlling interests are based on the proportionate amount of the net assets of the subsidiary.

Changes in The Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### Investment in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in an associate is initially recognized at cost in the separate financial statements, however in its Consolidated financial statements; it is recognized at cost and adjusted for in the Group's share of changes in the net assets of the investee after the date of acquisition, and for any impairment in value. If the Group's share of losses of an associate exceeds its interest in the associate, the Group discontinues recognizing its share of further losses.

### 3.3 Functional currency and translation of foreign currencies

#### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Nigerian Naira (NGN), which is the functional and presentation currency.

#### Transactions and balances in individual entities

Foreign currency transactions are translated into the functional currency of the respective entity



using the exchange rates prevailing on the dates of the transactions or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statements of profit or loss within 'finance costs or other income'.

### 3.4 Cash and cash equivalents

For the purposes of the statements of cash flows, cash comprises cash in hand and deposits held at call with banks. Cash equivalents comprise highly liquid investments (including money market funds) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value with original maturities of three months or less being used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

### 3.5 Financial assets and financial liabilities

#### 3.5.1 Financial assets

The Company classifies its financial assets into the following categories: fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification is determined by management at initial recognition and depends on the objective of the business model.

#### Business Model Assessment

Business model assessment involves determining if financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Company assesses business model at a portfolio level which reflects how the assets are managed together to achieve a particular business objective.

#### 3.5.2 Classification and Measurements

For the purpose of measuring a financial asset after initial recognition, IFRS 9 classifies financial assets into the following categories: at fair value through profit or loss; at fair value through other comprehensive income and at amortized cost. The classification is based on the results of The Company's business model test and the contractual cash flow characteristics of the financial assets. The category relevant to The Company as at December

31 2022 are fair value through profit or loss; at fair value through other comprehensive income and at amortized cost. At initial recognition all assets are measured at Fair Value.

#### (i) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading and those designated by The Company as at fair value through profit or loss upon initial recognition. Financial assets classified as held through profit or loss are those that have been acquired principally for the purpose of selling in the short term or repurchasing in the near term, or held as part of a portfolio that is managed together for short-term profit.

Financial instruments included in this category are recognized initially at fair value; transaction costs are taken directly to profit or loss. Gains and losses arising from changes in fair value are included directly in profit or loss and are reported as 'Net gains/ (losses) on financial assets classified as held for trading'. Interest income and expense and dividend income on financial assets held for trading are included in 'Discount and similar income' or 'Other operating income', respectively. Fair value changes relating to financial assets designated at fair value through profit or loss are recognized in 'Net gains from financial assets held for trading'.

#### (ii) Financial assets at fair value through other comprehensive income

Except for financial assets that are designated at initial recognition as at fair value through profit or loss, a financial asset is measured at fair value through other comprehensive income (FVTOCI) if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the business model test); and
- b. the contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flows characteristics test).

### (iii) Financial assets measured at amortized cost

Financial assets are measured at amortized cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Statement of Income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

#### 3.5.3 Recognition and measurement

Financial assets are initially recognized at fair value plus, in the case of all financial assets not carried at fair value through profit and loss, transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit and loss are initially recognized at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognized when the rights to receive cash flows from them have expired or where they have been transferred and The Company has also transferred substantially all risks and rewards of ownership.

Financial assets at fair value through other comprehensive income and financial assets at fair value through profit and loss are subsequently carried at fair value. Other financial assets are carried at amortized cost using the effective interest method.

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit and loss category are included in the income statement in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognized in the statement of comprehensive income as part of Investment income when The Company's right to receive payments is established.

Interest on financial assets fair value through other comprehensive income calculated using the effective interest method is recognized in the income statement. Dividends on equity instruments

fair value through other comprehensive income are recognized in the income statement when The Company's right to receive payments is established. Both are included in the investment income line.

#### Determination of fair value

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges. The quoted market price used for financial assets held by The Company is the current bid price.

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

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, NIBOR, MPR etc.) existing at the dates of the statement of financial position.

#### 3.5 Financial assets and financial liabilities

The Company uses widely recognized money market rates in determining fair values of non-standardized financial instruments of lower complexity like placements, and treasury bills. These financial instruments models are generally market observable. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to The Company for similar financial instruments. In cases where the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less any impairment.



The fair value for loans and receivables as well as liabilities to banks and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into account credit quality, liquidity and costs. The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

### 3.5.4 De-recognition of financial instruments

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If The Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If The Company retains substantially all the risks and rewards of ownership of a transferred financial asset, The Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

### 3.5.5 Reclassification of financial assets

Reclassification of financial assets is determined by The Company's senior management, and is done as a result of external or internal changes which are significant to The Company's operations and demonstrable to external parties.

Reclassification of financial assets occurs when The Entity changes its business model for managing financial assets investments in equity instruments that are designated as at FVTOCI at initial recognition cannot be reclassified because the election to designate as at FVTOCI is irrevocable. For financial assets, reclassification is required between FVTPL, FVTOCI and amortized cost; if and only if the entity's business model objective for its financial assets changes so its previous business model assessment would no longer apply.

IFRS 9 does not allow reclassification:

- when the fair value option has been elected in any circumstance for a financial asset;
- or equity investments (measured at FVTPL or FVTOCI); or • for financial liabilities.

If an entity reclassifies a financial asset, it is required to apply the reclassification prospectively from the

reclassification date, defined as the first day of the first reporting period following the change in business model that results in the entity reclassifying financial assets. Previously recognized gains, losses (including impairment gains or losses) or interest are not restated,

All impairment losses are recognized through profit or loss. If any loss on the financial asset was previously recognized directly in equity as a reduction in fair value, the cumulative net loss that had been recognized in equity is transferred to the income statement and is recognized as part of the impairment loss. The amount of the loss recognized in the income statement is the difference between the acquisition cost and the current fair value, less any previously recognized impairment loss.

### Impairment of financial assets

The Company will assess on a forward-looking basis, the expected credit losses ("ECL") associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts.

No impairment is recognized on equity investments. This is because the fair value changes will incorporate impairment gains or losses if any.

### General Approach

Under the general approach, at each reporting date, The Company recognizes a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss.

The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis or when a loan becomes credit impaired respectively.

## Staging

**Stage 1:** On origination, a financial asset (provided that it is not a purchased or originated credit impaired asset) will be in stage 1 of the general model for expected credit losses. Financial assets that have not had a significant increase in credit risk since initial recognition or that (upon assessment and option selected by The Company) have low credit risk at the reporting date remain in stage 1.

For these assets, 12-month expected credit losses ('ECL') are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the ECL that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12 months.

**Stage 2:** Financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date and this option is taken by The Company) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognized and interest revenue is still calculated on the gross carrying amount of the asset.

Lifetime ECL are the ECL that result from all possible default events over the maximum contractual period during which The Company is exposed to credit risk. ECL are the weighted average credit losses, with the respective risks of a default occurring as the weights.

The Company, when determining whether the credit risk on a financial instrument has increased significantly, considers reasonable and supportable (both historical and forward-looking) information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

**Stage 3:** This includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECLs are recognized and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). This is done by applying the EIR in subsequent reporting periods to the amortized cost of the financial asset.

When The Company has no reasonable expectations of recovering the financial asset, then the gross carrying amount of the financial asset can be

directly reduced in its entirety via a write off. A write-off constitutes a derecognition event.

## Simplified approach

The simplified approach does not require The Company to track the changes in credit risk, but, instead, requires The Company to recognize a loss allowance based on lifetime ECLs at each reporting date, right from origination.

The Company recognizes lifetime ECLs at each reporting period for trade receivables or other receivables that result from transactions within the scope of IFRS 15 and that do not contain a significant financing component.

## Measurement of expected credit losses

The standard defines credit loss as the difference between all contractual cash flows that are due to The Company in accordance with the contract and all the cash flows that The Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECLs are a probability-weighted estimate of credit losses over the expected life of the financial instrument (i.e., the weighted average of credit losses with the respective risks of a default occurring as the weights).

When measuring ECLs, in order to derive an unbiased and probability-weighted amount, The Company would evaluate a range of possible outcomes. This involves identifying possible scenarios that specify:

- a. The amount and timing of the cash flows for particular outcomes
- b. The estimated probability of these outcomes
- c. Exposure at default (EAD): The EAD estimates the percentage of exposure The Company might lose if the borrower defaults.

## Probability of default (PD)

### 12 Month PDs

12 month PD is the probability of a loan defaulting within the next 12 months. 12-month PD estimates are required to calculate 12-month ECLs for accounts classified as Stage 1. These PD estimates also form the basis of the lifetime PD curves, which are required to calculate lifetime ECLs for accounts classified as Stage 2. 12 Months PD used is computed using The Company's data.



### Lifetime PDs

Lifetime PD curves are required to calculate expected credit losses for Stage 2 accounts. Ideally, lifetime PD curves will be developed based on internal default data. However, the Company does not have sufficient history of internal default data to build credible curves so it has derived lifetime PD curves using S & P's "2017 Annual Sovereign Default Study and Rating Transition".

### Loss given default (LGD)

LGD is the share of an asset that is lost when a borrower defaults. The recovery rate is defined as 1 minus the LGD, the share of an asset that is recovered when a borrower defaults. Loss given default is facility-specific because such losses are generally understood to be influenced by key transaction characteristics such as the presence of collateral and the degree of subordination.

### Exposure at default (EAD)

EAD is equal to the current amount outstanding at the expected point of default in case of fixed exposures like staff loans and investment securities. This is derived using the original carrying amount, interest rate and tenor of the facility.

### 3.5.6 Financial liabilities

The Company's financial liabilities include trade and other payables as well as

### Subsequent measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statements of profit or loss.

### 3.5.7 Derecognition of financial liabilities/assets

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as

a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statements of profit or loss.

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

The rights to receive cash flows from the asset have expired or The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) The Company has transferred substantially all the risks and rewards of the asset or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 3.5.8 Offsetting financial instruments

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

### 3.6 Trade receivables

Trade, reinsurance and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Trade receivables arising from insurance contracts are stated after deducting allowance made for specific debts considered doubtful of recovery. Impairment of trade receivables are presented within other operating expenses.

Trade and Other receivables amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. Trade receivables are reviewed at every reporting period for impairment.

### 3.7 Other Receivables and Prepayments

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

### 3.7.1.1 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.

### 3.8 Fair value measurement

IFRS 13 defines fair value as 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 (i.e. an exit

price). The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to The Company.

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any adjustment for transaction costs.

For other financial instruments other than investment in equity instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist and other relevant valuation models.



Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using The Company's best estimate of the most appropriate model assumptions.

For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market-related rate for a similar instrument. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

### 3.9 Reinsurance assets

Reinsurance assets consist of short-term balances due from reinsurers, as well as longer-term receivables that are dependent on the expected claims and benefits arising under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsurance contracts and in compliance with the terms of the reinsurance contract. The reinsurers' share of unearned premiums (i.e. the reinsurance assets) are recognized as an asset using principles consistent with the Company's method for determining unearned premium liability. The amount reflected on the statement of financial position is on a gross basis to indicate the extent of credit risk related to the reinsurance and its obligations to policyholders.

The Company assesses its reinsurance assets for impairment at each statement of financial position date. If there is objective evidence that the reinsurance asset is impaired, The Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes that impairment loss in the statement of profit or loss. The Company gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortized cost.

### 3.10 Deferred acquisition costs (DAC)

Commissions and other acquisition costs that are related to securing new contracts and renewing existing contracts are capitalized as Deferred

Acquisition Costs (DAC) if they are separately identifiable can be measured reliably and it's probable that they will be recovered. All other acquisition costs are recognized as expenses when incurred. The DAC is subsequently amortized over the life of the contracts in line with premium revenue using assumptions consistent with those used in calculating unearned premium. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium. The DAC is tested for impairment annually and written down when it is not expected to be fully recovered.

### 3.11 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.

### 3.12 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.

The estimated useful live for the computer software is 10 years

### 3.13 Property, plant, and equipment

#### Recognition and measurement

Items of property, plant, and equipment (except land and buildings) are carried at cost less subsequent accumulated depreciation and impairment losses. The cost of property, plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

#### 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.

#### 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.

### 3.14 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 ₦3 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.

### 3.15 Insurance contract liabilities

The Company issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. These contracts include General accident, workmen's compensation, motor, marine and aviation and fire insurance.

Insurance contracts protect the Company's customers against the risk of harm from unforeseen events to their properties resulting from their legitimate activities. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the Company's customers for damage suffered to their properties or for the value of property lost.

Other forms of Insurance contracts include but are not limited to workmen's compensation, motor, marine, and aviation insurance.

Claims and loss adjustment expenses are charged to profit or loss as incurred based on the estimated liability for compensation owed to contract holders or third parties for damage incurred or lost suffered by the contract holders. They include direct and indirect claims settlement costs arising from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Companies i.e. Claims incurred but not reported (IBNR) which is actuarial valuation. The Company does not discount its liabilities for unpaid claims other than for workmen's compensation claims. Liabilities for unpaid claims are estimated using the

impute of assessments of provision reported to The Company and analysis for the claims incurred but not reported (IBNR).

### Reinsurance contracts held

The Company holds the under-noted reinsurance contracts:

- Treaty Reinsurance Outward is usually between The Company and Reinsurers.
- Facultative Reinsurance Outward is usually between The Company and other insurance companies or between The Company and Reinsurers.
- Facultative reinsurance inwards is usually between The Company and other insurance Companies or between The Company and Reinsurers.

Premiums due to the reinsurers are paid and all claims and recoveries due from reinsurers are received. Contracts entered into by The Company with reinsurers under which The Company is compensated for losses on one or more contracts issued by The Company and that meet the classification requirements for insurance contracts are classified as re-insurance contracts held while contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by The Company under which the contract holder is another insurer (inward re-insurance) are included within insurance contracts.

The benefits to which The Company is entitled under its re-insurance contracts held are recognized as reinsurance assets. These assets consist of short-term balances due from reinsurers, as well as long-term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts.

The amount recoverable from or due to reinsurers are measured consistently with the amount associated with the primary insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for the reinsurance contracts and are recognized as an expense when due. The Company's Insurance liabilities or balances arising from insurance contracts primarily include those insurance contract liabilities that were valued by the Actuaries. These include unearned premiums reserve and outstanding claim reserve.

### Reserve for unearned premium

In compliance with Section 20 (1) (a) of the Insurance Act 2003, the reserve for unearned premiums is calculated on a time apportionment basis in respect to the risks accepted during the year.

### Reserve for outstanding claims

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

### Reserves for unexpired risk

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

### Liability adequacy test

At the end of each reporting period, Liability Adequacy Tests are performed to ensure that material and reasonably foreseeable losses arising from existing contractual obligations are recognised. In performing these tests, current best estimates of future contractual cash flows, claims handling and administration expenses, investment income backing such liabilities are considered. Long-term insurance contracts are measured based on assumptions set out at the inception of the contract. Any deficiency is charged to profit or loss by increasing the carrying amount of the related insurance liabilities.

### Salvage and subrogation reimbursements

Some insurance contracts permit the Company to sell (usually damaged) property acquired in settling a claim (for example, salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation). Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims, and salvage property is recognized in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property.

Subrogation reimbursements are also considered as an allowance in the measurement of the insurance liability for claims and are recognized in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

### 3.16 Trade payables

Trade payables (i.e. insurance payables) 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, canceled, or expired.

### 3.17 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.

### 3.18 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.

## 3.19 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 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.

## 3.20 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.

### 3.21 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.

### 3.22 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.

### 3.23 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

### 3.24 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.

### 3.25 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.

### 3.26 Accumulated losses

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

### 3.27 Premiums and unearned premiums

Premiums written comprise the premiums on contracts incepting in the financial year. Premiums written are stated gross of commissions payable to agents and exclusive of taxes levied on premiums. The Company earns premium income evenly over the term of the insurance policy generally using the pro rata method. The portion of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in unearned premiums.

### 3.28 Reinsurance expenses

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

### 3.29 Commission income

Commissions earned are recognized on ceding businesses to reinsurers and other insurance companies and are credited to the statement of profit or loss.

### 3.30 Claims expenses

Claims expenses incurred consist of claims and claims handling expenses paid by the Company during the financial year together with the movement in the provision for outstanding claims. (See the accounting policy for reserve for outstanding claims above). The gross provision for claims represents the estimated liability arising from claims in the current and preceding financial years which have not yet given rise to claims paid. The provision includes an allowance for claims management and handling expenses.

The gross provision for claims is estimated based on current information and the ultimate liability may vary as a result of subsequent information and events and may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provision for prior years are reflected in the statement of profit or loss in the financial period in which adjustments are made and disclosed separately if material.

### 3.31 Acquisition costs

Acquisition costs represent commissions and other expenses related to the acquisition of insurance contract revenues written during the financial year.



### 3.32 Maintenance expenses

Maintenance expenses are expenses incurred in servicing existing policies/contract. These expenses are charged to the statement of profit or loss in the accounting period in which they are incurred.

### 3.33 Investment income

This includes interest income and dividend income. Interest income is recognized in the statement of profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Dividend income from equity investment is recognized when the right to receive payment is established.

### 3.34 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.

### 3.35 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. 3.36 Significant judgments, estimates, and assumption

#### 3.36.1 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.

#### Going Concern

The Company's total liabilities exceeded its total assets by ₦12.127 billion (2021: ₦11.80 billion). In addition, the Company's total equity as at December 31 2022 of ₦12.127 billion (2021: ₦11.805 billion) is below the

minimum regulatory requirement of ₦3 billion and the Company did not meet the regulatory solvency margin whilst there was a shortfall of ₦3.74 billion (2021: ₦2.67 billion) in the assets cover. The Company recorded a negative operating cash flow of N 601 million (2021: ₦50 million). The Company no longer carries out oil and gas line of business and this led to its declining revenue over the years.

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.

### Deferred tax liabilities

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expenses already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors such as experience of previous tax audits and differing interpretations by the taxable entity.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and the level of future taxable profits together with future tax planning strategies. The carrying value at the reporting date of deferred tax assets/liability is disclosed in Note 16.

#### 3.36.2 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 judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

#### 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 neighborhood. 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. "Further details can be found in Note 8."

#### Impairment on receivables

In accordance with the accounting policy, the Company tests annually whether premium receivables have suffered any impairment. The recoverable amounts of the premium receivables have been determined based on the incurred loss model. These calculations required the use of estimates based on the passage of time and the probability of recovery. "Further details can be found in Note 3".

#### Insurance contract liabilities

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date. It can take a significant period of time before the ultimate claims cost can be established with certainty and for some types of policies, IBNR claims form a significant part of the liability in the statement of financial position.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as the Chain Ladder method. The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim, and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply



in the future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved. "Further details can be found in Note 12."

### Revaluation of property, plant, 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, 2022. 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.

### Impairment losses on financial assets

The measurement of impairment losses under IFRS 9 across all categories of financial assets in scope requires judgment the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

The measurement of impairment losses under IFRS 9 across all categories of financial assets in scope requires judgment the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

- i. S&P credit grading model of obligors which assigns PDs to the individual grades.
- ii. The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.
- iii. Development of ECL models, including the various formulas and the choice of inputs.
- iv. Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment rates, inflation rate, GDP growth rate and crude oil price, and the effect on PDs, EADs and LGDs.

- v. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The determination of whether a financial asset is credit impaired focuses exclusively on default risk, without taking into consideration the effect of credit risk mitigants such as collateral or guarantees. Specifically, the financial asset is credit impaired and in stage 3 when: The Company considers the obligor is unlikely to pay its credit obligations to the Company. The termination may include forbearance actions, where a concession has been granted to the borrower or economic or legal reasons that a qualitative indicators of credit impairment; or contractual payments of either principal or interest by the obligor are pass due by more than 90 days.

For financial assets considered to be credit impaired, the ECL allowance covers the amount of loss the Company is expected to suffer. The estimation of ECLs is done on a case by case basis for non-homogenous portfolios, or by applying portfolio-based parameters to individual financial assets in this portfolio by the Company's ECL model for homogenous portfolios.

Forecasts of future economic conditions when calculating ECLs are considered. The lifetime expected losses are estimated based on the probability-weighted present value of the difference between: 1) The contractual cash flows that are due to the Company under the contract; and 2) The cash flows that the Company expects to receive.

Elements of ECL models that are considered accounting judgments and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on an LTECL basis and the qualitative assessment
- The development of ECL models, including the various formulas and the choice of inputs  
Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs, and LGDs

- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

### Expected lifetime

The expected lifetime of a financial asset is a key factor in determining the lifetime expected credit losses. Lifetime expected credit losses represent default events over the expected life of a financial asset. The Company measures expected credit losses considering the risk of default over the maximum contractual period (including any borrower's extension option) over which it is exposed to credit risk.

### Fair value of financial instruments using valuation techniques

The Directors use their judgment in selecting an appropriate valuation technique. Where possible, financial instruments are marked at prices quoted in active markets. In the current market environment, such price information is typically not available for all instruments and the Company uses valuation techniques to measure such instruments. These techniques use "market observable inputs" where available, derived from similar assets in similar and active markets, from recent transaction prices for comparable items, or from other observable market data. For positions where observable reference data are not available for some or all parameters, the Company estimates the non-market observable inputs used in its valuation models.

Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates although some assumptions are not supported by observable market prices or rates.

## 4. IFRS 9 Financial Instruments

The Company has adopted IFRS 9 as issued by the International Accounting Standards Board (IASB) with a transition date of 1 January 2019. IFRS 9 replaces IAS 39 for annual periods on or after 1 January 2019. The Company has not restated comparative information for 2017 for financial instruments in the scope of IFRS 9. Therefore, the comparative information for 2019 is reported under IAS 39 and is not comparable to the information presented for 2019. Differences arising from the adoption of IFRS 9 have been recognized directly in accumulated losses as of 1 January 2019 and are disclosed in Note 24.

### Changes to classification and measurement

To determine their classification and measurement category, IFRS 9 requires all financial assets, except

equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

The IAS 39 measurement categories of financial assets {fair value through profit or loss (FVPL), available for sale (AFS), held to maturity, and loans and receivables} have been replaced by:

- Debt instrument at amortized cost
- Debt instrument at fair value through other comprehensive income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- Financial assets FVPL

The accounting for financial liabilities remains largely the same as it was under IAS 39. The Company's classification of its financial assets and liabilities is explained in Notes 2.5.

### Changes to the impairment calculation

The adoption of IFRS 9 has fundamentally changed The Company's accounting for loss impairments by replacing IAS 39's incurred loss approach (with the exception of insurance related assets which is not within the scope of IFRS 9 just yet) with a forward looking expected credit loss (ECL) approach. IFRS 9 requires The Company to record an allowance for ECLs for loans and other debt financial assets not held at FVPL. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination.

Details of The Company's impairment method are disclosed in Note 2.5.

### IFRS 7 Revised (IFRS 7R)

To reflect the differences between IFRS 9 and IAS 39, IFRS 7 Financial Instruments: Disclosures was updated, and The Company has adopted it, together with IFRS 9, for the year beginning 1 January 2019. Changes include transition disclosures as shown in Note 2, detailed qualitative and quantitative information about the ECL calculations such as the assumptions and inputs used are set out in Note 2.5 (note on significant estimates) and Note 2.5 to the financial statements.

### IFRS 15 Revenue from contracts with customers

The Company adopted IFRS 15 Revenue from contracts with customers on its effective date of 1



January 2019. IFRS 15 replaces IAS 18 Revenue and establishes a five step model to account for revenue arising from contracts with customers. It applies to all contracts with customers except leases, financial instruments and insurance contracts.

The standard establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five-step model requires The Company to

- (i) identify the contract with the customer,
- (ii) identify each of the performance obligations included in the contract,
- (iii) determine the amount of consideration in the contract,
- (iv) allocate the consideration to each of the identified performance obligations and
- (v) recognize revenue as each performance obligation is satisfied.

There are no significant impacts from the adoption of IFRS 15 in relation to the timing of when the Company recognizes revenues or when revenue should be recognized gross as a principal or net as an agent. Therefore, International Energy Insurance Plc will continue to recognize fee and commission income charged for services provided by the Company as the services are provided (for example on completion of the underlying transaction). Revenue recognition for trading income and net investment income are recognized based on requirements of IFRS 9. In addition, guidance on interest and dividend income has been moved from IAS 18 to IFRS 9 without significant changes to the requirements.

#### **IFRIC Interpretation 22 Foreign Currency Transactions and Advance Considerations**

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This interpretation did not have any impact on The Company's financial statements.

#### **Amendments to IAS 40 Transfers of Investment Property**

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments did not have any impact on The Company's financial statements.

#### **Changes to the impairment calculation**

#### **Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts**

The amendments address concerns arising from implementing the new financial instruments standard, IFRS 9, before implementing IFRS 17 Insurance Contracts, which replaces IFRS 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach. These amendments are not relevant to The Company as it has already adopted IFRS 9 in 2019. Other standards that became effective during the year but have no impact on The Company's financial

- Amendments to IFRS 2 Classification and measurement of Share-based Payment Transactions
- Amendments to IAS 28 Investments in Associates and Joint ventures - Clarification that measuring
- Investees at fair value through profit or loss is an investment-by-investment choice
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters.

### **5.0 Standards and interpretations issued but not yet effective - continued**

#### **IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, which replaces IFRS 4 Insurance Contracts.

In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies for measurement purposes, IFRS 17 provides a comprehensive model (the general model) for insurance contracts, supplemented by the variable fee approach for contracts with direct participation features that are substantially investment-related service contracts, and the premium allocation approach mainly for short-duration which typically applies to certain non-life insurance contracts.

The main features of the new accounting model for insurance contracts are, as follows:

- The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, remeasured every reporting period (the fulfilment cash flows);
- A Contractual Service Margin (CSM) that is equal and opposite to any day-one gain in the fulfilment cashflows of a group of contracts. The CSM represents the unearned profitability of the insurance contracts and is recognized in profit or loss over the service period (i.e., coverage period);
- Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognized in profit or loss over the remaining contractual service period;
- The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice;
- The recognition of insurance revenue and insurance service expenses in the statement of comprehensive income based on the concept of services provided during the period;
- Amounts that the policyholder will always receive, regardless of whether an insured event happens (non-distinct investment components) are not presented in the income statement but are recognized directly on the statement of financial position.
- Insurance services results (earned revenue less incurred claims) are presented separately from the insurance finance income or expense;
- Extensive disclosures to provide information on the recognized amounts from insurance contracts and the nature and extent of risks arising from these contracts.

IFRS 17 is effective for annual reporting periods beginning on or after 1 January 2022, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. Retrospective application is required.

However, if full retrospective application for a group of insurance contracts is impracticable, then the entity is required to choose either a modified retrospective approach or a fair value approach.

The Company started a project to implement IFRS 17 and has been performing a high-level impact assessment of IFRS 17. The Company expects that the new standard will result in an important change to the accounting policies for insurance contract liabilities of The Company and is likely to have a significant impact on profit and total equity together with presentation and disclosure.

#### (i) IFRIC Interpretation 23 Uncertainty over Income Tax Treatment - continued

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities.
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits, and tax rates
- How an entity considers changes in facts and circumstances

#### (i) IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on



or after 1 January 2019, but certain transition reliefs are available. The amendment did not have any impact on The Company's Financial Statements.

**(ii) Annual Improvements 2015–2017 Cycle  
(issued in December 2017)**

**IAS 12 Income Taxes**

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognizes the income tax consequences of dividends in profit or loss, other comprehensive income, or equity according to where the entity originally recognized those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application permitted. When an entity first applies those amendments, it applies them to the income tax consequences of dividends recognized on or after the beginning of the earliest comparative period. Since The Company's current practice is in line with these amendments, The Company does not expect any effect on its consolidated financial statements.

**IAS 23 Borrowing Costs**

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments

for annual reporting periods beginning on or after 1 January 2019, with early application permitted. Since The Company's current practice is in line with these amendments, The Company does not expect any effect on its financial statements.

**iii) Other amendments to standards, which currently do not apply to The Company are listed below:**

- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long-term interests in associates and joint ventures
- IFRS 3: Business combination- Annual Improvements 2015–2017 Cycle
- IFRS 11: Joint Arrangements- Annual Improvements 2015–2017 Cycle
- IFRS 16- Leases
- IFRS 17- Insurance Contracts
- Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – Amendments to IFRS 4
- Definition of a Business – Amendments to IFRS 3
- Amendments to IAS 1 and IAS 8: Definition of Material
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7.

# NOTES TO THE FINANCIAL STATEMENTS

## 1 Cash and cash equivalents

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Cash-in-hand	1,111	1,111	352	369
Balances with banks (Note 1.1)	67,470	67,470	5,197,921	32,969
Short-term placements (Note 1.2)	169,667	169,667	72,051	100,083
	238,248	238,248	5,270,324	133,421
Less: Allowance for credit losses	-	(12,431)	(15,639)	(12,196)
Derecognition on loss of control of subsidiary during the year	(238,248)	-	-	-
<b>Cash and cash equivalents</b>	<b>-</b>	<b>225,817</b>	<b>5,254,685</b>	<b>121,225</b>

### 1.1 Balances with banks are made up of the following:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Cash held with banks in naira	49,668	49,668	5,180,186	15,167
Cash held with banks in foreign currencies	17,802	17,802	17,735	17,802
	67,470	67,470	5,197,921	32,969
Less: Allowance for credit losses	(92)	(92)	(92)	(92)
Derecognition on loss of control of subsidiary during the year	(67,378)	-	-	-
<b>Total balance with banks</b>	<b>-</b>	<b>67,378</b>	<b>5,197,829</b>	<b>32,877</b>

### 1.2 Short term placements are made up of:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Call deposits	3,300	3,300	3,692	3,300
Term deposits	166,367	166,367	68,359	96,783
	169,667	169,667	72,051	100,083
Less: Allowance for credit losses	(12,104)	(12,104)	(15,547)	(12,104)
Derecognition on loss of control of subsidiary during the year	(157,563)	-	-	-
<b>Total short term placements</b>	<b>-</b>	<b>157,563</b>	<b>56,504</b>	<b>87,979</b>



### 1.3 Movement in Cash and Cash Equivalents

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Balance as at 1st January	238,248	266,589	121,225	147,204
Derecognition on loss of control of subsidiary during the year	(225,817)	-	-	-
Increase/(decrease) in Cash and cash equivalents during the year	-	(30,688)	5,136,903	(21,895)
Increase/(decrease) in Allowance for Credit losses	(12,431)	(4,084)	(3,443)	(4,084)
	-	<b>231,817</b>	<b>5,254,685</b>	<b>121,225</b>

### 1.4 Movement in allowance for credit losses

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Balance as at 1st January	12,431	8,347	12,196	8,112
Write-off / reversal during the year	-	-	-	-
Derecognition on loss of control of subsidiary during the year	(12,431)	-	-	-
Increase/(decrease) in Allowance for Credit losses(Note 39)	-	4,084	3,443	4,084
	-	<b>12,431</b>	<b>15,639</b>	<b>12,196</b>

## 2 Financial assets

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
- Fair value through profit or loss (Note 2.1) - Held for trading	-	92,255	89,492	92,255
- Fair value through other comprehensive income (Note 2.2)	-	240,586	350,368	240,586
- Debt instruments at amortised cost (Note 2.3)	-	-	-	-
	-	<b>332,841</b>	<b>439,860</b>	<b>332,841</b>

## 2.1 Fair value through profit or loss

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
At 1 January	92,225	93,609	92,255	93,609
Purchase during the year	-	-	-	-
Derecognition of shares	-	-	-	-
Net fair value (loss)/gain (Note 36)	-	(1,354)	(2,763)	(1,354)
Derecognition on loss of control of subsidiary during the year	(92,225)	-	-	-
	-	<b>92,225</b>	<b>89,492</b>	<b>92,255</b>

## 2.2 Fair value through OCI

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Heritage Banking Company Limited	-	-	15,243	-
WAICA RE	-	116,865	249,107	116,865
EAIPN	-	122,177	84,474	122,177
Others	-	1,544	1,544	1,544
	-	<b>240,586</b>	<b>350,368</b>	<b>240,586</b>

### 2.2.1 Movement in FVOCI

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
At 1 January	240,586	247,281	240,586	247,281
Additions/(Disposal)	-	-	-	-
Fair value change (Note 45)	-	-	-	-
Fair value Gain/(loss) (Note 45)	-	(6,695)	109,781	(6,695)
Revised due to derecognition of subsidiary during the year	(240,586)	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>240,586</b>	<b>350,367</b>	<b>240,586</b>



### 2.2.2 Analysis of fair value financial assets through OCI:

	Opening Balance	Impairment	Fair Value	Fair value Gain/(loss)	Carrying amount
	₦'000	₦'000	₦'000	₦'000	₦'000
HBN	419,302	(419,302)	15,243	15,243	15,243
WAICA Re	116,865	-	249,107	132,242	249,107
EAIPN	122,178	-	84,474	(37,703)	84,474
FIRST ALUMINIUM	1,294	-	1,294	-	1,294
WEST AFRICA GLASS IND	250	-	250	-	250
	<b>659,888</b>	<b>(419,302)</b>	<b>350,368</b>	<b>109,781</b>	<b>350,368</b>

#### Basis of valuation:

The valuation of all these unlisted stocks, i.e. Heritage Bank, WAICA Re & Energy and Allied Insurance Pool of Nigeria were based on the Sum-of-the-Parts approach, aggregating the value of each individual equity, to establish a valuation range for all these companies. The valuation of the investment are stated at fair value, which has been determined based on valuations performed by a qualified Business Valuer, Norrenberger Advisory Partners Limited with FRC number FRC/2020/003/00000021292.

### 2.3 Debt instrument at amortised cost

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Treasury bills	-	-	-	-
Staff loans	-	240	-	240
Loans balances reclassified into "other receivables"	-	(240)	-	(240)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 3 Trade receivables

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Insurance receivables	-	-	-	-
Fees receivable	156,873	156,873	-	-
Receivables from third party Customers	156,873	156,873	-	-
Allowance for expected credit loss	(187)	(187)	-	-
Revised due to derecognition of subsidiary during the year	(156,686)	-	-	-
	<b>-</b>	<b>156,686</b>	<b>-</b>	<b>-</b>

Trade receivables are non interest bearing and are generally in terms of 30 days.

All insurance receivables carrying values approximate fair value at the reporting date. The Company reviews individual receivable account to determine its collectivity. The Company issues policies only to clients who pay in advance or are backed by registered brokers' credit notes that are payable within thirty days. All uncollected amounts after due date are deemed impaired.

### 3.1 The age analysis of gross insurance receivables as at year end is as follows:

#### Analysis of trade receivable/premium debtors in days:

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
0-30 days	-	156,686	-	-
	-	156,686	-	-

## 4 Other receivables and prepayments

### (i) Other receivables

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Receivable from Norrenberger Investment & Capital Mgmt Ltd.	-	-	905,615	-
Sundry receivables	17,718	17,478	11,707	11,707
Transfer of Staff loans balance (See Note 2.3)	-	240	-	240
Balance on Staff loans and Advances (See Note 4.1)	-	-	548	-
Revised due to derecognition of subsidiary during the year	(17,718)	-	-	-
<b>At 31 Decmber</b>	<b>-</b>	<b>17,718</b>	<b>917,870</b>	<b>11,947</b>

**(ii) Other receivable and prepayments**

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Withholding tax receivable	474,700	474,700	-	-
Prepayments	12,195	12,195	88,565	163
Revised due to derecognition of subsidiary during the year	(486,895)	-	-	-
	-	<b>486,895</b>	<b>88,565</b>	<b>163</b>
<b>Gross other Receivables and prepayments(i and ii)</b>	-	<b>504,613</b>	<b>1,006,435</b>	<b>12,111</b>
<b>Less:</b>				
impairment allowance on:				
Financial assets:				
Receivable from Norrenberger Investment & Capital Mgmt Ltd.	-	-	-	-
Sundry receivables	-	(10,179)	(10,179)	(10,179)
<b>Total impairment losses on Financial assets</b>	-	<b>(10,179)</b>	<b>(10,179)</b>	<b>(10,179)</b>
<b>Non Financial assets:</b>				
Withholding tax receivable	-	-	-	-
Prepayments	-	(5,741)	-	-
<b>Total impairment losses on Non Financial assets</b>	-	<b>(5,741)</b>	-	-
<b>Net Other Receivables and prepayments</b>	-	<b>488,693</b>	<b>996,256</b>	<b>1,932</b>
Financial Assets	-	7,539	907,691	1,768
Non- Financial Assets	-	481,154	88,565	163
	-	<b>488,693</b>	<b>996,256</b>	<b>1,932</b>

i. The receivable amount are due from Norrenberger Investment & Capital Management Limited which represents proceeds on sale of assets.

ii. Prepayment relates to our advance payments on expenses like office rents as at year end.

iii. Staff loans balance represents amount due from staff as advances made to them as at year end.

iv. The sundry receivables includes the sum of ₦10,179,000 in respect to the amount of fraud perpetrated by a staff of the company of which allowance for impairment have been provided for.

#### 4.1 Movement in Staff loans and advances

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>Staff loans*</b>				
Balance Jan 1,	240	249,245	249,125	249,245
Additions during the year	-	-	856	-
Payment received	-	(120)	(548)	(120)
Impairment allowance on loans and receivables (written off)	-	(248,885)	(248,885)	(248,885)
Derecognition on loss of control of subsidiary during the year	(240)	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>240</b>	<b>548</b>	<b>240</b>

#### 5 Reinsurance assets

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Reinsurance share of outstanding claims	-	233,513	176,378	233,513
Reinsurance share of IBNR on OCR	-	9,223	13,065	9,223
Outstanding claims recoverable	-	242,736	189,443	242,736
Prepaid reinsurance expenses	-	15,611	37,430	15,611
Minimum & Deposit Premium	-	4,030	67,063	4,030
<b>At 31 December</b>	<b>-</b>	<b>262,377</b>	<b>293,936</b>	<b>262,377</b>

#### 5.1 Reconciliation of movement in outstanding claims during the year

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Balance as at January 1,	233,513	258,884	233,513	258,884
Increase/(decrease) during the year	-	(25,371)	(57,135)	(25,371)
Derecognition on loss of control of subsidiary during the year	(233,513)	-	-	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>233,513</b>	<b>176,378</b>	<b>233,513</b>



### 5.1(a) Movement in outstanding claims during the year

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Balance as at January 1,	233,513	258,884	233,513	258,884
Increase/(Decrease) during the year (Note 32.1)	-	(25,371)	(57,135)	(25,371)
Derecognition on loss of control of subsidiary during the year	(233,513)	-	-	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>233,513</b>	<b>176,378</b>	<b>233,513</b>

### 5.2 Movement in IBNR during the year

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Balance as at January 1,	9,223	23,760	9,223	23,760
Increase/(Decrease) during the year (Note 31.1)	-	(14,537)	3,842	(14,537)
Derecognition on loss of control of subsidiary during the year	(9,223)	-	-	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>9,223</b>	<b>13,065</b>	<b>9,223</b>

### 5.3 Movement in prepaid reinsurance during the year

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Balance as at January 1,	15,611	7,331	15,611	7,331
Reinsurance cost incurred during the year (Note 29)	-	111,795	116,153	111,795
Reinsurance cost expensed during the year (Note 29)	-	(103,515)	(94,334)	(103,515)
Derecognition on loss of control of subsidiary during the year	(15,611)	-	-	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>15,611</b>	<b>37,430</b>	<b>15,611</b>

#### 5.4 Movement in Minimum & Deposit Premium during the year

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Balance as at January 1,	4,030	-	4,030	-
Minimum & Deposit Premium utilised during the year (Note 29)		-	(4,030)	-
Minimum & Deposit Premium paid in advance during the year reported in cashflow	-	4,030	67,063	4,030
Derecognition on loss of control of subsidiary during the year	(4,030)		-	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>4,030</b>	<b>67,063</b>	<b>4,030</b>

#### 6 Deferred acquisition costs

These represents commission paid to brokers on unearned premium relating to the unexpired tenure of risks.

Group and Company	Fire	Motor	General accident	Marine	Oil and energy	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
<b>At 1 January 2021</b>	<b>1,279</b>	<b>7,260</b>	<b>1,040</b>	<b>885</b>	<b>-</b>	<b>10,464</b>
Commission incurred during the year (Note 32)	2,647	14,443	5,330	8,144	-	30,564
Amortisation	(3,206)	(16,257)	(4,631)	(7,786)	-	(31,880)
<b>At 31 December 2021</b>	<b>720</b>	<b>5,446</b>	<b>1,739</b>	<b>1,243</b>	<b>-</b>	<b>9,148</b>
Commission incurred during the year (Note 32)	3,749	2,554	5,837	24,629	-	36,770
Amortisation to profit or loss (see note 32)	(3,599)	(4,588)	(17,311)	(7,998)	-	(33,495)
<b>At 31st December 2022</b>	<b>870</b>	<b>3,412</b>	<b>(9,734)</b>	<b>17,874</b>	<b>-</b>	<b>12,422</b>
<b>2022</b>						
Current	870	3,412	(9,734)	17,874	-	12,422
Non-current	-	-	-	-	-	-
	<b>870</b>	<b>3,412</b>	<b>(9,734)</b>	<b>17,874</b>	<b>-</b>	<b>12,422</b>
<b>2021</b>						
Current	720	5,446	1,739	1,243	-	9,148
Non-current	-	-	-	-	-	-
	<b>720</b>	<b>5,446</b>	<b>1,739</b>	<b>1,243</b>	<b>-</b>	<b>9,148</b>

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Balance as at January 1,	-	10,465	9,148	10,465
Increase/(Decrease) during the year (Note 32.1)	-	(1,317)	3,274	(1,317)
<b>Balance as at 31st December</b>	<b>-</b>	<b>9,148</b>	<b>12,422</b>	<b>9,148</b>



## 7.1 Investment in subsidiary

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Norrenberger Pensions Limited (Formerly IEI Anchor Pensions Managers Limited)	-	-	-	1,000,000
	-	-	-	<b>1,000,000</b>

## 7.2 Movement in Investment in Subsidiary

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
At 1 January	-	-	1,000,000	1,000,000
Derecognition on loss of control of subsidiary during the year	-	-	(1,000,000)	-
	-	-	-	<b>1,000,000</b>

## 7.3 Loss of control in Norrenberger Pensions Limited

Norrenberger Pensions Limited (NPL) formerly IEIAnchor Pension Managers Limited was a subsidiary to IEI Plc with 81% shareholding. In 2022, IEIAnchor Pension Managers Limited was acquired by Norrenberger Advisory Partners Limited. During the year 2022, Norrenberger Pensions Limited raised paid-up capital thus increasing their share capital and diluting IEI Plc's holding which resulted in loss of control. IEI Plc now recognises its investment in Norrenberger Pensions Limited as an associate with an equity interest of 29% which is accounted for using equity accounting in line with IAS 28 - Investments in associates and Joint Ventures.

## 8 Investment in Associate

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Norrenberger Pensions Limited	-	-	1,000,000	-
Attributable Share of profit or loss - Note 43	-	-	(123,478)	-
	-	-	<b>876,522</b>	-

Set out below are the summarised financial information of Norrenberger Pensions Limited as at 31st December 2022:

	31-Dec-22	31-Dec-21
	N'000	N'000
Loss for the year	(425,786)	-
Other comprehensive income	-	-
<b>Total comprehensive income/(loss)</b>	<b>(425,786)</b>	-

## 9 Investment properties

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
At 1 January	3,822,250	3,617,500	3,822,250	3,617,500
Reclassification - (Note 11)	-	-	1,260,430	-
Disposal of property - (Note 9.2)	-	-	(2,169,000)	-
Net fair value gain/(loss) (Note 35)	-	204,750	1,966,320	204,750
Derecognition on loss of control of subsidiary	(3,822,250)	-	-	-
	-	<b>3,822,250</b>	<b>4,880,000</b>	<b>3,822,250</b>

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

### 9.1 Description of properties

	Group	Company	
	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000
IEI Ibadan Estate, Liberty Road, Oke Ado, Ibadan, Oyo State	1,457,250	1,200,000	1,457,250
Rabbah Road, Kaduna, Kaduna State	196,000	110,000	196,000
8, Ohaeto Street, D-Line, Port Harcourt, Rivers State	-	70,000	-
14, Aba Road, Port Harcourt, Rivers State	-	3,500,000	-
*3A Oshunkeye Street, Off Apapa Oshodi Expressway, Gbagada, Lagos Lagos State	1,544,000	-	1,544,000
*7 Onitsha-Aba Benin Expressway, Asaba, Delta State	525,000	-	525,000
*Ugbo-Enyi-Nike, Enugu Local Government, Enugu State	100,000	-	100,000
	<b>3,822,250</b>	<b>4,880,000</b>	<b>3,822,250</b>

The landed property in 8, Ohaeto Street, D-Line, Port Harcourt and 14, Aba Road, Port Harcourt had been reclassified to investment property according to IAS 40.

### 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 and rental income. 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 Osas & Oseji Estate Surveyors & Valuers with FRC number FRC/2012/00000000522, as at 31 December 2022, 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.



## 9.2 The movement in investment properties are as follows;

S/N	Description/Location	Opening Balance	Additions/ Transfer	Disposal	Revaluation Gain/(loss)	Closing Balance	Status of Title
		(a)	(b)	©	(d)	(a+b+c+d)=(e)	
		N'000	N'000	N'000	N'000	N'000	
(i)	LIBERTY ROAD, OPPOSITE LIBERTY STADIUM, OFF RING ROAD, IBADAN, OYO STATE	1,457,250	-	-	(257,250)	1,200,000	Undergoing Perfection
(ii)	No. 5, RIBADU ROAD, OFF SWIMMING POOL ROAD, GRA, KADUNA, KADUNA STATE	196,000	-	-	(86,000)	110,000	Undergoing Perfection
(iii)	8, OHAETO STREET, D-LINE, PORT HARCOURT, RIVERS STATE	-	82,450	-	(12,450)	70,000	Undergoing Perfection
(iv)	14, ABA ROAD, PORT HARCOURT, RIVERS STATE	-	1,177,980	-	2,322,020	3,500,000	Undergoing Perfection
(v)	*3A OSHUNKEYE STREET, OFF APAPA OSHODI EXPRESSWAY, GBAGADA, LAGOS, LAGOS STATE	1,544,000	-	(1,544,000)	-	-	
(vi)	*KILOMETRE 7, ONITSHA-ASABA-BENIN EXPRESSWAY, ASABA, DELTA STATE	525,000	-	(525,000)	-	-	
(vii)	*UGBO-ENYI-NIKE ALONG ONITSHA ENUGU EXPRESSWAY, ENUGU, ENUGU STATE	100,000	-	(100,000)	-	-	
		<b>3,822,250</b>	<b>1,260,430</b>	<b>(2,169,000)</b>	<b>1,966,320</b>	<b>4,880,000</b>	

9.2.1 IEI Ibadan Estate contains 26 units valued at ₦1.3Billion. Meanwhile, IEI Plc currently has 24 units valued at ₦1.2billion as at year end, as indicated above.

## 9.3 Disposal of investment properties

S/N	Description/Location	Opening Balance	Additions/ Transfer	Disposal	Sale Proceed	Profit/(Loss) on disposal
		(a)	(b)	©	(d)	(a+b+c+d)=(e)
		N'000	N'000	N'000	N'000	N'000
(i)	*3A OSHUNKEYE STREET, OFF APAPA OSHODI EXPRESSWAY, GBAGADA, LAGOS, LAGOS STATE	1,544,000	-	(1,544,000)	640,664	(903,336)
(ii)	*KILOMETRE 7, ONITSHA-ASABA-BENIN EXPRESSWAY, ASABA, DELTA STATE	525,000	-	(525,000)	217,842	(307,158)
(iii)	*UGBO-ENYI-NIKE ALONG ONITSHA ENUGU EXPRESSWAY, ENUGU, ENUGU STATE	100,000	-	(100,000)	41,494	(58,506)
		<b>2,169,000</b>	<b>-</b>	<b>(2,169,000)</b>	<b>900,000</b>	<b>(1,269,000)</b>

## 9.4 Net fair value gain/loss on investment properties:

	N'000
Revaluation gain/(loss) (Note 9.2)	1,966,320
Profit/(loss) on disposal of assets (Note 9.3)	(1,269,000)
	<b>697,320</b>

## 9.5 Details of the valuer

The investment properties were independently valued as at 31 December 2022 by both Messrs Osas & Oseji Estate Surveyors & Valuers duly registered with the Financial Reporting Council of Nigeria with FRC/20212/000000000522, located at 50, Adetokunbo Ademola Crescent, Wuse II, Abuja and Humphrey Oronsaye & Co. (an estate surveyor & valuer) duly registered with the Financial Reporting Council of Nigeria with FRC/2017/NISS/00000016090, located at Suite 1, Lewis Street by Moloney Street, Lafaji - Obalende, Lagos, Nigeria. Both Valuers are qualified members of the Nigerian Institute of Estate Surveyors and Valuers.

Location of property	Valuation technique	Significant unobservable inputs
IEI Ibadan Estate, Liberty Road, Oke Ado Ibadan	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rent per annum ranges from ₦1.2million to ₦1.5million. Property has approximate total area of 2.6 hectares i.e. 26,000 square meters.
No 3 Oshunkeye Crescent, Gbagada Industrial Scheme, Lagos	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Approximate total area is 951 square meters. Rental value ranges between ₦3million to ₦6million per annum.
7 Onitsha-Aba Benin Expressway, Asaba, Delta State	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rental values in the area ranges between ₦4million to ₦8million per annum. The property is regular in shape and has approximate total area of 2,940 square meters.
Ugbo-Enyi-Nike, Enugu Local Government	Valuation was based on direct market comparison of recent sale of similar properties with same taste, finishings and location.	Site consists of warehouse and office complex on a total area of 1,280 square meters. Rental values range from ₦2million to ₦3.5million.
No 5, Ribadu Road, behind Police College, GRA, Kaduna, Kaduna State	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rent per annum ranges from ₦1.8million to 2million. Property has approximate total area of 1,195.60 square meters with a five bedroom two-storey detached house.
8, Ohaeto Street, Port Harcourt	Valuation was based on the market value basis with recourse to the Market Comparison, Investment and Depreciated Replacement Cost Approaches in arriving at the opinion of the Market Values of the subject property.	Site consists of residential building on three floors in an area of approximate 444.74 square meters.
14, Aba Road, Port Harcourt	Valuation was based on the market value basis with recourse to the Market Comparison, Investment and Depreciated Replacement Cost Approaches in arriving at the opinion of the Market Values of the subject property.	Property has approximate total area of 5,831.00 square meters with Office Building on 7 Floors with Basement.

### Investment properties carried at fair value

Investment properties are fair valued as determined by an independent valuer. The valuation is based on open market capital valuation using the market comparison approach through analysis of recent transactions of sale of comparable properties in the neighborhood to arrive at the value of the property. Investment properties are categorised as level 3 assets based on the methodology adopted in determining the fair value.



Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

### Investment properties carried at fair value using market approach

Under this approach, fair value of investment properties was determined using the market comparable method. The valuation have been performed by the valuer and are based on proprietary data basis or prices of transaction for properties of similar nature, location and condition.

	Level 3	Total
	N'000	N'000
<b>2022</b>		
31 Decemeber 2022		
Investment properties	4,880,000	4,880,000
<b>Investment properties</b>	<b>4,880,000</b>	<b>4,880,000</b>

	Level 3	Total
	N'000	N'000
<b>2021</b>		
31 Decemeber 2021		
Investment properties	3,822,250	3,822,250
<b>Investment properties</b>	<b>3,822,250</b>	<b>3,822,250</b>

## 10 Intangible assets

	31-Dec-22	31-Dec-21
	N'000	N'000
Cost:		
At 1 January 2021	10,790	10,790
Additions	-	-
At 31 Dec 2021	10,790	10,790
Additions	2,366	-
<b>At 31 December 2022</b>	<b>13,156</b>	<b>10,790</b>

### Accumulated amortisation:

At 1 January 2021	10,790	10,790
Charge for the year (Note 40)	-	-
At 31 December 2021	10,790	10,790
Charge for the year (Note 40)	20	-
<b>At 31 December</b>	<b>13,156</b>	<b>10,790</b>

### Carrying amount:

<b>At 31 December</b>	<b>2,346</b>	<b>-</b>
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## II Property, plant and equipment

1

Group	Land	Buildings	Plant and machinery	Motor vehicles	Furniture fittings office and computer equipment	Leasehold Improvement	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost/valuation:							
At 1 January 2021	1,090,457	2,383,544	122,487	413,798	498,873	19,000	4,528,159
Additions	-	-	-	8,798	15,439	-	24,237
At 31 December 2021	1,090,457	2,383,544	122,487	422,596	514,312	19,000	4,552,396
Additions	-	-	-	-	-	-	-
Derecognition on loss of control of subsidiary during the year	(1,090,457)	(2,383,544)	(122,487)	(422,596)	(514,312)	(19,000)	(4,552,396)
<b>At 31st December 2022</b>	-	-	-	-	-	-	-
<b>Accumulated depreciation:</b>							
At 1 January 2021	-	29,718	119,184	366,160	418,006	19,000	952,068
Charge for the year (Note 40)	-	25,545	996	22,844	30,480	-	79,865
Revaluation	-	-	-	-	-	-	-
At 31 December 2021	-	55,263	120,180	389,004	448,486	19,000	1,031,933
Charge for the year	-	-	-	-	-	-	-
Derecognition on loss of control of subsidiary during the year	-	(55,263)	(120,180)	(389,004)	(448,486)	(19,000)	(1,031,933)
<b>At 31st December 2022</b>	-	-	-	-	-	-	-
<b>Net book value:</b>							
<b>As at 31 December 2022</b>	-	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>1,090,457</b>	<b>2,328,281</b>	<b>2,307</b>	<b>33,592</b>	<b>65,826</b>	-	<b>3,520,463</b>

### 11.1 Property, plant and equipment

Company	Land	Buildings	Plant and machinery	Motor vehicles	Furniture fittings office and computer equipment	Total
	N'000	N'000	N'000	N'000	N'000	N'000
<b>Cost/valuation:</b>						
At 1 January 2021	1,090,457	1,994,544	105,864	191,243	208,392	3,590,500
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluation adjustment	-	-	-	-	-	-
At 31 December 2021	1,090,457	1,994,544	105,864	191,243	208,392	3,590,500
Adjustment	-	-	-	-	-	-
Additions	-	-	32,642	35,000	121,878	189,519
Disposals (Note 36)	-	-	-	-	(261)	(261)
*Transfer/Reclassification	(466,009)	(818,991)	-	-	-	(1,285,000)
Revaluation adjustment	(300,000)	(300,000)	-	-	-	(300,000)
<b>At 31st December 2022</b>	<b>624,448</b>	<b>875,553</b>	<b>138,506</b>	<b>226,243</b>	<b>330,009</b>	<b>2,194,758</b>
<b>Accumulated depreciation:</b>						
At 1 January 2021	-	19,945	105,359	191,243	201,043	517,590
Charge for the year (Note 40)	-	19,945	152	-	4,774	24,871
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
At 31 December 2021	-	39,891	105,511	191,243	205,817	542,462
Charge for the year (Note 40)	-	16,945	699	1,458	7,812	26,915
Disposals	-	-	-	-	(261)	(261)
*Transfer/Reclassification adjustment	-	(24,570)	-	-	-	(24,570)
Revaluation adjustment	(23,511)	(23,511)	-	-	-	(23,511)
<b>At 31st December 2022</b>	<b>-</b>	<b>8,756</b>	<b>106,210</b>	<b>192,701</b>	<b>213,368</b>	<b>521,035</b>
<b>Net book value:</b>						
<b>At 31st December 2022</b>	<b>624,448</b>	<b>866,798</b>	<b>32,296</b>	<b>33,542</b>	<b>116,641</b>	<b>1,673,724</b>
<b>At 31 December 2021</b>	<b>1,090,457</b>	<b>1,954,653</b>	<b>353</b>	<b>-</b>	<b>2,027</b>	<b>3,047,490</b>

\* Transfer/Reclassification of Land and Building of the total sum of ₦1,260,430,000.00: - Note 9.2

This relates to the transfer or reclassification of 8, Ohaeto Street, D-Line, Port Harcourt and 14, Aba Road, Port Harcourt landed property to Investment property on the premise that the property is now being held to earn rentals or capital appreciation or both. The Management elect to move the property, plant and equipment to Investment property in consonance with the provision of IAS 40, See Note 9.

### 11.3 Reconciliation of movement in respect of land and buildings

S/N	Description/Location	Opening Balance	Opening Balance	Additions/ (Transfer)	Revaluation Gain/(loss)	Closing Balance
		Land	Building	(c)	(d)	(a+b+c+d)=(e)
		₦'000	₦'000	₦'000	₦'000	₦'000
1	8, Ohaeto Street, D-Line, Port Harcourt, Rivers State	-	85,000	(85,000)	-	-
2	14, Aba Road, Port Harcourt, Rivers State	466,009	733,991	(1,200,000)	-	-
3	Plot No. 294 Jide Street, Victoria Island, Lagos	624,447	1,175,553	-	(300,000)	1,500,000
4	Depreciation before year end	-	(39,891)	24,570	23,511	8,190
5	Depreciation as at year end	-	(16,945)			(16,945)
		<b>1,090,456</b>	<b>1,937,708</b>	<b>(1,260,430)</b>	<b>(276,489)</b>	<b>1,491,245</b>

### 12 Statutory deposit

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Minimum statutory deposit	322,500	322,500	322,500	322,500
Derecognition on loss of control of subsidiary during the year	(322,500)	-	-	-
<b>Minimum statutory deposit</b>	<b>-</b>	<b>322,500</b>	<b>322,500</b>	<b>322,500</b>



### 13 Insurance contract liabilities

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Insurance contract liabilities consist of the following:				
Provision for reported claims	-	3,914,868	4,254,841	3,914,868
Provision for incurred but not reported claims	-	19,475	46,276	19,475
Reserve for outstanding claims	-	3,934,343	4,301,117	3,934,343
Reserve for unearned premium	-	313,844	432,296	313,844
	-	<b>4,248,187</b>	<b>4,733,413</b>	<b>4,248,187</b>
<b>Movement in reserve for outstanding claims</b>				
At 1 January	3,837,037	3,837,037	3,934,343	3,837,037
Claims incurred in the current accident year (Note 31)	218,723	218,721	547,874	218,721
Claims paid during the year	(121,415)	(121,415)	(181,100)	(121,415)
Derecognition on loss of control of subsidiary during the year	(3,934,345)			
<b>At 31 December</b>	-	<b>3,934,343</b>	<b>4,301,117</b>	<b>3,934,343</b>
<b>Movement in reserve for unearned premium</b>				
At 1 January	273,640	273,640	313,844	273,640
Premium written in the year (Note 29)	687,076	687,076	881,559	687,076
Premium earned during the year (Note 29)	(646,872)	(646,872)	(763,106)	(646,872)
Derecognition on loss of control of subsidiary during the year	(313,844)	-	-	-
<b>At 31 December</b>	-	<b>313,844</b>	<b>432,296</b>	<b>313,844</b>
Current	-	4,248,187	4,733,413	4,248,187
Non current	-	-	-	-
	-	<b>4,248,187</b>	<b>4,733,413</b>	<b>4,248,187</b>

(a)(i) Age Analysis of Reported Claims is as follows:

S/N	Days	No. of Claimnats	=N='000
1	0 - 90 days	-	-
2	91 - 180 days	-	-
3	181 - 270 days	-	-
4	271 - 365 days	1	900
5	Above 365 days	2,548	4,300,217
	<b>Total</b>		<b>4,301,117</b>

**(a)(ii)** Reasons for claims outstanding as at year end:

	0-90days	91-180days	181-270days	271-365days	Above 365 days	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Awaiting discharge voucher	-	-	-	-	1,049,543	1,049,543
Awaiting final report from adjuster	-	-	-	-	-	-
Awaiting lead insurer's instruction	-	-	-	-	801,425	801,425
Awaiting outstanding document	-	-	-	900	2,449,249	2,450,149
Claims repudiated	-	-	-	-	-	-
<b>Total reported claims</b>	-	-	-	<b>900</b>	<b>4,300,217</b>	<b>4,301,117</b>

**14 Trade payables**

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Reinsurance Payable (See note 14.1.1 below)	266,067	104,562	6,508	27,919
Deposit premium* (See note 14.1.2(i) below)	-	161,505	181,312	161,505
Derecognition on loss of control of subsidiary during the year	(266,067)	-	-	-
	-	<b>266,067</b>	<b>187,820</b>	<b>189,424</b>
<b>Current</b>	-	<b>266,067</b>	<b>187,820</b>	<b>189,424</b>

**14.1.1** This represents the amount payable to insurance companies as at year end. The carrying amounts of trade payable as disclosed above approximate their fair value at the reporting date. Trade payables are derecognised when the obligation under the liability is settled, cancelled or expired.

**14.1.2** The movement in premium deposit is as follows:

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Balance at January 1,	161,505	156,187	161,505	156,187
Additions during the year	-	5,318	19,807	5,318
Transfer to premium income	-	-	-	-
Transfer to other income	-	-	-	-
Derecognition on loss of control of subsidiary during the year	(161,505)	-	-	-
	-	<b>161,505</b>	<b>181,312</b>	<b>161,505</b>

**14.1.2(i)** \*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.



Deposit Premium was reclassified from Provisions and Other Payables in 2021 to Trade payables, as they relates to insurance contracts.

## 15 Provisions and other payables

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Staff pension	-	177,197	129,199	177,190
Accruals (Note 15.1)	-	513,631	310,623	487,673
Sundry creditors (Note 15.2)	-	483,140	1,530,947	430,771
Unclaimed dividend	-	64,211	64,211	64,211
	-	<b>1,238,179</b>	<b>2,034,979</b>	<b>1,159,846</b>

### 15.1 Accruals comprise:

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Accrued expenses	-	423,001	263,714	397,043
Professional fees	-	64,528	-	64,528
Accrued rental income	-	15,793	21,743	15,793
Audit fee	-	10,310	25,165	10,310
	-	<b>513,631</b>	<b>310,623</b>	<b>487,673</b>

#### 15.1.1 Accrued expenses

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Directors remuneration	-	35,964	67,500	35,964
Staff allowances	-	39,058	14,115	39,058
Salary Control - Outstanding salaries	-	119,203	10,274	119,203
Survey fees	-	204	154	204
Legal & Professional fees	-	85,507	117,145	85,507
ICT & Internet subscription	-	9,162	29,077	9,162
Staff Training & Subscriptions	-	30,706	4,324	30,706
Statutory levies & Dues	-	72,322	19,882	72,322
Motor Running	-	868	450	868
Advertisement	-	-	450	-
Repairs & Maintenance	-	1,267	343	1,267
Rent & Rates	-	2,470	-	2,470
Courier Services	-	312	-	312
	-	<b>397,042</b>	<b>263,714</b>	<b>397,043</b>

## 15.2 Sundry creditors comprise:

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Amount due to NICML (see note 15.2.1(a) below)	-	-	1,157,768	-
Anchor Pensions Limited	-	46,180	-	46,180
Staff cooperative	-	64,113	43,716	64,113
Other creditors (Note 15.2.1)	-	372,847	329,462	320,478
	-	<b>483,140</b>	<b>1,530,947</b>	<b>430,771</b>

**15.2.1(a)** \*Amount due to NICML represents various receipts in respect to “working capital requirement” funding from the parent company as at the year end.

### 15.2.1 Other Creditors comprise:

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Withholding taxes	-	88,441	80,839	77,299
Industrial Training Fund	-	23,966	20,966	23,966
VAT Payable	-	35,273	14,384	14,866
Naicom Agency Dues	-	14,193	-	14,193
NSITF Contributions	-	14,890	11,401	14,890
Staff Paye	-	196,084	201,872	175,264
	-	<b>372,847</b>	<b>329,462</b>	<b>320,478</b>
Financial liabilities	-	1,238,179	2,034,979	1,159,846
Non-Financial liabilities	-	-	-	-
	-	<b>1,238,179</b>	<b>2,034,979</b>	<b>1,159,846</b>

## 16 Taxation

### (a) Per statement of profit or loss:

	Group		Company	
	Opening Balances 2022 only	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Company income tax	-	-	-	-
Minimum tax	-	1,922	8,645	1,617
Education tax	-	2,201	-	-
Information technology development levy	-	525	-	-
Capital gain tax	-	-	26	-
	-	4,648	8,671	1,617
Deferred tax expense	-	3,587	-	-
Income tax expense	-	8,235	8,671	1,617



## 16 Taxation

### (b) Per statement of financial position:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b><i>Current income tax payable</i></b>				
At 1 January	-	525,521	511,081	512,464
Charge to profit or loss	-	4,648	8,671	1,617
Payment during the year	-	(4,304)	(212,590)	(3,000)
	-	<b>525,865</b>	<b>307,161</b>	<b>511,081</b>
Deferred income tax assets/(liabilities) are attributable to the following items:				
<b><i>Deferred tax liabilities/(asset)</i></b>				
Accelerated depreciation	-	(772,188)	(680,416)	(680,416)
Revaluation gain on land and building	-	(368,899)	76,199	76,199
Unutilised tax credit	-	463,833	463,833	463,833
Fair value gains on investment properties	-	394,888	(65,825)	(65,825)
Carried forward losses	-	35,890	-	-
Impairment on financial assets	-	-	-	-
	-	<b>(246,476)</b>	<b>(206,209)</b>	<b>(206,209)</b>
Movement in temporary differences during the year:				
At 1 January	-	810,606	792,722	792,722
<b><i>Recognised in profit or loss:</i></b>				
Accelerated depreciation	-	175,720	175,720	175,720
Unutilised tax credit	-	(604,242)	(604,242)	(604,242)
Fair value gains on investment properties	-	(192,787)	(192,787)	(192,787)
Impairment on financial assets	-	34,796	34,796	34,796
Losses carried forward	-	22,383	-	-
	-	<b>(564,130)</b>	<b>(586,513)</b>	<b>(586,513)</b>
Recognised in other comprehensive income:				
Revaluation surplus on property	-	-	-	-
<b>At 31 December</b>	-	<b>246,476</b>	<b>206,209</b>	<b>206,209</b>

## 18 Borrowings

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>Daewoo Securities (Europe) Limited (Note 18.1)</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>
Term Loan - Fidelity Bank Plc (Note 18.2)	26,500	26,500	-	-
Derecognition on loss of control of subsidiary during the year	(14,119,342)	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>14,119,342</b>	<b>14,092,842</b>	<b>14,092,842</b>

### 18.1 Daewoo Securities (Europe) Limited

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>At 1 January</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>
Interest	-	-	-	-
Exchange rate differences	-	-	-	-
Repayment during the year	-	-	-	-
	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>	<b>14,092,842</b>

### 18.2 Term Loan - Fidelity Bank Plc

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>At 1 January</b>	<b>26,500</b>	<b>38,500</b>	<b>-</b>	<b>-</b>
Interest	-	-	-	-
Repayment during the year	-	(12,000)	-	-
	<b>26,500</b>	<b>26,500</b>	<b>-</b>	<b>-</b>

International Energy Insurance Plc issued a bond valued at 1,850,000,000 Japanese Yen (JPY) to Daewoo Securities (Europe) Limited who have acted as the foreign agent. The bond has a tenor of 20 years commencing on 24 January 2008 and maturing on 23 January 2028. The bond was issued at a zero coupon interest rate. A premium of 29% of the face value of the bond is payable on the maturity date.

The bond has options to subscribe to the equity of the Company for the period commencing on 25 January 2009 and closing on 24 January 2028. The option rights under clause 3 of the option agreement states that the Naira equivalent value of the bond held shall form the consideration for the shares for which the option rights are being issued.

The bond is now a subject of litigation.

The Company instituted litigation against the bond issuer on the ground that the bonds were to be issued for long term finance from multiple individual and institutional investors and also that it never anticipated that Daewoo who acted as her Financial Adviser, Fund Arranger and Lead Manager would be the Sole Financer, Assignee or Beneficiary of the Global Bonds/options.



## 19 Deposit for shares

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Private placement - Note 19.1	-	279,360	5,279,360	279,360
Staff - Note 19.2	-	37,873	36,979	37,873
	-	<b>317,233</b>	<b>5,316,339</b>	<b>317,233</b>

### 19.1 Deposit for shares

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
At 1st January	-	279,360	279,360	279,360
Additions during the year	-	-	5,000,000	-
<b>At 31 December</b>	-	<b>279,360</b>	<b>5,279,360</b>	<b>279,360</b>

Additions made during the year to Deposit for shares relates to the monies deposited by Norrenberger Advisory Partners Ltd for purchase of shares in the Company awaiting allotments and approvals.

### 19.2 Deposit for shares - Staff

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Opening Balance - 1st January	-	37,873	37,873	37,873
Withdrawal	-	-	(894)	-
<b>At 31 December</b>	-	<b>37,873</b>	<b>36,979</b>	<b>37,873</b>

## 20 Share capital

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>Authorised:</b>				
5,136,341,957 ordinary share of 50 kobo each	-	2,568,171	2,568,171	2,568,171
1,600,000,000 redeemable preference shares of ₦2.50k each - Note 20(a)(i&ii)	-	4,000,000	-	4,000,000
<b>The Share Capital</b>				
1,284,085,488 ordinary shares of 50 kobo each	-	642,043	642,043	642,043

**20(a)** At the 43rd Annual General Meeting of the Company held on the 11th of October 2022, the Shareholders of the Company passed the following resolutions:

- (i) That the Directors be and hereby authorized, pursuant to Section to Section 124 of the Companies and Allied Matters Act, 2020 and Companies Regulations, 2021, to Cancel the Company's unissued 1,600,000,000 (One Billion and Six Hundred Million) preference Shares of ₦2.50K each and 3,852,256,467

(Three Billion, Eight Hundred and Fifty-Two Million, Two Hundred and Fifty-Six Thousand, Four Hundred and Sixty - Seven) Ordinary Shares of ₦0.50K each.

- (ii) That the Directors be and hereby authorised to amend Clause E of the Company's Memorandum of Association to replace the phrase "the Issued Share Capital" with the phrase "the Share Capital" and to reflect the Share Capital of the Company as ₦642,042,744.00K (Six Hundred and Forty-Two Million, Forty-Two Thousand, Seven Hundred and Forty-Four Naira) only divided into 1,284,085,488 (One Billion, Two Hundred and Eighty-Four Million, Eight-Five Thousand, Four Hundred and Eighty-Eight) Ordinary Shares of ₦0.50Kobo each.

## 21 Share premium

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>At 31 December</b>	-	963,097	963,097	963,097

Premium from issue of shares are reported in share premium account.

## 22 Statutory contingency reserve

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
At 1 January	-	1,629,867	1,603,755	1,583,143
Transfer from profit or loss	-	27,806	26,438	20,612
<b>At 31 December</b>	-	1,657,673	1,630,193	1,603,755

## 23 Capital reserve

	Group		Company	
	Opening Balance 2022 Only	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
<b>Balance at the beginning and end of the year</b>	-	7,926,398	7,926,398	7,926,398

**23(a)** By an Extra-ordinary General Meeting of the Company held on the 28th of June 2013, the shareholders of the Company passed the following resolutions:

- i) that the 6,420,427,449 issued shares of 50kobo each in the capital of the Company be divided into 1,284,085,489 ordinary shares of 50kobo each by the cancellation of 5,136,341,959 ordinary shares of 50kobo each.
- ii) that the restructured shares be allotted to shareholders whose names appear in the Register of Members as at 17th day of June 2013 as fully paid in the ration of 1 ordinary share for every 5 ordinary shares held.
- iii) that the sum of ₦2,568,170,979 representing the surplus nominal value arising from the share reconstruction exercise be and is hereby transferred to the Capital Reserve Account to form part of the Shareholders Fund of the Company.
- iv) The restructured 1,284,085,489 ordinary shares of 50kobo each be revalued to ensure that there is no loss of value to the shareholders as a result of the share reconstruction.

The share reconstruction exercise was sanctioned by the Federal High Court on the 26th April 2014.



## 24 Accumulated losses

	Group		Company	
	Opening Balance 2022 Only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
At 1 January	(24,833,128)	(24,108,118)	(24,568,858)	(23,825,671)
Transfer to contingency reserves	-	(27,806)	(26,437)	(20,612)
Transfer from profit or loss	-	(697,203)	(154,746)	(722,575)
Derecognition on loss of control of subsidiary during the year	24,833,128	-	-	-
<b>At 31 December</b>	<b>(24,833,128)</b>	<b>(24,833,128)</b>	<b>(24,750,041)</b>	<b>(24,568,858)</b>

## 25 Property revaluation reserve

	Group		Company	
	Opening Balance 2022 Only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
At 1 January	1,501,417	1,501,417	1,482,917	1,482,917
Transfer from OCI	-	-	(276,489)	-
Derecognition on loss of control of subsidiary during the year	(1,501,417)	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>1,501,417</b>	<b>1,206,428</b>	<b>1,482,917</b>

This reserve contains deficit on revaluation of Property, Plant and Equipment. A revaluation deficit is recorded in Other Comprehensive Income and credited to the property revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

## 26 Fair value reserve

	Group		Company	
	Opening Balance 2022 Only	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
At 1 January	145,588	152,283	145,588	152,283
Transfer from OCI	-	(6,695)	109,781	(6,695)
Derecognition on loss of control of subsidiary during the year	(145,588)	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>145,588</b>	<b>255,369</b>	<b>145,588</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.

## 27 Non-controlling interest - nil

## 28 Gross premium income

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Gross premium written:				
<i>Direct</i>	-	685,532	881,169	685,532
<i>Inward</i>	-	1,544	389	1,544
Total gross written premium (Note 13)	-	687,076	881,559	687,076
Change in unearned premium	-	(40,204)	(118,452)	(40,204)
<b>Gross premium income (Note 13)</b>	-	<b>646,872</b>	<b>763,106</b>	<b>646,872</b>

Gross premium income represents the total premium that was realised for the year. The amount of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in reserve for unearned premiums in insurance contract liabilities.

## 29 Reinsurance expenses

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Outward reinsurance	-	111,795	112,123	111,795
Minimum & Deposit premium paid in advance in previous period (Note 5.4)	-		4,030	-
(Increase) in prepaid reinsurance (Note 5)	-	(8,280)	(21,819)	(8,280)
	-	<b>103,515</b>	<b>94,334</b>	<b>103,515</b>

Reinsurance expenses represent outward premium paid to reinsurance companies.

## 30 Commission income

Commission income represents commission received on transactions ceded to reinsurance during the year under review.

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
	-	23,942	17,262	23,942

## 31 Claims expenses

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Gross claims paid	-	121,415	181,100	121,415
Change in outstanding claims reserve	-	150,743	339,973	150,744
Changes in IBNR	-	(53,966)	26,801	(53,966)
	-	218,192	547,874	218,193
Recoverable from reinsurance (Note 31.1)	-	14,212	(28,450)	14,212
	-	<b>232,404</b>	<b>519,423</b>	<b>232,405</b>



### 31.1 Recoverable from reinsurance:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Reinsurance share of claims paid (Note 5)	(14,212)	25,696	81,743	25,696
Changes in reinsurance share of outstanding claims	-	(25,371)	(57,135)	(25,371)
Changes in reinsurance share of IBNR	-	(14,537)	3,842	(14,537)
Derecognition on loss of control of subsidiary during the year	14,212	-	-	-
	-	<b>(14,212)</b>	<b>28,450</b>	<b>(14,212)</b>

### 32 Acquisition costs

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Deferred acquisition costs at 1 January	9,148.00	10,464	9,148	10,464
Commission for the period	-	30,558	36,770	30,558
Gross commission	9,148	41,022	45,918	41,022
Deferred acquisition costs at end of the year	-	(9,148)	(12,422)	(9,148)
Derecognition on loss of control of subsidiary during the year	(9,148)	-	-	-
	-	<b>31,874</b>	<b>33,495</b>	<b>31,874</b>

### 33 Maintenance costs

These are underwriting expenses incurred in servicing existing policies or contract. The costs include, but are not limited to, supervisory levy, superintending fees and other technical expenses.

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Underwriting expenses	-	171,742	129,146	171,742
	-	<b>171,742</b>	<b>129,146</b>	<b>171,742</b>

### 34.1 Interest revenue calculated using effective interest method

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Short term investment income	-	5,162	9,772	5,162
Interest on bank and statutory deposits	-	8,255	12,716	5,288
	-	<b>13,417</b>	<b>22,488</b>	<b>10,450</b>

### 34.2 Other investment income

<b>Dividend income</b>	-	<b>9,890</b>	<b>1,807</b>	<b>9,890</b>
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### 35 Net realised gains

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
On disposal of property, plant and equipment	-	-	261	-
Recycled to profit or loss	-	-	-	-
(Loss)/gain on disposal of financial asset	-	-	-	-
	-	-	<b>261</b>	-

### 36 Net fair value gain/(loss)

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Financial assets (FVPOL) (Note 2.1)	-	(1,354)	(2,763)	(1,354)
Net fair value gain on investment properties ( Note 9.2)	-	204,750	1,966,320	204,750
	-	<b>203,396</b>	<b>1,963,557</b>	<b>203,396</b>

#### 36.1 Profit/(Loss) on disposal of investment property

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Net loss on disposal of investment properties ( Note 9.3)	-	-	(1,269,000)	-
	-	-	<b>(1,269,000)</b>	-

### 37 Other income

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Fee based income	-	989,323	-	-
Rental Income	-	30,487	25,849	30,487
Foreign exchange gains( Domicillary)	-	3,545	2,307	3,545
Sundry income	-	53,231	-	53,231
	-	<b>1,076,586</b>	<b>28,155</b>	<b>87,263</b>

### 38 Credit loss expense

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₺'000	₺'000	₺'000	₺'000
Impairment on cash and cash equivalents (Note 1.2)	-	(4,084)	(3,443)	(4,084)
Impairment on loan at amortised costs	-	(519)	-	(519)
Impairment on fees receivable	-	(2,226)	-	-
Impairment on FVOCI	-	(10,179)	-	-
	-	<b>17,008</b>	<b>(3,443)</b>	<b>(4,603)</b>



### 39 Management expenses

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Personnel cost	-	837,139	316,869	332,020
Directors emoluments	-	44,907	35,866	20,157
Auditors remuneration	-	8,450	16,000	6,450
Depreciation	-	79,865	26,915	24,871
Amortization of Intangible assets	-	3,805	20	-
Legal and other professional fees	-	66,542	68,703	60,842
Motor running expenses	-	17,653	20,509	17,653
Subscription and donations	-	9,584	11,488	5,011
AGM Expenses	-	-	17,603	-
Corporate gift and miscellaneous	-	-	593	-
Repairs and maintenance	-	89,409	21,617	41,771
Rent and rates	-	29,536	6,957	8,772
Postage and telephone	-	12,721	2,886	2,983
Transport and travelling	-	15,217	42,516	9,328
Advertisements, sales and marketing	-	4,862	28,978	32
Printing and stationery	-	15,703	5,688	3,121
Security expenses	-	7,501	6,070	5,263
Oil and diesel	-	21,792	19,696	7,812
Insurance and license	-	11,255	5,008	7,134
State and local government levy	-	9,470	4,154	3,265
NAICOM Levy	-	6,871	8,710	6,871
Entertainment expenses	-	-	4,348	1,168
Board Expenses	-	-	24,661	12,125
Filing fees	-	-	3,892	1,001
Office Cleaning	-	-	4,475	2,994
Newspapers & Periodicals	-	-	205	189
Other operating expenses	-	119,373	-	-
ICT consumables	-	5,261	8,377	5,261
Internet subscription	-	18,631	4,543	8,609
Bank charges	-	1,517	4,030	1,204
Electricity and utilities	-	11,625	4,263	4,403
Fines and penalty	-	3,140	44,751	3,140
Sales and marketing	-	81,764	-	-
Training Expenses	-	9,037	-	-
Exchange loss	-	-	-	-
	-	<b>1,542,631</b>	<b>770,391</b>	<b>603,449</b>

#### 40 Non-audit service

The Company did not engage the auditors for non-audit services during the year (2021: Nil).

#### 41 Finance costs

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Interest on borrowings	-	8,713	-	-
Other interest expense	-	-	-	-
Exchange loss on borrowings	-	555,183	-	555,183
	-	<b>563,896</b>	-	<b>555,183</b>

#### 42 Share of Profit/(Loss) of an Associate

	Company	
	31-Dec-22	31-Dec-21
	₦'000	₦'000
Loss for the year	(425,786)	-
Other comprehensive income	-	-
<b>Total comprehensive income/(loss)</b>	<b>(425,786)</b>	<b>-</b>
Share of loss of an associate of 29% shareholding of the company	<b>123,478</b>	-

#### 43 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:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Net losses attributable to owners of the parent	-	(697,202)	(154,746)	(722,574)
Weighted average number of shares for the year ('000)	-	1,284,085	1,284,085	1,284,085
Basic and diluted earnings/(loss) per share	-	(54.30)	(12.05)	(56.27)

#### 44 Net (loss)/gain on available-for-sale financial assets

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Fair value gain/(loss) on Financial assets fair valued through other comprehensive income (Note 2.2)	-	-	-	-
Gain on disposal (note 37)	-	-	-	-
Impairment recycled through p or I (Note 36)	-	-	-	-



#### 45 Net gain/loss on equity instrument at fair value through other comprehensive income

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Fair value loss on financial assets at FVTOCI (Note 2.2)	-	(6,695)	109,781	(6,695)

#### 46 Revaluation loss on property

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Arising during the year	-	-	-	-
Revaluation loss (Note 11.3)	-	-	(276,489)	-
Income tax effect (Note 16)	-	-	-	-
	-	-	(276,489)	-

#### 47 Reconciliation of loss before income tax expense to cash provided by operating activities

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	₦'000	₦'000	₦'000	₦'000
Profit/(Loss) before income tax expense	-	(688,968)	(146,075)	(720,958)
<b>Adjustments for items not involving movement of cash:</b>				
Depreciation	-	82,149	26,915	24,871
Amortisation of intangible assets	-	3,805	20	-
Profit on disposal of PPE	-	-	-	-
(Gain)/Loss on revaluation of investment properties	-	-	276,489	-
Interest income	-	(43,954)	(44,529)	(40,937)
Dividend income	-	(9,890)	(1,807)	(9,890)
Fair value loss/(gain) on held-for-trading assets	-	1,354	2,763	1,354
Recycled to profit or loss (financial asset)	-	6,695	109,781	6,695
Fair value loss / (gains) on investment properties	-	(204,750)	(1,966,320)	(204,750)
Profit or loss on disposal of investment property	-	-	1,269,000	-
Charge on impairment of assets	-	(3,583)	(3,443)	(4,603)
Finance costs	-	563,896	-	555,183
Exchange gains	-	(3,545)	(2,307)	(3,545)
	-	392,178	(333,437)	324,379
<b>Changes in working capital:</b>				
Loans and receivables	-	759	-	759
Trade receivables	-	(23,778)	-	-
Other receivables and prepayments	-	(74,680)	(994,324)	363
Reinsurance assets	-	31,628	(31,559)	31,628
Deferred acquisition costs	-	(1,317)	(3,274)	(1,317)
Insurance contract liabilities	-	137,512	485,226	137,512
Trade payables	-	31,546	(1,604)	4,008
Provisions and other payables	-	179,936	636,441	176,762
	-	281,606	90,906	349,715
Cash used in operating activities	-	(15,184)	(388,606)	(46,864)

#### 48 Reconciliation of other operating cash payments

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Auditors' remuneration	-	(8,450)	(16,000)	(6,450)
Other expenses	-	(1,611,123)	(467,222)	(730,296)
Change in other assets and receivables	-	(73,921)	(994,324)	1,122
Change in trade payables and other liabilities	-	180,993	634,838	150,278
	-	<b>(1,512,501)</b>	<b>(842,708)</b>	<b>(585,346)</b>

#### 49 Cash and cash equivalents for the purposes of the financial statements of cash flows:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Cash and cash equivalents	-	225,817	5,254,685	121,225
Overdrafts	-	-	-	-
	-	<b>225,817</b>	<b>5,254,685</b>	<b>121,225</b>

#### 50 Loss before income tax expense

Loss before income tax expense is arrived at after charging/(crediting):

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
Depreciation of property, plant and equipment	-	82,149	26,934	24,871
Amortisation of intangible assets	-	1,448	20	-
Directors' emoluments	-	85,320	35,866	20,157
Auditors' remuneration	-	8,450	16,000	6,450
Profit on disposal of property and equipment	-	-	261	-
Net exchange loss	-	-	-	-

#### 51 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:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
<b>Short-term employee benefits:</b>				
Salaries and allowances	-	135,078	12,000	56,418
<b>Long-term employee benefits:</b>				
Post employment pension benefits	-	4,330	-	4,330
	-	<b>139,408</b>	<b>12,000</b>	<b>60,748</b>
Fees and other emolument disclosed above includes amount paid to:				
<b>Chairman</b>	-	<b>12,000</b>	<b>5,000</b>	<b>6,000</b>

The number of Directors who received fees and other emoluments (excluding pension contributions and certain benefit) in the following ranges was:



	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	Number	Number	Number	Number
Below =N=1,000,000	-	-	-	-
=N=1,000,001 - =N=5,000,000	-	7	2	2
=N=5,000,001 - =N=10,000,000	-	2	1	1
=N=10,000,001 and above	-	1	0	0
	-	<b>10</b>	<b>3</b>	<b>3</b>

## Employees

The number of persons employed (excluding Directors) in the Group during the year was as follows:

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	Administration	-	56	9
Technical	-	126	25	37
General services	-	70	-	-
	-	<b>252</b>	<b>34</b>	<b>58</b>

Emolument range	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	Number	Number	Number	Number
=N=500,001 - =N=600,000	-	9	-	1
=N=600,001 - =N=1,000,000	-	22	2	2
=N=1,000,001 - =N=2,000,000	-	115	6	5
=N=2,000,001 - =N=3,000,000	-	30	15	9
=N=3,000,001 - =N=4,000,000	-	26	4	17
=N=4,000,001 - =N=5,000,000	-	22	4	15
=N=5,000,001 - =N=8,000,000	-	17	2	6
=N=8,000,001 - =N=10,000,000	-	3	1	1
=N=10,000,001 - and above	-	8	-	2
	-	<b>252</b>	<b>34</b>	<b>58</b>

## 52 Directors and employees - continued

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	N'000	N'000	N'000	N'000
<b>Staff costs</b>				
Wages and salaries	-	706,143	275,476	294,818
Other staff costs	-	68,332	19,727	17,812
Pensions	-	62,665	19,390	19,390
	-	<b>837,140</b>	<b>314,593</b>	<b>332,020</b>

### 53 Transaction with related parties

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

	31-Dec-22	31-Dec-21
	N'000	N'000
Premium received	3,953	3,594
Claims paid	843	-
Amount due to subsidiary		46,180

Premium received and claims paid relates to sale of insurance contract and other services are at arms length.

### 54 Contingencies and commitments

#### 54.1 Outstanding litigations

In the ordinary course of business, there are pending litigations involving the Company for which no provision has been made amounted to N 209.4 million (2021: N209.4 million). However, the actions are being defended and the Directors are of the opinion that no material liability would arise therefrom.

#### 54.2 Capital commitments

The Company has no capital commitment at the reporting date.

### 55 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 dealing in the Company's securities. The Policy is periodically reviewed by the Board and updated. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

### 56 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.

### 57 Non Compliance with laws and regulations

The Company contravened certain laws and regulations during the year ended December 31 2022. Details of the contraventions and penalty is as follows:

	Name of Regulator	Company	
		2022	2021
		N'000	N'000
Late submission of accounts.	SEC	42,005.00	18,000
Late filing of audited accounts	NSE	-	9,000
Late filing of accounts	NAICOM	1,155	1,222
		<b>43,160.00</b>	<b>28,222</b>

### 58 Segment information

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.

The business of this segment is undertaken by International Energy Insurance Plc.



### Pension administration

This reportable segment includes the administration and management of the retirement benefits of members. The administration includes making investment decisions, collection of contribution and making payment to retirees in-line with provisions of Pension Reform Act 2014. The revenue earned includes administration and management fees received on member's contributions and the Net Asset value of Funds under Management respectively. The business of this segment is undertaken by Norrenberger Pensions Limited (NPL - formerly IEL

Anchor Pensions Limited), a 81% formerly owned subsidiary of the Company.

Following an investment of capital by Norrenberger Advisory Partners Limited for the issue of 1,799,820,000 ordinary shares in IEL Anchor Pension Ltd, the Company lost its controlling interest in IEL Anchor Pension Ltd resulting from the dilution of interest holding to 29%. The Company now accounts for its investment in IEL Anchor Pension Ltd using the equity accounting method.

	Non-life	Pension	Total
	N'000	N'000	N'000
<b>Consolidated statement of profit or loss 2022</b>			
Gross written premium	881,559	-	881,559
Gross premium income	763,106	-	763,106
Reinsurance expenses	(94,334)	-	(94,334)
Net premium income	668,772	-	668,772
Commission income	17,262	-	17,262
Net underwriting income	686,034	-	686,034
Claims expenses	(519,423)	-	(519,423)
Underwriting expenses	(162,641)	-	(162,641)
Underwriting results	3,970	-	3,970
Investment income	24,294	-	24,294
Net realised gains	261	-	261
Net fair value gains/(loss)	1,963,557	-	1,963,557
Other income	28,155	-	28,155
Allowance for impairment of assets	(3,443)	-	(3,443)
Depreciation	(26,915)	-	(26,915)
Ammortisation	(20)	-	(20)
Management expenses	(745,520)	-	(745,520)
Results from operating activities	1,244,339	-	1,244,339
Finance costs	-	-	-
(Loss)/profit before income tax	1,244,339	-	1,244,339
Income tax credit/(expense)	-	-	-
<b>(Loss)/profit after income tax</b>	<b>1,244,339</b>	<b>-</b>	<b>1,244,339</b>
<b>Statement of financial position 2022</b>			
Segment assets	14,752,250	-	14,752,250
Segment liabilities	26,878,764	-	26,878,764

Consolidated statement of profit or loss 2021	Non-life	Pension	Total
	₺'000	₺'000	₺'000
Gross written premium	687,076	-	687,076
Gross premium income	646,872	-	646,872
Reinsurance expenses	(103,515)	-	(103,515)
Net premium income	543,357	-	543,357
Commission income	23,942	-	23,942
Net underwriting income	567,299	-	567,299
Claims expenses	(232,405)	-	(232,405)
Underwriting expenses	(203,616)	-	(203,616)
Underwriting results	131,279	-	131,279
Investment income	20,340	2,947	23,287
Net realised gains	-	-	-
Net fair value gains/(loss)	203,396	-	203,396
Other income	87,263	989,323	1,076,586
Allowance for impairment of assets	(4,603)	(2,226)	(6,829)
Depreciation	(24,871)	(54,994)	(79,865)
Ammortisation	-	-	-
Management expenses	(578,578)	(880,388)	(1,458,966)
Results from operating activities	(165,775)	54,662	(111,113)
Finance costs	(555,183)	(8,713)	(563,896)
(Loss)/profit before income tax	(720,958)	45,949	(675,009)
Income tax credit/(expense)	(1,617)	(22,072)	(23,689)
<b>(Loss)/profit after income tax</b>	<b>(722,575)</b>	<b>23,877</b>	<b>(698,698)</b>
Segment assets	8,919,763	1,225,499	10,145,262
Segment liabilities	20,724,822	160,597	20,885,419

## 59 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 Group 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.



## The Company

	31-Dec 2022		
	Insurance contract	Shareholders' funds	Total
	₦'000	₦'000	₦'000
<b>Assets</b>			
Cash and cash equivalents	254,685	5,000,000	5,254,685
Financial assets			
- Fair value through POL	89,492	-	89,492
- Fair value through OCI	350,368	-	350,368
Other receivables and prepayments	-	996,256	996,256
Reinsurance assets	293,936	-	293,936
Deferred acquisition costs	-	12,422	12,422
Investment in Associate Company	-	876,522	876,522
Investment properties	-	4,880,000	4,880,000
Intangible assets	-	2,346	2,346
Property, plant and equipment	-	1,673,724	1,673,724
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>988,481</b>	<b>13,763,769</b>	<b>14,752,250</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,733,413	-	4,733,413
Trade payables	-	187,820	187,820
Provisions and other payables	-	2,034,979	2,034,979
Current income tax payable	-	307,161	307,161
Deferred tax liabilities	-	206,209	206,209
Deposit for shares	-	5,316,339	5,316,339
<b>Total liabilities</b>	<b>4,733,413</b>	<b>8,052,509</b>	<b>12,785,922</b>
Gap	<b>(3,744,933)</b>	<b>5,711,261</b>	<b>1,966,328</b>

## 59.1 Asset and Liability Management - continued

### The Company

	31-Dec 2022		
	Insurance contract	Shareholders' funds	Total
	N'000	N'000	N'000
<b>Assets</b>			
Cash and cash equivalents	121,225	-	121,225
Financial assets			
- Held-for-trading	92,255	-	92,255
- Available-for-sale	43,136	197,450	240,586
- Loans and receivables	240	-	240
Trade receivables	(0)	-	(0)
Other receivables and prepayments	-	1,692	1,692
Reinsurance assets	262,377	-	262,377
Deferred acquisition costs	-	9,148	9,148
Investment in subsidiary	-	1,000,000	1,000,000
Investment properties	1,062,047	2,760,203	3,822,250
Property, plant and equipment	-	3,047,490	3,047,490
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>1,581,280</b>	<b>7,338,482</b>	<b>8,919,762</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,248,187	-	4,248,187
Trade payables	-	27,913	27,913
Provisions and other payables	-	1,321,357	1,321,357
Current income tax payable	-	511,081	511,081
Deferred tax liabilities	-	206,209	206,209
Borrowings	-	14,092,843	14,092,843
Deposit for shares	-	317,233	317,233
<b>Total liabilities</b>	<b>4,248,187</b>	<b>16,476,635</b>	<b>20,724,823</b>
Gap	<b>(2,666,908)</b>	<b>(9,138,153)</b>	<b>(11,805,061)</b>

## 60 Capital Management

The main objectives of the Company when managing capital are:

- \* To ensure that the Minimum Capital Requirement of ₦3 billion as required by the Insurance Act CAP I17, LFN 2004, 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

The Insurance Act CAP I17, LFN 2004 specifies the amount of capital that must be held in proportion to the Company's liabilities, i.e in respect of outstanding claims liability risk, unearned premium liability 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 Insurance Act CAP I17, LFN 2004 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 paid-up capital or 15% of the gross premium income less reinsurance premiums paid out during the year, whichever is higher in accordance with section 24 of Insurance Act CAP I17 LFN, 2004.

### Capital Requirement – Finance Act 2021 – Part IX – Insurance Act

The Federal Government of Nigeria, by Federal Republic of Nigeria Official Gazette, dated 18th January 2022, amended the Finance Act 2021. The Finance Act 2021 (Part IX – Insurance Act) in Sections 33, 34, and 35 contains provisions which amended Sections 9, 10, and 102 of Insurance Act, 2003. as previously related to paid-up share capital. The Sections of the Act amended the Insurance Act by substituting the words “Paid-Up Share Capital”, with the words “Capital Requirement” and wherever they

appear in Insurance Act 2003. The words “Capital requirement” was introduced and inserted in Section 102 of the Insurance Act. By the provision of Section 35, “Capital Requirement” means

- (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

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:**

	31-Dec-22	31-Dec-21
	N'000	N'000
Share Capital	642,043	642,043
Share Premium	963,097	963,097
Statutory Contingency Reserve	1,630,193	1,603,755
Accumulated losses	(24,750,041)	(24,568,858)
<b>Excess of admissible assets over liabilities</b>	<b>(21,514,709)</b>	<b>(21,359,963)</b>
Less Own Shares	-	-
	(21,514,709)	(21,359,963)
Subordinated liabilities approved by the Commission	-	-
Other instruments approved by the Commission	5,000,000	-
<b>Capital Requirements</b>	<b>(16,514,709)</b>	<b>(21,359,963)</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 #3 billion specified by NAICOM.

The Company's capital requirement of #3,000,000,000 was not maintained as at the end of the financial year, while the Solvency margin was also below the requirements of the Insurance Act CAP I17, LFN 2004 as a result of the restriction on the admissibility of certain assets.

**60.1 Capital Management – Solvency Margin – continued**

	2022	2022	2022	2021	2021	2021
	Admissible	Inadmissible	Total	Admissible	Inadmissible	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	5,236,950	17,735	5,254,685	97,457	23,768	121,225
Financial assets						
- Fair value through OCI	89,492	-	89,492	92,255	-	92,255
- Fair value through POL	350,368	-	350,368	240,586	-	240,586
- Loans and receivables	-	-	-	240	-	240
Trade receivables	-	-	-	-	-	-
Other Receivables and Prepayments	-	996,256	996,256	-	1,692	1,692
Reinsurance assets	293,936	-	293,936	262,377	-	262,377
Deferred acquisition costs	12,422	-	12,422	9,142	-	9,142
Investment in associate	876,522	-	876,522	-	-	-
Investment in subsidiary	-	-	-	1,000,000	-	1,000,000
Investment properties	-	4,880,000	4,880,000	1,000,000	2,822,250	3,822,250
Intangible assets	2,346	-	2,346	-	-	-
Property, plant and equipment – Land & Building	1,000,000	491,245	1,491,245	1,061,914	1,983,196	3,045,110
Property, plant and equipment – Others	182,478	-	182,478	2,380	-	2,380
Statutory deposit	322,500	-	322,500	322,500	-	322,500
<b>Admissible assets</b>	<b>8,367,014</b>	<b>6,385,236</b>	<b>14,752,250</b>	<b>4,088,851</b>	<b>4,830,906</b>	<b>8,919,757</b>
Insurance contract liabilities	4,733,413	-	4,733,413	4,247,655	-	4,247,655
Trade payables	187,820	-	187,820	27,919	-	27,919
Provision and other payables	2,034,979	-	2,034,979	1,321,887	-	1,321,887
Current income tax payable	307,161	-	307,161	511,081	-	511,081
Deferred Tax liabilities	-	206,209	206,209	-	206,209	206,209
Borrowings	14,092,842	-	14,092,842	14,092,843	-	14,092,843
Deposit for shares	5,316,339	-	5,316,339	317,233	-	317,233
<b>Admissible liabilities</b>	<b>26,672,555</b>	<b>-</b>	<b>26,672,555</b>	<b>20,518,618</b>	<b>206,209</b>	<b>20,724,827</b>
Solvency margin	<b>(18,305,541)</b>			<b>(16,429,767)</b>		
The higher of:						
15% of net premium income and Shareholders' funds	<b>3,000,000</b>			<b>3,000,000</b>		
Shortfall in solvency margin	<b>21,305,541</b>			<b>19,429,767</b>		

**61 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			Fair value through OCI	Fair value through P & L
31 December 2022		Note	₹'000	₹'000
Quoted equities at FVTPL	2		89,492	
Fair value through OCI - unquoted	2	2.1		350,368
			<b>89,492</b>	<b>350,368</b>
<b>31 December 2021</b>				
Quoted equities at FVTPL	2		92,255	
Fair value through OCI - unquoted		2.1		240,586
			<b>92,255</b>	<b>240,586</b>

Company			Fair value through OCI	Fair value through P & L
31 December 2022		Note	₹'000	₹'000
Quoted equities at FVTPL	2		89,492	
Fair value through OCI - unquoted	2	2.1		350,368
			<b>89,492</b>	<b>350,368</b>
<b>31 December 2021</b>				
Quoted equities at FVTPL	2		92,255	
Fair value through OCI - unquoted		2.1		240,586
			<b>92,255</b>	<b>240,586</b>

The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### 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.

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 Unlisted managed funds

The Company invests in managed funds, including private equity funds, which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets.

The Company's investment manager considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate. Therefore, the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Company classifies these funds as Level 3.

### iii 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.

### iv 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.

	2022	2021
Company	N'000	N'000
<b>Financial Assets measured at:</b>		
Quoted prices in active markets (level 1)	89,492	92,255
Valuation technique:		
Market observable data (level 2)		-
Other than observable market data (level 3)	350,368	240,586
	<b>439,860</b>	<b>244,690</b>
<b>Company</b>		
<b>Financial Assets measured at:</b>		
Quoted prices in active markets (level 1)	89,492	92,255
Valuation technique:		
Market observable data (level 2)		-
Other than observable market data (level 3)	350,368	240,586
	<b>439,860</b>	<b>244,690</b>

#### 61.1.1 Fair value and fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, into Levels 1 to 3 based on the degree to which the fair value is observable. The categorisation also includes items not measured at fair value but whose fair value is disclosed.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the

asset or liability that are not based on observable market data (unobservable inputs).

#### Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Nigerian Stock Exchange equity investments classified as trading securities.



## Financial instruments in level 2

Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

## Financial instruments in level 3

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

### 62.1.2 Fair value and fair value hierarchy - Continued

Group	2022			
	Level 1	Level 2	Level 3	Total
Items measured at fair value	N'000	N'000	N'000	N'000
<b>Financial assets</b>				
<b>Financial assets at FVTPL:</b>				
Quoted equity shares	-			-
<b>Financial assets at FVOCI:</b>				
Unquoted equity shares			-	-
	-		-	-
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>-</b>		<b>-</b>	<b>-</b>

Group	2021			
	Level 1	Level 2	Level 3	Total
Items measured at fair value	N'000	N'000	N'000	N'000
<b>Financial assets</b>				
<b>Financial assets at FVTPL:</b>				
Quoted equity shares	92,255	-	-	92,255
	92,255	-	-	92,255
<b>Financial assets at FVOCI:</b>				
Unquoted equity shares		-	240,586	240,586
	92,255	-	240,586	332,840
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>92,255</b>	<b>-</b>	<b>240,586</b>	<b>332,840</b>

Company	2022			
	Level 1	Level 2	Level 3	Total
Items measured at fair value	N'000	N'000	N'000	N'000
<b>Financial assets</b>				
<b>Financial assets at FVTPL:</b>				
Quoted equity shares	89,492			89,492
<b>Financial assets at FVOCI:</b>				
Unquoted equity shares			350,368	350,368
	89,492		350,368	439,860
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>89,492</b>		<b>350,368</b>	<b>439,860</b>

Company	2021			
	Level 1	Level 2	Level 3	Total
Items measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets	₺'000	₺'000	₺'000	₺'000
<b>Financial assets at FVTPL:</b>				
Quoted equity shares	92,255	-	-	92,255
	92,255	-	-	92,255
<b>Financial assets at FVOCI:</b>				
Unquoted equity shares		-	240,586	240,586
	92,255	-	240,586	332,840
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>92,255</b>	<b>-</b>	<b>240,586</b>	<b>332,840</b>

There were no transfers between level 1 and 2 or in and out of level 3 in 2021 and 2020.

### 61.1.2 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.

### 61.1.3 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 Group 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 Group is adequately protected and would only suffer predetermined amounts.



### Concentration of insurance risk

The following table discloses the concentration of claims by class of business and the gross future claims paid that are incurred by the Group:

Class of business	Outstanding claims					
	2022			2021		
	Gross OCR	Gross IBNR	Total	Gross OCR	Gross IBNR	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Fire	122,089	13,463	135,552	163,168	3,745	166,913
Motor	260,457	12,570	273,027	231,165	-	231,165
General accident	305,505	10,000	315,505	522,607	3,680	526,287
Marine	97,984	10,243	108,227	97,918	12,019	109,937
Oil and gas	3,212,224	-	3,212,224	2,642,896	-	2,642,896
Bond	256,582	-	256,582	256,582	31	256,613
	<b>4,254,841</b>	<b>46,276</b>	<b>4,301,117</b>	<b>3,914,336</b>	<b>19,475</b>	<b>3,933,811</b>

The Group manages insurance risks through the underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk and class of business.

#### 61.2.4 Management of insurance and financial risk

*Insurance risk - continued*

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

The Group 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 Group has ensured that liabilities on the statement of financial position at year end for existing claims whether reported or not, are adequate.

The Group 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.

##### Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

In general, the uncertainty associated with the ultimate claims experience in an accident year is greatest when the accident year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherited in the estimation process, the actual overall claim provision may not always be in surplus.

The development of insurance liabilities provides a measure of the Company's ability to estimate the ultimate value of claims. The top half of each triangulation below illustrates how the Group's estimate of total claims outstanding for each year has changed at successive year-ends.

### 62.2.6 Claims development tables

The following tables show the development of claims over a period of time on both a gross and net of reinsurance basis. In 2012, in the year of adoption of IFRS, only 5 years were required to be disclosed. This will be increased in each succeeding year, until 8 - 10 years of information is presented. The top half of the table shows how the estimates of total claims for each accident year develop over time. The lower half of the table reconciles the cumulative claims to the amount appearing in the Statement of Financial Position.

Analysis of claims development – Gross

	Before 2015	2015	2016	2017	2018	2019	2020	2021	2022	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Estimate of ultimates:</b>										
End of accident year	-	1,910,840	2,890,511	1,111,770	1,750,955	975,014	865,890	1,069,739	1,761,569	-
1 year later	-	1,890,840	1,990,121	1,203,475	1,790,134	1,565,234	1,267,124	567,100	-	-
2 years later	-	1,656,840	1,891,230	1,787,075	1,767,133	1,500,231	-	-	-	-
3 years later	-	1,742,840	1,510,034	1,767,075	1,714,333	-	-	-	-	-
4 years later	-	1,742,708	1,810,034	1,602,074	-	-	-	-	-	-
5 years later	-	1,892,708	1,590,034	-	-	-	-	-	-	-
<b>Current estimate of ultimate claims</b>		1,717,708								
	-	1,717,708.00	1,590,034.00	1,602,074.00	1,714,333.00	1,500,231.00	1,267,124.00	567,100	1,761,569	11,720,173
End of accident year	-	(698,756)	(888,870)	(1,476,089)	(1,180,710)	(1,156,802)	(641,577)	(811,520)	(820,549)	-
1 year later	-	(1,188,200)	(1,009,983)	(1,337,139)	(1,203,623)	(1,383,214)	(1,428,887)	(463,784)	-	-
2 years later	-	(1,214,014)	(1,456,234)	(1,450,164)	(1,211,450)	(1,403,180)	(930,444)	-	-	-
3 years later	-	(1,299,219)	(1,867,345)	(1,149,611)	(1,200,450)	(1,119,214)	-	-	-	-
4 years later	-	(1,041,169)	(1,380,556)	(1,350,118)	(1,211,450)	-	-	-	-	-
5 years later	-	(1,387,225)	(1,290,433)	(1,350,178)	-	-	-	-	-	-
6 years later		(1,137,203)	(1,380,556)							
7 years later		(1,387,225)								
Cummulative payments	-	(1,387,225)	(1,380,556)	(1,350,178)	(1,211,450)	(1,119,214)	(930,444)	(463,784)	(820,549)	(8,663,400)
<b>Outstanding claims provision at 31 December 2018</b>	<b>695,428</b>	<b>330,483</b>	<b>209,478</b>	<b>251,896</b>	<b>502,883</b>	<b>381,017</b>	<b>336,680</b>	<b>605,955</b>	<b>941,020</b>	<b>4,254,840</b>



**Claims Paid Triangulations as at December 2022**

**Fire**

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2012	9,347,077	69,421,670	152,096,308	152,171,189	155,729,020	155,729,020	155,729,020	155,786,789	155,786,789	155,786,789	155,786,789
2013	103,285,228	255,104,668	265,256,015	268,935,635	268,935,635	268,941,623	269,052,590	269,052,590	269,052,590	269,052,590	269,052,590
2014	59,852,787	142,857,622	150,774,147	150,774,147	150,774,147	150,976,553	150,976,553	150,976,553	150,976,553	150,976,553	150,976,553
2015	85,621,507	149,547,998	150,602,679	150,602,679	151,855,038	151,855,038	151,870,038	151,870,038	151,870,038	151,870,038	151,870,038
2016	132,457,527	138,834,030	138,834,030	139,244,443	159,244,443	159,244,443	179,244,443	179,244,443	179,244,443	179,244,443	179,244,443
2017	19,528,512	20,818,462	27,412,385	28,201,328	28,231,328	29,063,468	29,063,468	29,063,468	29,063,468	29,063,468	29,063,468
2018	739,900	1,189,060	1,189,060	1,191,811	1,291,811	1,291,811	1,291,811	1,291,811	1,291,811	1,291,811	1,291,811
2019	1,095,933	3,924,133	3,924,133	3,924,133	3,924,133	3,924,133	3,924,133	3,924,133	3,924,133	3,924,133	3,924,133
2020	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426	1,541,426
2021	1,360,516	7,805,583	7,805,583	7,805,583	7,805,583	7,805,583	7,805,583	7,805,583	7,805,583	7,805,583	7,805,583
2022	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164	6,506,164

**General Accident**

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2012	95,828,128	163,899,612	192,773,402	206,952,358	213,947,548	214,243,329	214,243,329	214,250,043	214,250,043	214,257,851	214,257,851
2013	31,371,558	88,306,886	117,110,435	122,801,777	122,950,819	122,950,819	123,420,004	123,420,004	123,777,388	126,286,362	126,286,362
2014	20,907,504	63,899,976	103,398,183	104,263,629	104,307,016	104,566,846	104,875,340	104,875,340	104,875,340	104,875,340	104,875,340
2015	27,726,878	76,164,209	77,848,458	77,922,366	78,960,468	79,078,807	79,175,262	81,463,937	81,463,937	81,463,937	81,463,937
2016	184,956,225	197,936,241	198,013,388	200,575,240	200,807,351	200,809,809	205,940,150	205,940,150	205,940,150	205,940,150	205,940,150
2017	6,171,701	6,829,706	9,316,645	9,381,313	9,644,452	9,967,504	9,967,504	9,967,504	9,967,504	9,967,504	9,967,504
2018	2,409,357	6,438,895	6,448,398	6,448,398	6,448,398	6,448,398	6,448,398	6,448,398	6,448,398	6,448,398	6,448,398
2019	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508	1,000,508
2020	-	2,086,787	2,386,787	2,386,787	2,386,787	2,386,787	2,386,787	2,386,787	2,386,787	2,386,787	2,386,787
2021	233,321	233,321	233,321	233,321	233,321	233,321	233,321	233,321	233,321	233,321	233,321
2022	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000

## Marine

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2012	17,833,789	91,791,902	95,417,901	95,417,901	95,417,901	95,417,901	95,417,901	103,462,160	103,462,160	103,462,160	103,462,160
2013	26,949,610	74,470,453	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737
2014	2,401,025	31,551,960	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224
2015	63,206,983	175,767,690	175,781,078	175,781,078	175,781,078	175,781,078	175,781,078	175,781,078	175,781,078	175,781,078	175,781,078
2016	35,714,338	38,024,308	38,024,308	38,044,850	38,044,850	38,044,850	38,044,850	38,044,850	38,044,850	38,044,850	38,044,850
2017	7,386,270	7,861,754	8,665,968	8,665,968	8,665,968	8,665,968	8,665,968	8,665,968	8,665,968	8,665,968	8,665,968
2018	-	607,900	5,607,900	12,697,495	12,697,495	12,697,495	12,697,495	12,697,495	12,697,495	12,697,495	12,697,495
2019	618,864	797,365	797,365	797,365	797,365	797,365	797,365	797,365	797,365	797,365	797,365
2020	373,377	23,321,753	43,695,130	43,695,130	43,695,130	43,695,130	43,695,130	43,695,130	43,695,130	43,695,130	43,695,130
2021	374,790	374,790	374,790	374,790	374,790	374,790	374,790	374,790	374,790	374,790	374,790
2022	-	-	-	-	-	-	-	-	-	-	-

## Motor

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2012	182,242,762	310,002,731	320,616,652	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694
2013	164,976,160	292,041,120	320,374,399	320,720,399	320,720,399	320,720,399	320,720,399	320,720,399	320,720,399	320,720,399	320,720,399
2014	172,156,052	352,807,806	364,365,500	364,379,655	364,383,380	364,383,380	364,383,380	364,383,380	364,383,380	364,383,380	364,383,380
2015	296,337,229	448,891,947	449,720,071	449,720,071	451,540,071	451,540,071	451,540,071	451,540,071	451,540,071	451,540,071	451,540,071
2016	254,668,498	263,760,244	264,513,995	266,044,789	266,494,999	266,494,999	266,494,999	266,494,999	266,494,999	266,494,999	266,494,999
2017	69,781,947	73,110,873	77,377,291	77,377,291	77,587,858	77,587,858	77,587,858	77,587,858	77,587,858	77,587,858	77,587,858
2018	21,842,328	40,083,170	40,147,870	40,147,870	40,147,870	40,147,870	40,147,870	40,147,870	40,147,870	40,147,870	40,147,870
2019	17,095,752	26,779,958	27,059,558	27,059,558	27,059,558	27,059,558	27,059,558	27,059,558	27,059,558	27,059,558	27,059,558
2020	21,968,015	38,800,287	42,587,812	42,587,812	42,587,812	42,587,812	42,587,812	42,587,812	42,587,812	42,587,812	42,587,812
2021	29,979,599	48,777,405	48,777,405	48,777,405	48,777,405	48,777,405	48,777,405	48,777,405	48,777,405	48,777,405	48,777,405
2022	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827	45,174,827

**Oil and Energy**

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2012	159,329,379	430,151,435	529,590,485	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649
2013	86,844,517	204,419,169	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	
2014	97,999,141	189,846,172	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254		
2015	71,553	2,385,919	2,385,919	2,385,919	3,555,655	3,555,655	3,555,655	3,555,655			
2016	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284				
2017	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207					
2018	-	-	-	-	-						
2019	-	-	-	-							
2020	-	-	-								
2021	-	-									
2022	-										

**64 Market risk – continued**

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 Group'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.

**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 not hedged.

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

<b>At 31 December 2022</b>	<b>₺'000</b>	<b>¥'000</b>	<b>£'000</b>	<b>\$'000</b>	<b>€'000</b>	<b>Total</b>
<b>Assets:</b>						
Non-current assets	7,790,648	-	-	-	-	7,790,648
Current assets	1,625,662	-	-	-	-	1,625,662
Bank balances, deposits and cash	5,240,100	-	170	48,488	10,706	5,299,464
<b>Total assets</b>	<b>14,656,410</b>	<b>-</b>	<b>170</b>	<b>48,488</b>	<b>10,706</b>	<b>14,715,774</b>
<b>Liabilities:</b>						
Current liabilities	7,469,583	-	-	-	-	7,469,583
Non-current liabilities	5,316,339	-	-	-	-	5,316,339
<b>Total liabilities</b>	<b>12,785,922</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,785,922</b>
<b>At 31 December 2021</b>						
<b>Assets:</b>						
Non-current assets	8,525,321	-	-	-	-	8,525,321
Current assets	273,217	-	-	-	-	273,217
Bank balances, deposits and cash	119,347	-	152	23,130	9,431	152,060
<b>Total assets</b>	<b>8,917,885</b>	<b>-</b>	<b>152</b>	<b>23,130</b>	<b>9,431</b>	<b>8,950,598</b>
<b>Liabilities:</b>						
Current liabilities	6,314,751	-	-	-	-	6,314,751
Non-current liabilities	5,099,471	8,102,557	-	-	-	13,202,028
<b>Total liabilities</b>	<b>11,414,222</b>	<b>8,102,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,516,779</b>

### 64.3 Financial risk - continued

#### 64.3.1 Market risk - continued

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

<b>At 31 December 2022</b>	<b>₺'000</b>	<b>¥'000</b>	<b>£'000</b>	<b>\$'000</b>	<b>€'000</b>	<b>Total</b>
<b>Assets:</b>						
Non-current assets	7,790,648	-	-	-	-	7,790,648
Current assets	1,625,662	-	-	-	-	1,625,662
Bank balances, deposits and cash	5,240,100	-	170	48,488	10,706	5,299,464
<b>Total assets</b>	<b>14,656,410</b>	<b>-</b>	<b>170</b>	<b>48,488</b>	<b>10,706</b>	<b>14,715,774</b>
<b>Liabilities:</b>						
Current liabilities	7,469,583	-	-	-	-	7,469,583
Non-current liabilities	5,316,339	-	-	-	-	5,316,339
<b>Total liabilities</b>	<b>12,785,922</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,785,922</b>
<b>At 31 December 2021</b>						
<b>Assets:</b>						
Non-current assets	8,525,321	-	-	-	-	8,525,321
Current assets	273,217	-	-	-	-	273,217
Bank balances, deposits and cash	119,347	-	152	23,130	9,431	152,060
<b>Total assets</b>	<b>8,917,885</b>	<b>-</b>	<b>152</b>	<b>23,130</b>	<b>9,431</b>	<b>8,950,598</b>
<b>Liabilities:</b>						
						(114,053)
Current liabilities	6,314,751	-	-	-	-	6,314,751
Non-current liabilities	5,099,471	-	-	-	-	5,099,471
<b>Total liabilities</b>	<b>11,414,222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,414,222</b>

## 64.6 Financial risk – continued

### 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:

Impact on results	NGN	Yen	GBP	USD	Euro	Carrying		
						value	–5% N'000	+5% N'000
<b>Group</b>								
<b>At 31 December 2022</b>								
Bank balances and deposits	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
<b>At 31 December 2021</b>								
Bank balances and deposits	119,347	-	152	23,130	9,431	152,060	1,636	(1,636)
Borrowings	4,808,738	8,102,557	-	-	-	12,911,295	405,128	(405,128)
<b>Company</b>								
<b>At 31 December 2022</b>								
Bank balances and deposits	5,240,100	-	170	48,488	10,706	5,299,464	2,968	(2,968)
Borrowings	-	-	-	-	-	-	-	-
<b>At 31 December 2021</b>								
Bank balances and deposits	119,347	-	152	23,130	9,431	152,060	1,636	(1,636)
Borrowings	4,782,238	-	-	-	-	4,782,238	-	-

#### 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 Group'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**



# REVENUE ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUE	Fire	Motor	General accident	Marine	Oil and energy	Total 31-Dec-22	Total 31-Dec-21
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Direct premium	21,099	785,314	30,305	44,451	-	881,169	685,532
Inward premium	-	127	262	-	-	389	1,544
<b>Gross written premium</b>	<b>21,099</b>	<b>785,441</b>	<b>30,567</b>	<b>44,451</b>	-	<b>881,559</b>	<b>687,076</b>
Change in unearned premium	(528)	(112,201)	(5,745)	22	-	(118,452)	(40,204)
<b>Gross premium earned</b>	<b>20,571</b>	<b>673,240</b>	<b>24,823</b>	<b>44,473</b>	-	<b>763,106</b>	<b>646,872</b>
Outward reinsurance	(19,798)	(38,440)	(9,506)	(26,590)	-	(94,334)	(103,515)
<b>Net premium earned</b>	<b>773</b>	<b>634,800</b>	<b>15,317</b>	<b>17,883</b>	-	<b>668,772</b>	<b>543,357</b>
Commission received	4,554	3,514	1,268	7,927	-	17,262	23,942
<b>Net underwriting income</b>	<b>5,326</b>	<b>638,314</b>	<b>16,585</b>	<b>25,809</b>	-	<b>686,034</b>	<b>567,299</b>
<b>EXPENSES</b>							
Gross claims paid	26,650	71,575	64,502	18,373	-	181,100	121,415
Change in outstanding claims	(31,361)	41,862	(211,344)	(1,710)	569,328	366,773	96,777
<b>Gross claims incurred</b>	<b>(4,711)</b>	<b>113,437</b>	<b>(146,842)</b>	<b>16,663</b>	<b>569,328</b>	<b>547,873</b>	<b>218,192</b>
Reinsurance claims (recovery)/outgo	(4,930)	4,868	(29,580)	1,192	-	(28,450)	14,212
<b>Net claims incurred</b>	<b>(9,640)</b>	<b>118,305</b>	<b>(176,422)</b>	<b>17,855</b>	<b>569,328</b>	<b>519,423</b>	<b>232,404</b>
Acquisition costs	3,599	17,311	4,588	7,998	-	33,495	31,874
Maintenance costs	-	55,371	70,809	2,966	-	129,146	171,742
<b>Underwriting expenses</b>	<b>(6,042)</b>	<b>190,987</b>	<b>(101,025)</b>	<b>28,819</b>	<b>569,328</b>	<b>682,064</b>	<b>436,020</b>
<b>Underwriting profit/(loss)</b>	<b>11,368</b>	<b>447,327</b>	<b>117,610</b>	<b>(3,010)</b>	<b>(569,328)</b>	<b>3,970</b>	<b>131,279</b>



# VALUE ADDED STATEMENT

For the year ended 31 December 2023

	GROUP				COMPANY			
	2022	%	2021	%	2022	%	2021	%
	N'000		N'000		N'000		N'000	
Gross premium income	-		646,872		763,106		646,872	
Commission	-		23,942		17,262		23,942	
Interest revenue calculated using effective interest method	-		13,417		22,488		10,450	
Investment income	-		9,890		2,068		9,890	
Other income	-		1,076,586		1,991,712		290,659	
			1,770,707		2,796,636		981,813	
Reinsurance expenses, net claims incurred, commission paid and other operating expenses - Local	-		(1,546,490)		(3,176,749)		(1,377,209)	
Value added	-		224,216		(380,114)		(395,397)	
<b>Applied as follows:</b>								
<i>To pay employees:</i>								
Salaries, wages and benefits	-		837,139	94	316,869	(0.83)	332,020	123
<i>To pay Government:</i>								
Taxes	-		4,648	3	8,671	(0.02)	1,617	5
<i>To pay providers of capital:</i>								
Finance costs	-		563,896	129	-		555,183	362
<i>Retained for asset replacement and future expansion of business:</i>								
-Depreciation and amortisation	-		79,865	10	26,934	(0.07)	24,871	9
-Deferred taxation	-		(564,130)	(67)	(586,513)	1.54	(586,513)	-196
-Profit / loss for the year	-		(697,202)	(69)	(146,075)	0.38	(722,575)	-203
Value added	-		224,216	100	(380,114)	1	(395,397)	100

Value added is the wealth created by the efforts of the Group 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 – GROUP

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	2022	2021	2020	2019	2018
	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>					
Cash and cash equivalents	-	225,817	266,589	255,323	278,458
Financial assets	-	332,841	341,409	302,726	327,976
Trade receivables	-	156,687	132,908	120,891	159,372
Other receivables and prepayments	-	488,693	413,772	353,055	256,165
Reinsurance assets	-	262,377	294,005	268,466	319,085
Deferred acquisition costs	-	9,148	10,465	4,384	14,454
Investment properties	-	3,822,250	3,617,500	3,315,000	2,686,250
Intangible assets	-	17,066	17,652	17,417	8,271
Property, plant and equipment	-	3,520,463	3,576,091	3,795,603	3,225,670
Deferred tax assets	-	-	-	-	455
Statutory deposit	-	322,500	322,500	322,500	322,500
<b>Total assets</b>	<b>-</b>	<b>9,157,842</b>	<b>8,992,890</b>	<b>8,755,366</b>	<b>7,598,656</b>
<b>Liabilities</b>					
Insurance contract liabilities	-	4,248,187	4,110,675	4,053,715	3,956,877
Trade payables	-	266,067	73,016	62,317	158,356
Provisions and other payables	-	1,238,179	1,250,237	1,134,019	1,387,878
Current income tax payable	-	525,866	525,521	505,593	506,779
Deferred tax liabilities	-	246,476	246,476	810,606	630,908
Borrowings	-	14,119,342	13,576,160	12,505,434	12,454,934
Deposit for shares	-	317,233	317,233	318,127	373,567
<b>Total liabilities</b>	<b>-</b>	<b>20,961,350</b>	<b>20,099,318</b>	<b>19,389,811</b>	<b>19,469,299</b>
<b>Equity</b>					
Share capital	-	642,043	642,043	642,043	642,043
Share premium	-	963,097	963,097	963,097	963,097
Other reserves	-	(13,602,049)	(12,898,154)	(12,421,539)	(13,651,882)
Non-controlling interest	-	193,401	186,587	181,954	176,099
<b>Total equity</b>	<b>-</b>	<b>(11,803,508)</b>	<b>(11,106,427)</b>	<b>(10,634,445)</b>	<b>(11,870,643)</b>
<b>Total liabilities and equity</b>	<b>-</b>	<b>9,157,842</b>	<b>8,992,891</b>	<b>8,755,366</b>	<b>7,598,656</b>
<b>STATEMENT OF PROFIT OR LOSS</b>					
(Loss)/profit before income tax	-	(688,967)	(1,160,937)	308,115	(3,995,596)
Income tax	-	(8,235)	549,917	(32,726)	(183,111)
(Loss)/profit for the year	-	(697,202)	(611,020)	275,389	(4,178,707)
Other comprehensive income/(loss)	-	(6,695)	109,382	469,804	7,214
<b>Total comprehensive (loss)/income</b>	<b>-</b>	<b>(703,897)</b>	<b>(501,638)</b>	<b>745,193</b>	<b>(4,171,493)</b>
Basic and diluted (loss)/income per share (kobo)	-	(55)	(48)	21	(325)
Net (liabilities)/assets per share (kobo)	-	(919.21)	(879)	(842)	(938)

Note: The (losses)/income per share have been computed respectively for each year on the loss after income tax expense and the number of ordinary shares in issue at the end of each year. The net liabilities per share are based on the number of issued 50 kobo ordinary shares at the end of the year.



# FIVE-YEAR FINANCIAL SUMMARY – COMPANY

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	2022	2021	2020	2019	2018
	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>					
Cash and cash equivalents	5,254,685	121,225	147,204	136,093	278,458
Financial assets	439,860	332,841	341,409	302,726	327,976
Trade receivables	-	-	-	79	100
Other receivables and prepayments	996,256	1,932	1,997	13,910	5,222
Reinsurance assets	293,936	262,377	294,005	268,466	319,085
Deferred acquisition costs	12,422	9,148	10,465	4,384	14,454
Investment in Associate Company	876,522	-	-	-	-
Investment in subsidiary	-	1,000,000	1,000,000	1,000,000	1,000,000
Investment properties	4,880,000	3,822,250	3,617,500	3,315,000	2,686,250
Intangible assets	2,346	-	-	-	-
Property, plant and equipment	1,673,724	3,047,490	3,072,362	3,273,065	2,710,722
Statutory deposit	322,500	322,500	322,500	322,500	322,500
<b>Total assets</b>	<b>14,752,250</b>	<b>8,919,763</b>	<b>8,807,441</b>	<b>8,636,224</b>	<b>7,551,962</b>
<b>Liabilities</b>					
Insurance contract liabilities	4,733,413	4,248,187	4,110,675	4,053,715	3,956,877
Trade payables	187,820	189,424	23,905	16,053	158,356
Provisions and other payables	2,034,979	1,159,846	1,175,086	1,077,843	1,294,118
Current income tax payable	307,161	511,081	512,464	497,936	480,676
Deferred tax liabilities	206,209	206,209	206,209	792,724	630,908
Borrowings	14,092,842	14,092,842	13,537,660	12,454,934	12,454,934
Deposit for shares	5,316,339	317,233	317,233	318,127	373,567
<b>Total liabilities</b>	<b>26,878,764</b>	<b>20,724,822</b>	<b>19,883,232</b>	<b>19,211,332</b>	<b>19,349,436</b>
<b>Equity</b>					
Share capital	642,043	642,043	642,043	642,043	642,043
Share premium	963,097	963,097	963,097	963,097	963,097
Other reserves	(13,731,654)	(13,410,199)	(12,680,931)	(12,180,248)	(13,402,614)
<b>Total equity</b>	<b>(12,126,514)</b>	<b>(11,805,059)</b>	<b>(11,075,791)</b>	<b>(10,575,108)</b>	<b>(11,797,474)</b>
<b>Total liabilities and equity</b>	<b>14,752,250</b>	<b>8,919,763</b>	<b>8,807,441</b>	<b>8,636,224</b>	<b>7,551,962</b>

## STATEMENT OF PROFIT OR LOSS

(Loss)/profit before income tax	(146,075)	(720,958)	(1,207,080)	276,230	(3,981,220)
Income tax expense	(8,671)	(1,617)	571,989	(8,816)	(183,866)
(Loss)/profit for the year	(154,746)	(722,575)	(635,091)	267,414	(4,165,086)
Other comprehensive income/(loss)	(166,708)	(6,695)	109,382	469,804	(15,626)
<b>Total comprehensive loss</b>	<b>(321,454)</b>	<b>(729,271)</b>	<b>(525,709)</b>	<b>737,218</b>	<b>(4,180,712)</b>
Basic and diluted (loss)/income per share (kobo)	(12)	(56)	(49)	21	(324)
Net Assets/(liabilities) per share (kobo)	(944)	(919)	(863)	(824)	(919)

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.



# FIRE & SPECIAL PERILS INSURANCE

Safeguard your property against life's unexpected events with Fire & Special Perils Insurance. This policy provides financial protection against fire, lightning, and domestic explosions, ensuring that your home or business is secure.

It extends coverage to natural disasters, including storms, earthquakes, and flooding, as well as damages from strikes and riots. Protect your investment and enjoy peace of mind knowing that your assets are covered against unforeseen disasters.

## International Energy Insurance Plc

9th floor, FF Millennium Tower, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos  
www.ieiplcng.com | info@ieiplcng.com | 02012806990 | 09120217206

International Energy Insurance Plc is authorized, licensed and regulated by the National Insurance Commission (NAICOM).

# 2021

Reports and Accounts



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# CORPORATE INFORMATION

## DIRECTORS

Mr. Muhammad K. Ahmad (OON)	-	Interim Chairman
Mr. Ebunolu Ayeni	-	Managing Director (Appointed on 20th Dec' 2020)
Ms. Ibiyemi B. Adeyinka	-	Interim Non-Executive Director
Ms. Daisy Ekineh	-	Interim Non-Executive Director

### SECRETARY

#### H. Michael & Co

48B, Lasode Crescent  
Victoria Island, Lagos

### REGISTRATION NO.

RC No. 6126

### REGISTERED OFFICE

Plot 294, Jide Oki Street  
Victoria Island, Lagos

### SOLICITORS

#### Bayo Osipitan & Co.

2A Irete Street  
Off Thorburn Avenue, Yaba

#### Solola & Akpana

3B, Tokunbo Omisore Street,  
Off Wole Olateju, Lekki Phase 1, Lagos

### AUDITORS

#### Doyin Owolabi & Co. (Chartered Accountants)

FRC/2013/ICAN/00000000101  
14, Falolu Street,  
Surulere, Lagos.

### BANKERS

Access Bank Plc  
United Bank for Africa Plc  
Zenith Bank Plc  
Keystone Bank Limited  
Wema Bank Plc  
Fidelity Bank Plc

### ACTUARIES

#### Wayne van Jaarsveld (FIA FASSA)

FRC/2022/002/00000024507  
Alexander Forbes Nigeria Limited  
P.O. Box 74858,  
Plot 235, Muri Okunola Street,  
Rio Plaza, 2nd Floor, Victoria Island, Lagos

# FINANCIAL HIGHLIGHTS

For the year ended 31 December 2021

## Major statement of financial position items As at December 31:

<i>In thousands of naira</i>	Group			Company		
	2021	2020		2021	2020	
	N'000	N'000	%	N'000	N'000	%
Total assets	9,159,840	8,992,890	2	8,919,762	8,707,441	2
Insurance contract liabilities	4,248,187	4,110,675	3	4,248,187	4,110,675	3
Total Surplus/Deficit	(11,803,509)	(11,106,428)	6	(11,805,059)	(11,075,790)	7

## Major statement of profit or loss items For the year ended December 31:

<i>In thousands of naira</i>	Group			Company		
	2021	2020		2021	2020	
	N'000	N'000	%	N'000	N'000	%
Gross written premium	687,076	564,563	22	687,076	564,563	22
Underwriting results	131,279	235,905	(44)	131,279	235,905	(44)
Investment and other operating income, net realized, fair value changes and Interest Revenue	1,303,289	1,168,123	12	310,999	303,581	2
(Loss)/profit before income tax expense	(688,967)	(1,160,319)	(41)	(720,958)	(1,207,080)	(40)
Income tax expense	(8,235)	549,917	(101)	(1,617)	571,989	(1003)
(Loss)/profit for the year	(697,202)	(610,402)	14	(722,575)	(635,091)	14
<b>Net Assets/Liabilities Per Share</b>	(934)	(865)		(919)	(863)	
(Loss)/profit Per Share:	(55)	(48)		(56)	(49)	
Basic and Diluted loss per share (Kobo)	(55)	(48)		(56)	(49)	



# SHAREHOLDING STRUCTURE AND FREE FLOAT STATUS

**Company name:** International Energy Insurance Plc

**Year-end:** 31st December

**Reporting Period:** 31st December 2021

**Share Price at end of reporting period:** ₦0.38 (31st December 2021: ₦0.38)

Description	31-Dec-21		31-Dec-20	
	Units	Percentage (in relation to Issued Share Capital)	Units	Percentage (in relation to Issued Share Capital)
<b>Substantial Shareholding (5% &amp; Above)</b>				
Rivers State Government	79,745,246	6.21%	79,745,246	6.21%
Pearlchrix Property Limited	140,990,312	10.98%	140,990,312	10.98%
Rivers State Government Min of Fin (MOFI)	280,000,000	21.81%	280,000,000	21.81%
<b>Substantial Shareholding</b>	<b>500,735,558</b>	<b>39.00%</b>	<b>500,735,558</b>	<b>39.00%</b>
<b>Directors Shareholding (Direct and Indirect), Excluding directors with Substantial interests</b>				
Ms. Ibiyemi B. Adeyinka	38,888	0.00%	38,888	0.00%
<b>Total Directors' Shareholding</b>	<b>38,888</b>	<b>0.00%</b>	<b>38,888</b>	<b>0.00%</b>
<b>Details of Other influential shareholdings, if any (E.g. Government, Promoters)</b>				
Stanbic Nom./AMCON/BANK PHB PLC	13,572,642	1.06%	13,572,642	1.06%
SKI CONSULT	14,006,135	1.09%	14,006,135	1.09%
SNNL/ASSET MGMT CORPORATION OF NIG - MAIN	21,283,917	1.66%	21,283,917	1.66%
TRUSTBANC ASSET MGT. LTD	49,236,151	3.83%	49,236,151	3.83%
SKI CONSULT	51,065,848	3.98%	51,065,848	3.98%
<b>Total of Other influential shareholdings</b>	<b>149,164,693</b>	<b>11.62%</b>	<b>149,164,693</b>	<b>11.62%</b>
<b>Free Float in Units and percentage</b>				
<b>Total</b>	<b>634,126,350</b>	<b>49%</b>	<b>634,126,350</b>	<b>49%</b>
	<b>1,284,065,489</b>	<b>100%</b>	<b>1,284,065,489</b>	<b>100%</b>
<b>Free Float in value</b>	<b>₦240,968,013.00K</b>		<b>₦240,968,013.00K</b>	

### **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 inside to their dealing in the Company's securities. The Policy is periodically reviewed by the Board and updated. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

### **Declaration:**

- (A) International Energy Insurance Plc with a free float percentage of 49% as at 31st December 2021, 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 N240,968,013.00K as at 31st December 2021, 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 Requirement**

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 31 December 2021

The Directors submit their Report on the affairs of International Energy Insurance Plc ("the Company") and its subsidiary, or associate company, (collectively "The Company") together with the financial statements for the year ended December 31, 2021.

## 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. The Company now has 81% shareholding in IEI Anchor Pensions Managers Limited is engaged in Pension Fund Administration for employees in the private and public sector.

## RESULTS FOR THE YEAR

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
(Loss)/Profit before income tax expense	(688,967)	(1,160,319)	(720,958)	(1,207,080)
Income tax (expense)/credit	(8,235)	549,917	(1,617)	571,989
(Loss)/Profit for the year	(697,202)	(610,402)	(722,575)	(635,091)
Other comprehensive income/(loss) for the year, net of tax	(6,695)	109,382	(6,695)	109,382
<b>Total comprehensive (loss) for the year</b>	<b>(703,897)</b>	<b>(501,020)</b>	<b>(729,270)</b>	<b>(525,709)</b>

## DIVIDEND

The Directors do not recommend payment of any dividend for the year ended December 31, 2021 (2020: Nil).

## EVENTS AFTER REPORTING DATE

There are no events after the reporting date, which could have had a material effect on the financial position of the Group and the Company as at December 31, 2021 and the profit for the year then ended.

## BOARD OF DIRECTORS

The following are members of the Interim board of Directors who held office during the year and at the date of this report, these directors were appointed by NAICOM:

Mr. Muhammad K. Ahmad, OON	-	Interim Chairman
Mr. Ebunolu Ayeni	-	Managing Director
Ms. Ibiyemi B. Adeyinka	-	Interim Non-Executive Director
Ms. Daisy Ekineh	-	Interim Non-Executive Director

## DIRECTORS' INTEREST IN CONTRACTS

In accordance with Section 277 of the Companies and Allied Matters Act of Nigeria, CAP C20 Laws of the Federation of Nigeria, none of the Directors has notified the Company of any declarable interest in contracts during the year.

## DIRECTORS' INTEREST IN SHARES

The Directors' direct and indirect interests in the issued share capital of the Company are as follows:

Directors	2021	2020
Mr. Muhammad K. Ahmad (OON)	-	-
Mr. Ebunolu Ayeni	-	-
Ms. Ibiyemi B. Adeyinka	38,888	38,888
Ms. Daisy Ekineh	-	-

## AGENTS AND BROKERS

The Group maintains a network of licensed agents. The Group 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).

## 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:

- African Reinsurance Corporation
- WAICA Reinsurance Corporation Plc.
- CICA Reinsurance Company
- NCA Reinsurance Company
- Continental Reinsurance Plc
- Nigerian Reinsurance Corporation
- PTA/ZEP Reinsurance Company

## RESEARCH AND DEVELOPMENT

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

## DISABLED PERSONS

The Group believes in giving full and fair consideration to all current and prospective staff. No disabled person (2019: Nil) is currently employed by the Group. There are procedures in respect for those employees who became disabled, to be assigned duties that are commensurate to their disabilities.

## GIFTS AND DONATIONS

The Group made no charitable donations (2020: Nil) during the year under review.



### HEALTH AND SAFETY AT WORK OF EMPLOYEES

The Group 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 Group's appointed Health Management Organizations (HMO). Firefighting equipment has also been installed in strategic positions within the offices of the Group. The Group incurred a sum of ₦5.103million (2020: of ₦5.038million) and Company ₦5.103million (2020: ₦5.038million) in providing such medical benefits during the year.

### EMPLOYEE INVOLVEMENT AND TRAINING

In addition to in-house training, the Group, where necessary sends its employees on various seminars, conferences, workshops and courses both locally and abroad. The staff are encouraged to improve themselves academically in any chosen profession, which is relevant to their job. The Group refunds a substantial proportion of all expenses incurred on such courses on the successful completion of the course. The Group incurred ₦8.36million (2020: ₦4.09million) and Company ₦8.36million (2020: ₦4.09million) on employees training during the year.

### AUDITORS

Messrs. Doyin Owolabi & Co (Chartered Accountants) have indicated their willingness to continue in office as auditors of the Company in accordance with Section 357 (2) the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria.

### Order of the Interim Board

29 September 2022

**H. Michael & Co.**

*Company Secretary*

FRC/2013/NBA/00000001060

Lagos, Nigeria



# MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 31 December 2021

## Management Objectives

International Energy Insurance Plc is the first energy-sector focused insurance company in the country providing first class underwriting solutions for offshore, onshore as well as general business risks using a combination of strategic initiatives and excellent service delivery.

We are a market-oriented Company that focuses on customers' satisfaction. Our business model is "Superior Service Delivery" which is customer-centric. It is aimed at meeting and surpassing the expectations of internal and external customers.

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.

## Management Strategy

The Company's strategy is to use technology and international best practice and superior services to provide its customers with tailor made solutions. The Company has put series of measures, initiatives and target aimed at profitable growth and increase market share. The Company aspire to achieve market leadership in all segment of the business.

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Gross Premium written	687,076	564,563	687,076	564,563
(Loss)/Profit before income tax expense	(688,967)	(1,160,319)	(720,958)	(1,207,080)
Income tax expense/credit	(8,235)	549,917	(1,617)	571,989
(Loss)/Profit for the year	(697,202)	(610,402)	(722,575)	(635,091)



# CORPORATE GOVERNANCE REPORT

*For the year ended 31 December 2021*

The Board of Directors of International Energy Insurance Plc recognizes that it has the primary responsibility for ensuring good governance, ethics, probity and professionalism. We continue to be transparent in our business transactions through compliance with ethics and statutory provisions and laws relating to insurance business to achieve our corporate objectives.

The Company, through the Board have continued to work consistently at ensuring compliance and explaining circumstances through our corporate governance reporting platform to the regulators.

IEI Plc. operates its business within the framework of appropriate rules and regulations under which it was incorporated, as well as global best practices, corporate governance codes and guidelines released by relevant regulatory authorities such as the National Insurance Commission, the Nigerian Stock Exchange and the Securities and Exchange Commission, as well as the Corporate Affairs Commission.

Best practices and principles have been an integral part of how we now conduct our business affirming our belief that good corporate governance is a means of retaining and expanding our clientele, sustaining the viability of the business in the long term and maintaining the confidence of investors. IEI believes that the attainment of its business objectives is, among others, directly aligned to good corporate behavior as it provides stability and growth to the enterprise. In line with this objective and the need to meet its responsibility to its stakeholders, the Company strives to meet the expectations of its operating environment. That is why we have continued to challenge ourselves and to reinvent our processes to effectively tackle the unfolding challenges and exploit emerging opportunities. In spite of our current challenges, we are determined to remain an important player in the industry by considering various options open to us to upscale our business bearing in mind our goals for success through business sustainability initiatives.

The Board of the Company, in the course of the year commenced the process of the recapitalization of the Company by way of business combination options as approved at its 42nd Annual General Meeting in Kano in February 2017.

The Company has strengthened its systems of internal control and risk management to safeguard the interest of all the stakeholders to the business. As indicated in the statement of responsibility of Directors and notes to the Financial Statements, IEI adopts standard accounting practices to engender transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

## **ETHICAL STANDARDS**

The leadership of the Board continues to provide ethical leadership where every process of operations is subject to due process and ethical conduct with all stakeholders are duly observed. To maintain high ethical standard for the conduct of its business, IEI ensures that each director and employee discloses to the board his/her interest in any other company within the insurance industry and in position where their self-interest conflict with their duty to act in the best interest of the Company.

## **CORPORATE STRUCTURE**

### **Shareholders Meeting**

The Company in actualization of its corporate governance objectives recognizes its shareholders as the highest decision-making body in line with the provisions of its Memorandum and Articles of Association. The Annual General Meeting of the Company, by statutory requirement is to be held once in a year. An Extra-Ordinary General Meeting of the Company may be convened at the behest of the Board or shareholders holding not less than 10% of the Company's paid up capital. Attendance at these meetings is open to shareholders and/or their proxies and sufficient notice is given to ensure maximum attendance of the shareholders. IEI Plc held its 42nd Annual General Meeting on February 23, 2017 and decisions affecting the strategic development and direction of the Company were taken under the watchful eyes of representatives of regulatory authorities such as the National Insurance Commission, Nigerian Stock Exchange, Securities and Exchange Commission and members of the press.

The Board of Directors of International Energy Insurance Plc has overall responsibility for ensuring that the highest standard of corporate governance are maintained and adhered to by the Company.

The following structures have been put in place for the execution of corporate governance strategy:

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

The Interim Board met twenty-three times within the year under review. Within the same period its Finance and General-Purpose Committee met five times and the Statutory Audit Committee met three times. The Interim Board Members are:

Mr. Muhammad K. Ahmad (OON)	-	Interim Chairman
Mr. Ebunolu Ayeni	-	Managing Director
Ms. Ibiyemi B. Adeyinka	-	Interim Non-Executive Director
Ms. Daisy Ekineh	-	Interim Non-Executive Director
H. Michael & Co	-	Company Secretary

### ROLES OF CHAIRMAN AND MANAGING DIRECTOR

The manner in which the Company structured the roles of the Chairman and the Managing Director has assisted in averting overlaps of roles and effectiveness of governance. This is done in accordance with NAICOM guidelines on Code of Good Corporate Governance for insurance industry.

The Chairman has the primary responsibility of ensuring that the board carries out its governance role in the most effective manner. He is responsible for the overall leadership of board and for creating an enabling environment for the effectiveness of individual directors. The Managing Director is responsible for the day to day running of the Company to achieve overall efficiency of management controls. He has responsibilities for developing, implementing and monitoring the strategic and financial plans of the Company in the most effective manner.

### ROLE OF THE BOARD

- Establish corporate strategies, set performance indices, monitor implementation and performances
- Review alignment of goals, major plans of action and annual budget
- Ensure the integrity of the Company accounting and financial reporting systems (including

### BOARD OF DIRECTORS

During the period 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 financial and non-financial reporting.

the independent audit) and that appropriate system are in place for monitoring risks financial control and compliance with the law

- Formulate risk strategies and make decisions on business acquisitions and expansions/ investments into foreign markets
- Ensure that the interests of the stakeholders are balanced
- Ensure that the Company's operations are in accordance with high business and ethical standards

The Board meets regularly to review financial performance and reports on the contribution of the various business units to the overall performance of the company as well as consider other matters. Adequate advance notice of the meeting, the agenda and reports to be considered are circulated to members. Emergency meetings are convened as and when the need arises.

### DIRECTORS' ATTENDANCE

In accordance with Section 284(2) of the Companies and Allied Matters Act 2020, the record of the Directors attendance at Directors and Committee meetings during the year under review is as shown below.

The Board met twenty-three (23) times during the year under review as shown below;



## BOARD MEETINGS

S/N	DATE OF MEETINGS	MEETING NO.	MR M.K AHMAD	MS. IBIYEMI ADEYINKA	MS. DAISY EKINEH	MD/CEO MR EBUN AYENI
1	FBRUARY 15, 2021	50TH	✓	✓	✓	✓
2	MARCH 09, 2021	51ST	✓	✓	✓	✓
5	MARCH 22, 2021	52ND	✓	✓	✓	✓
6	MARCH 24, 2021	53RD	✓	✓	✓	✓
7	MARCH 26, 2021	54TH	✓	✓	✓	✓
8	APRIL 23, 2021	55TH	✓	✓	✓	✓
9	MAY 04, 2021	56TH	✓	✓	✓	✓
10	MAY 24, 2021	57TH	✓	✓	✓	✓
11	MAY 31, 2021	58TH	✓	✓	✓	✓
12	JUNE 02, 2021	59TH	✓	✓	✓	✓
13	JUNE 08, 2021	60TH	✓	✓	✓	✓
14	JUNE 24, 2021	61ST	✓	✓	✓	✓
15	JULY 02, 2021	62ND	✓	✓	✓	✓
16	SEPTEMBER 17, 2021	63RD	✓	✓	✓	✓
17	OCTOBER 12, 2021	64TH	✓	✓	✓	✓
18	NOVEMBER 10, 2021	65TH	✓	✓	✓	✓
19	NOVEMBER 19, 2021	66TH	✓	✓	✓	✓
20	NOVEMBER 26, 2021	67TH	✓	X	✓	✓
21	DECEMBER 3, 2020	68TH	✓	✓	✓	✓
22	DECEMBER 10, 2021	69TH	✓	✓	✓	✓
23	DECEMBER 24, 2021	70TH	✓	✓	✓	✓

The Interim Board carried out its oversight functions with the assistance of two Board Committees; The Finance and General Purposes Committee and the statutory Audit Committee.

## BOARD COMMITTEES

### BOARD FINANCE AND GENERAL PURPOSES COMMITTEE

The Board Finance and General Purposes Committee had the mandate to review and make recommendations on all staff and related matters, approve within set limits, review and make recommendations on branch expansions and/or closures, implement safeguarded measures as recommended from time to time, and to ensure an adequate platform by which the company will adequately protect its finances. Other functions of the Committee include but not limited to, determining the policies, strategies and financial objectives of the company, overseeing and monitoring the implementation of these policies, with a view to maximizing its overall economic value. It also reviews the community, environmental, health and safety issues and incidents to determine, that management takes appropriate action in respect of those matters and that management is diligent in carrying out its responsibilities and activities in relation to sustainability issues.

The members of the Committee met three (3) times within the year under review, they are as follows;

- Ms. Daisy Ekineh - Interim Chairman
- Ms. Ibiyemi B. Adeyinka - Interim Non-Executive Director
- Mr. Ebun Ayeni - Managing Director
- H. Michael & Co - Company Secretary

S/N	Name	Composition	FEB. 10, 2021	SEPT. 16, 2021	OCT. 06, 2021
1	MS. DAISY EKINEH	CHAIRMAN	✓	✓	✓
2	MS. IBIYEMI B. ADEYINKA	MEMBER	✓	✓	✓
3	MD/CEO MR. EBUN AYENI	MEMBER	✓	✓	✓

### STATUTORY AUDIT COMMITTEE

In compliance with the provisions of Section 359 of the Companies and Allied Matters Act, Cap C20, LFN 2004, the Company had an Audit Committee comprised of two (2) Non-executive Directors and two (2) shareholders' representatives as follows:

- Mr. Augustine Anono - Chairman
- Mr. Moses Igbrude - Shareholders' representative
- Ms. Daisy Ekineh - Non-executive Director
- Ms. Ibiyemi Adeyinka - Non-executive Director

In compliance with the amended provision of the Companies and Allied Matters Act, 2020 (as amended) the company shall propose a reconstitution of the Audit Committee to be comprised of three members and two Non-Executive Directors.

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

S/N	Name	Composition	FEB. 11, 2021	FEB. 15, 2021	MAR. 19, 2021	SEPT. 16, 2021	SEPT. 27, 2021	NOV. 10, 2021
1	MR. G.A ANONO	CHAIRMAN	✓	✓	✓	✓	✓	✓
2	MR. MOSES IGBRUDE	MEMBER	✓	✓	✓	✓	✓	✓
3	MS. IBIYEMI B. ADEYINKA	MEMBER	✓	✓	✓	✓	✓	✓
4	MS. DAISY EKINEH	MEMBER	✓	✓	✓	✓	✓	✓

### DIRECTORS NOMINATION PROCESS

The Board of Directors of the Company is currently an interim board appointed by the National Insurance Commission (NAICOM) in 2015 following the dissolution of the erstwhile Board of Directors. The tenure of the Board has been extended by NAICOM. The board worked assiduously in the course of the year as part of its implementation plan for the actualization of the recapitalization of the company. One of the options considered by the board was recapitalization by way of acquisition of the shares of the company by new investors.

# 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 Consolidated and Separate Financial Statements for the year ended 31 December 2021 that:

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

**Mr. Egunolu Ayeni**

*Managing Director*

FRC/2015/CIIN/00000011052

**Mr. Emmanuel Bassey**

*Chief Financial Officer*

FRC/2013/ICAN/00000000635

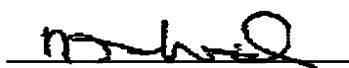
29th September 2022

# RISK MANAGEMENT DECLARATION

*For the year ended 31 December 2021*

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:

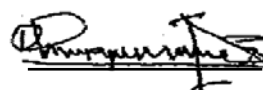
- a. The Group and Company have systems in place for the purpose of ensuring compliance with this guideline;
- b. The Board is satisfied with the efficacy of the processes and systems surrounding the production of financial information of the Group and Company;
- c. The Group and Company have in place 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 Group and Company's operations.



**Mr. Muhammad K. Ahmad, OON**

*Interim Chairman*

FRC/2015/IODN/00000012581



**Mr. Ebunolu Ayeni**

*Managing Director*

FRC/2015/CIIN/00000011052

29th September 2022



# REPORT OF THE AUDIT COMMITTEE

For the year ended 31 December 2021

## 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 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 Group and 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 2020 were satisfactory and reinforce the Group'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 Group's system of accounting and internal control.

### Chief Augustine G. Anono

Chairman, Audit Committee

FRC/2021/002/00000020618

29th September 2022

Members of the Audit Committee are:

- |    |                          |   |          |
|----|--------------------------|---|----------|
| 1. | Chief Augustine G. Anono | - | Chairman |
| 2. | Mr. Moses Igbrude        | - | Member   |
| 3. | Ms. Ibiyemi B. Adeyinka  | - | Member   |
| 4. | Ms. Daisy Ekineh         | - | Member   |

Secretary to the Committee

### H. Michael & Co.

Company Secretary

FRC/2013/NBA/00000001060

Lagos, Nigeria

# STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2021


The Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, requires the Directors to prepare consolidated financial statements for each financial year that present fairly, in all material respects, the state of financial affairs of the Company and its subsidiary at the end of the year and of its profit or loss and other comprehensive income. The responsibilities include ensuring that the Company and its subsidiary:

- a) 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, CAP C20 Laws of the Federation of Nigeria 2004;
- b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- c) prepares its consolidated and separate 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 consolidated and separate 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, CAP C20 Laws of the Federation of Nigeria 2004, 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 No. 6, 2011.

The Directors are of the opinion that the consolidated and separate financial statements present fairly, in all material respects, the state of the financial affairs of the Company and its subsidiary as at 31 December 2021, and of their financial performance for the year ended then. Nothing has come to the attention of the Directors to indicate that the Company and its subsidiary will not remain a going concern for at least twelve months from the date of this statement.

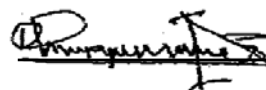
## On behalf of the Directors



**Mr. Muhammad K. Ahmad, OON**

*Interim Chairman*

FRC/2015/IODN/00000012581



**Mr. Egunolu Ayeni**

*Managing Director*

FRC/2015/CIIN/00000011052

29th September 2022



## INDEPENDENT AUDITOR'S REPORT

### 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 consolidated and separate financial statements of International Energy Insurance Plc ("the Company") and its subsidiary (collectively "the Group"), which comprise the consolidated and separate statements of financial position as at December 31 2021, and the consolidated and separate statements of profit or loss, consolidated and separate statements of other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Company and its subsidiary as at December 31 2021 and their financial performance and their cash flows for the year then ended and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audit of International Energy Insurance Plc. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of International Energy Insurance Plc. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Relating to Going Concern

We draw attention to the fact that the Company's total liabilities exceeded its total assets by N11.805 billion (2020: N11.08 billion) while the Group's total liabilities exceeded its total assets by N11.803 billion (2020: N11.106 billion) (see note 54 pages 8). In addition, the Company's negative total equity as at December 31, 2021 of N11.805 billion (2020: N11.08 billion) (see Consolidated and Separate Statements of Changes in Equity, page 53) is below the minimum regulatory requirement of N3 billion and the Company did not meet the regulatory solvency margin, whilst there was a shortfall of N2.67 billion (2020: N2.5 billion) in the assets cover (see note 53, page 83). The Company also had a negative solvency margin of N16,429 billion as at 31st December 2021 (2020: N15,587 billion) (see note 54, page 86). The Company recorded a negative operating cash flow of N80 million (2020: N54 million) while the Group recorded a negative operating cash flow of N50 million (2020: N4 million positive) (see Consolidated and Separate Statements of Cash Flow, page 53). The

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Company no longer carries out oil and gas business and this led to its declining revenue over the years. The Company has also not been able to resolve issue relating to its obligations in respect of Daewoo loan. The note indicates that these conditions, along with other matters, indicate the existence of a material uncertainty which may cast significant doubt on the Group and Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. In addition to the matters described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and 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 Consolidated and Separate 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 consolidated and separate 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 accompanying consolidated and separate financial statements.

Key Audit Matters	How the matter was addressed in the audit
<p><b>Valuation of Insurance Contract Liabilities.</b></p> <p>The Group through the parent Company has insurance contract liabilities of N4.247 billion as at December 31, 2021 (2020: N4.1 billion) representing 20.5% (2020:20.3%) of the Group's and the Company's total liabilities. This is an area that involves significant judgment over uncertain future outcomes and therefore we considered it a key audit matter for our audit.</p> <p>Consistent with the insurance industry practice, the Company engages an actuary to test the adequacy of this valuation of non-life business 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. Economic assumptions such as interest rates and future inflation rates and actuarial assumptions such as customer behavior 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>Insurance contract liabilities are disclosed in Note 12 to the consolidated and separate financial statements.</p>	<p>We used our in-house actuarial specialist to assist us in performing the audit procedures in the area of reviewing the Group's' Actuarial report on non-life business which included among others:</p> <ul style="list-style-type: none"> <li>i. Consideration of the appropriateness of assumptions used in the valuation of the Insurance Contracts by reference to company and industry data and expectations.</li> <li>ii. Consideration of the appropriateness of non-economic assumptions used in the valuation of the Insurance Contracts in relation to lapse or extension assumptions by reference to company specific and industry data.</li> </ul> <p>Other key audit procedures included:</p> <ul style="list-style-type: none"> <li>i. We reviewed and documented management's process for estimating insurance contracts.</li> <li>ii. We performed file review of specific underwriting contracts in order to maximize our understanding of the business and validate initial loss estimates.</li> <li>iii. We performed subsequent year claim payments to confirm the reasonableness of initial loss estimates.</li> </ul>

## **Other Information**

The Directors are responsible for the other information. The other information comprises the Financial Highlights, the Report of the Directors, Management Discussion and Analysis, Report of the Audit Committee, Certification pursuant to section 60 (2) of the Investment and Securities Act No. 29 2007, Statement of Value Added and Five-Year Financial Summary as required by the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria, and Corporate Governance Report as required by the Securities and Exchange Commission, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

## **Responsibilities of the Directors for the Consolidated and Separate Financial Statements**

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the International Financial Reporting Standards, as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting processes.

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

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

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

# Doyin Owolabi & Co.

Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the 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.

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, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year 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 Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and NAICOM's Prudential Guidelines we confirm that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. proper books of account have been kept by the Company, in so far as it appears from our examination of those books;

# Doyin Owolabi & Co.

- iii. the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.
- iv. In our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and NAICOM's Prudential Guidelines so as to present fairly the consolidated and separate statements of profit or loss and other comprehensive income of the Company and its subsidiary.

## Contravention of Regulatory Guidelines

The Company incurred penalties in respect of contravention of the requirement of a section of the Investment & Securities Act (ISA) 2007, Rule 7.4 of the Nigerian Stock Exchange, 2015 and Section 26 of the Insurance Act 2003 in conjunction with the National Insurance Commission's Prudential Guidelines for Insurers and Reinsurers, 2015 on the filing and submission of annual reports and accounts. The details of the contravention and penalty are disclosed in the Note 51 to the consolidated and separate of the financial statements.



Lagos Nigeria  
4 October 2022

Adedoyin Idowu Owolabi, FCA  
FRC/2013/PRO/ICAN/004/00000000101  
For: DoyIn Owolabi & Co.  
(Chartered Accountants)

# STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2021

	Notes	Group		Company	
		31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
		₦'000	₦'000	₦'000	₦'000
Gross written premium	27	687,076	564,563	687,076	564,563
Gross premium income	27	646,872	531,388	646,872	531,388
Reinsurance expenses	28	(103,515)	(91,393)	(103,515)	(91,393)
Net premium income		543,357	439,995	543,357	439,995
Commission income	29	23,942	9,939	23,942	9,939
<b>Net underwriting income</b>		<b>567,299</b>	<b>449,934</b>	<b>567,299</b>	<b>449,934</b>
<b>Underwriting expenses</b>					
Claims expenses	30	(232,404)	(69,510)	(232,404)	(69,510)
Acquisition costs	31	(31,874)	(22,655)	(31,874)	(22,655)
Maintenance costs	32	(171,742)	(121,865)	(171,742)	(121,865)
<b>Total underwriting expenses</b>		<b>(436,020)</b>	<b>(214,030)</b>	<b>(436,020)</b>	<b>(214,030)</b>
Underwriting results		131,279	235,904	131,279	235,904
Interest revenue calculated using effective interest method	33.1	13,417	46,441	10,450	43,424
Other investment income	33.2	9,890	2,113	9,890	1,969
Net realised (loss)/gains	34	-	2,616	-	2,615
Net fair value gain/(loss)	35	203,396	114,443	203,396	114,164
Other income	36	1,076,586	1,002,933	87,263	141,408
Credit loss reversal/(expense)	37	(17,008)	(17,191)	(4,604)	(17,385)
Management expenses	38	(1,542,631)	(1,456,139)	(603,449)	(646,453)
Operating losses		(125,071)	(68,880)	(165,775)	(124,354)
Finance costs	39	(563,896)	(1,091,439)	(555,183)	(1,082,726)
(Loss)/Profit before income tax expense		(688,967)	(1,160,319)	(720,958)	(1,207,080)
Income tax expense	15	(8,235)	549,917	(1,617)	571,989
(Loss)/Profit for the year		(697,202)	(610,402)	(722,575)	(635,091)
<b>Profit/(loss) for the year attributable to:</b>					
Equity holders of the parent		(704,739)	(615,035)	(722,575)	(635,091)
Non-controlling interests		7,537	4,633	-	-
		<b>(697,202)</b>	<b>(610,402)</b>	<b>(722,575)</b>	<b>(635,091)</b>
<b>(Loss)/Profit per share:</b>					
Basic and diluted profit/(loss) per share (N)	40	(55)	(48)	(56)	(49)

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

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Notes	Group		Company	
		31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
		€'000	€'000	€'000	€'000
<b>(Loss)/Profit for the year</b>		<b>(697,202)</b>	<b>(610,402)</b>	<b>(722,575)</b>	<b>(635,091)</b>
<b>Other comprehensive income (OCI)</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Net (loss)/gain on available-for-sale financial assets	41	-	-	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Net loss on equity instrument designated at fair value through other comprehensive income	41.2	(6,695)	109,382	(6,695)	109,382
Revaluation gain on property	42	-	-	-	-
Income tax relating to items not to be reclassified to profit or loss	16	-	-	-	-
OCI for the year, net of tax		(6,695)	109,382	(6,695)	109,382
<b>Total comprehensive (Loss)/Profit for the year</b>		<b>(703,897)</b>	<b>(501,020)</b>	<b>(729,271)</b>	<b>(525,709)</b>
<b>Total comprehensive (loss)/profit attributable to:</b>					
Equity holders of the parent		(711,434)	(505,653)	(729,271)	(525,709)
Non-controlling interests		7,537	4,633		
		<b>(703,897)</b>	<b>(501,020)</b>	<b>(729,271)</b>	<b>(525,709)</b>

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



# STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2021

	Notes	Group		Company	
		31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
		N'000	N'000	N'000	N'000
<b>Assets</b>					
Cash and cash equivalents	1	225,817	266,589	121,225	147,204
Financial assets	2				
- Fair value through profit or loss	2.1	92,255	93,609	92,255	93,609
- Fair value through other comprehensive income	2.2	240,586	247,281	240,586	247,281
- Debt instruments at amortised cost	2.3	240	519	240	519
Trade receivables	3	156,687	132,908	(0)	-
Other receivables and prepayments	4	488,452	413,772	1,692	1,997
Reinsurance assets	5	262,377	294,005	262,377	294,005
Deferred acquisition costs	6	9,148	10,465	9,148	10,465
Investment in subsidiary	7	-	-	1,000,000	1,000,000
Investment properties	8	3,822,250	3,617,500	3,822,250	3,617,500
Intangible assets	9	17,066	17,652	-	-
Property, plant and equipment	10	3,520,463	3,576,091	3,047,490	3,072,362
Deferred tax assets	16	-	-	-	-
Statutory deposit	11	322,500	322,500	322,500	322,500
<b>Total assets</b>		<b>9,157,840</b>	<b>8,992,890</b>	<b>8,919,763</b>	<b>8,807,441</b>
<b>Liabilities</b>					
Insurance contract liabilities	12	4,248,187	4,110,675	4,248,187	4,110,675
Trade payables	13	104,562	73,016	27,913	23,905
Provision and other payables	14	1,399,685	1,250,237	1,321,357	1,175,086
Current income tax payable	15	525,866	525,521	511,081	512,464
Deferred tax liabilities	16	246,476	246,476	206,209	206,209
Borrowings	17	14,119,343	13,576,160	14,092,843	13,537,660
Deposit for shares	18	317,233	317,233	317,233	317,233
<b>Total liabilities</b>		<b>20,961,352</b>	<b>20,099,318</b>	<b>20,724,822</b>	<b>19,883,232</b>
<b>Equity</b>					
Share capital	19	642,043	642,043	642,043	642,043
Share premium	20	963,097	963,097	963,097	963,097
Statutory contingency reserve	21	1,657,673	1,629,867	1,603,755	1,583,143
Capital reserve	22	7,926,399	7,926,399	7,926,399	7,926,399
Accumulated losses	23	(24,833,127)	(24,108,120)	(24,568,858)	(23,825,671)
Property revaluation reserve	24	1,501,417	1,501,417	1,482,917	1,482,917
Fair value reserve	25	145,588	152,283	145,588	152,283
<b>Equity attributable to the owners of the parent</b>		<b>(11,996,910)</b>	<b>(11,293,015)</b>	<b>(11,805,059)</b>	<b>(11,075,790)</b>
Non-controlling interest	26	193,401	186,587	-	-
<b>Total deficit</b>		<b>(11,803,509)</b>	<b>(11,106,428)</b>	<b>(11,805,059)</b>	<b>(11,075,790)</b>
<b>Total liabilities and equity</b>		<b>9,157,840</b>	<b>8,992,890</b>	<b>8,919,763</b>	<b>8,807,441</b>

**Mr. Muhammad K. Ahmad, OON**  
Interim Chairman  
FRC/2015/IODN/00000012581

**Mr. Egunolu Ayeni**  
Managing Director  
FRC/2015/CIIN/00000011052

**Mr. Emmanuel Bassey**  
Chief Financial Officer  
FRC/2013/ICAN/00000000635

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

# STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Share capital	Share premium	Statutory contingency reserve	Capital reserve	Accumulated losses	Property revaluation reserve	Fair value reserve	Total	Non-controlling interests	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2020	642,043	963,097	1,607,980	7,926,399	(23,500,237)	1,501,417	42,901	(10,816,400)	181,954	(10,634,446)
Impact of adopting IFRS 9*	-	-	-	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	(611,024)	-	-	(611,024)	4,633	(606,391)
Other comprehensive income	-	-	-	-	-	-	109,382	109,382	-	109,382
Total comprehensive loss	-	-	-	-	(611,024)	-	109,382	(501,642)	4,633	(497,009)
Transfer between reserves	-	-	21,887	-	(21,887)	-	-	-	-	-
Adjustment made to write off Balances	-	-	-	-	25,027	-	-	25,027	-	25,027
At 31 December 2020	642,043	963,097	1,629,867	7,926,399	(24,108,121)	1,501,417	152,283	(11,293,015)	186,587	(11,106,428)
Impact of adopting IFRS 9*										
Prior year adjustment										
Restated opening balance under IFRS 9	642,043	963,097	1,629,867	7,926,399	(24,108,121)	1,501,417	152,283	(11,293,015)	186,587	(11,106,428)
(Loss)/Profit for the year					(697,202)			(697,202)	6,814	(690,388)
Other comprehensive income							(6,695)	(6,695)	-	(6,695)
Total comprehensive loss					(697,202)		(6,695)	(703,897)	6,814	(697,084)
Transfer between reserves			27,806		(27,806)			-		-
Adjustment made to write off Balances										
Reclassification on Interest on Borrowing										
<b>At 31 December 2021</b>	<b>642,043</b>	<b>963,097</b>	<b>1,657,673</b>	<b>7,926,399</b>	<b>(24,833,127)</b>	<b>1,501,417</b>	<b>145,588</b>	<b>(11,996,911)</b>	<b>193,401</b>	<b>(11,803,509)</b>

## Statement of Changes in Equity

For the year ended 31 December 2020

### Attributable to owners of the Company

	Share capital	Share premium	Statutory Contingency reserve	Capital reserve	Accumulated losses	Property revaluation reserve	Fair value reserve	Total
Company	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>As at 1 January 2020</b>	<b>642,043</b>	<b>963,097</b>	<b>1,566,206</b>	<b>7,926,399</b>	<b>(23,198,670)</b>	<b>1,482,917</b>	<b>42,901</b>	<b>(10,575,107)</b>
Loss for the year	-	-	-	-	(635,090)	-	-	(635,090)
Other comprehensive income	-	-	-	-	-	-	109,382	109,382
Total comprehensive loss	-	-	-	-	(635,090)	-	109,382	(525,708)
Transfer between reserves	-	-	16,937	-	(16,937)	-	-	-
Adjustment made to write off Balance	-	-	-	-	25,027	-	-	25,027
<b>At 31 December 2020</b>	<b>642,043</b>	<b>963,097</b>	<b>1,583,143</b>	<b>7,926,399</b>	<b>(23,825,670)</b>	<b>1,482,917</b>	<b>152,283</b>	<b>(11,075,788)</b>
Restated opening balance under IFRS 9	<b>642,043</b>	<b>963,097</b>	<b>1,583,143</b>	<b>7,926,399</b>	<b>(23,825,670)</b>	<b>1,482,917</b>	<b>152,283</b>	<b>(11,075,788)</b>
Loss for the year	-	-	-	-	(722,575)	-	-	(722,575)
Other comprehensive income	-	-	-	-	-	-	(6,695)	(6,695)
Total comprehensive loss	-	-	-	-	(722,575)	-	(6,695)	(729,271)
Transfer between reserves	-	-	20,612	-	(20,612)	-	-	-
Adjustment made to write off Balance	-	-	-	-	-	-	-	-
Reclassification on Interest on Borrowing	-	-	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>642,043</b>	<b>963,097</b>	<b>1,603,755</b>	<b>7,926,399</b>	<b>(24,568,858)</b>	<b>1,482,917</b>	<b>145,588</b>	<b>(11,805,059)</b>

See accompanying notes to the consolidated and separate financial statements which forms an integral part of these financial statements.



# STATEMENT OF CASH FLOWS

for the period ended 31st December 2021

	Notes	Group		Company	
		2021	2020	2021	2020
		₹'000	₹'000	₹'000	₹'000
<b>Operating activities</b>					
Premium received from policy holders		687,076	564,484	687,076	564,484
Reinsurance premium paid	28	(111,795)	(88,798)	(111,795)	(88,798)
Commission received	29	23,942	9,939	23,942	9,939
Commission paid	6	(30,558)	(28,735)	(30,558)	(28,735)
Claims paid	30	(121,415)	(89,004)	(121,415)	(89,004)
Claims recoverable from re-insurers	30.1	25,696	22,839	25,696	22,839
Other operating cash payments	44	(528,594)	(506,315)	(475,920)	(565,890)
Other operating income		53,231	121,127	53,231	121,127
Cash used in operating activities	43	(2,415)	5,536	(46,863)	(54,038)
Income tax paid	15	(4,304)	(1,482)	(3,000)	-
<b>Net cash used in operating activities</b>		<b>(6,719)</b>	<b>4,054</b>	<b>(49,863)</b>	<b>(54,038)</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment	10	(39,864)	(42,176)	-	(2,312)
Proceeds from disposal of property, plant and equipment		-	2,681	-	2,681
Purchase of financial assets	2.1	-	-	-	-
Purchase of Intangible assets	9	(1,683)	(1,683)	-	-
Proceeds from disposal of financial assets		-	-	-	-
Dividend received	33.2	9,890	1,969	9,890	1,969
Interest received	33.1	14,771	64,896	10,450	60,575
<b>Net cash flows provided by/(used in) investing activities</b>		<b>(16,886)</b>	<b>25,687</b>	<b>20,340</b>	<b>62,913</b>
<b>Financing activities</b>					
Repayment of borrowings		(12,000)	(12,000)	-	-
Receipts of loan received from loan obtained during the year		-	-	-	-
Interest paid		(8,713)	(8,713)	-	-
Repayment of deposit for shares	18.2	-	(894)	-	(894)
<b>Net cash flows used in financing activities</b>		<b>(20,713)</b>	<b>(21,607)</b>	<b>-</b>	<b>(894)</b>
Net decrease in cash and cash equivalents		(44,317)	8,136	(29,523)	7,981
Cash and cash equivalents at 1 January		266,589	255,323	147,204	136,093
Effect of foreign exchange differences		3,545	3,130	3,545	3,130
<b>Cash and cash equivalents at 31 December</b>	<b>45</b>	<b>225,817</b>	<b>266,589</b>	<b>121,225</b>	<b>147,204</b>

See accompanying notes to the consolidated and separate financial statements which forms an integral part of these financial statements.

# SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## 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.

The consolidated and separate financial statements of International Energy Insurance Plc. for the year ended December 31 2021 were authorised for issue in accordance with a resolution by the Board of Directors on 29th September 2022.

### 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. It has a subsidiary IEI Anchor Pensions Managers Limited which principal activity is pension funds administration for employees in private and public sectors.

### Going concern

The Directors assess the Group’s future performance and financial position on a going concern basis and have no reason to believe that the Company and its subsidiary will not be a going concern in the year ahead as stated in Note 2.36.1. For this reason, these consolidated and separate financial statements are prepared on a going-concern basis.

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

## 2.1 Basis of preparation and compliance with International Financial Reporting Standard (IFRS)

The consolidated and separate financial statements of International Energy Insurance Plc have been prepared on a going concern principles in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Standing Interpretations Committee (SIC) interpretations, and the relevant provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the relevant policy guidelines issued by the National Insurance Commission (NAICOM), the Pensions Reform Act 2014 and the Financial Reporting Council of Nigeria Act No. 6, 2011 to the extent that they are not in conflict with IFRS.

These consolidated and separate financial statements are presented in Nigerian Naira, rounded to the nearest thousand, and prepared under the historical cost convention, except for financial assets measured at fair value through profit or loss, investment properties, equity instruments measured at fair value through Other Comprehensive Income (OCI) and ‘land and building’ which have been measured at fair value.

## 2.2 Basis of consolidation

### Subsidiary

The financial statements of the subsidiary is consolidated from the date the Group acquires control, up to the date that the Group loses control.

Profit or loss and each component of other comprehensive income (OCI) is attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to reflect their accounting policies in line with the Group’s accounting policies.



All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

For the purpose of these consolidated and separate financial statements, subsidiary is an entity over which the Group, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from their activities. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group. In the separate financial statements, investments in subsidiary is measured at cost.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on the proportionate amount of the net assets of the subsidiary.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

## 2.3 Functional currency and translation of foreign currencies

### Functional and presentation currency

Items included in the consolidated and separate financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated and separate financial statements are presented in Nigerian Naira (NGN), which is the functional and presentation currency.

### Transactions and balances in individual entities

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing on the dates of the transactions or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated and separate statements of profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated and separate statements of profit or loss within 'finance costs or other income'.

## 2.4 Cash and cash equivalents

For the purposes of the consolidated and separate statements of cash flows, cash comprises cash in hand and deposits held at call with banks. Cash equivalents comprise highly liquid investments (including money market funds) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value with original maturities of three months or less being used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

## 2.5 Financial assets and financial liabilities

### 2.5.1 Financial assets

The Group classifies its financial assets into the following categories: fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification is determined by management at initial recognition and depends on the objective of the business model.

## Business Model Assessment

Business model assessment involves determining if financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Group assesses business model at a portfolio level which reflects how the assets are managed together to achieve a particular business objective.

### 2.5.2 Classification and Measurements

For the purpose of measuring a financial asset after initial recognition, IFRS 9 classifies financial assets into the following categories: at fair value through profit or loss; at fair value through other comprehensive income and at amortized cost. The classification is based on the results of the group's business model test and the contractual cash flow characteristics of the financial assets. The category relevant to The Group as at December 31 2020 are fair value through profit or loss; at fair value through other comprehensive income and at amortized cost. At initial recognition all assets are measured at Fair Value.

#### (i) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading and those designated by The Group as at fair value through profit or loss upon initial recognition. Financial assets classified as held through profit or loss are those that have been acquired principally for the purpose of selling in the short term or repurchasing in the near term, or held as part of a portfolio that is managed together for short-term profit.

Financial instruments included in this category are recognized initially at fair value; transaction costs are taken directly to profit or loss. Gains and losses arising from changes in fair value are included directly in profit or loss and are reported as 'Net gains/ (losses) on financial assets classified as held for trading'. Interest income and expense and dividend income on financial assets held for trading are included in 'Discount and similar income' or 'Other operating income', respectively. Fair value changes relating to financial assets designated at fair value through profit or loss are recognized in 'Net gains from financial assets held for trading'.

#### (ii) Financial assets at fair value through other comprehensive income

Except for financial assets that are designated at initial recognition as at fair value through profit or loss, a financial asset is measured at fair value

through other comprehensive income (FVTOCI) if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the business model test); and
- b. the contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flows characteristics test).

## 2.5 Financial assets and financial liabilities

### (iii) Financial assets measured at amortized cost

Financial assets are measured at amortized cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Statement of Income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

### 2.5.3 Recognition and measurement

Financial assets are initially recognized at fair value plus, in the case of all financial assets not carried at fair value through profit and loss, transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit and loss are initially recognized at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognized when the rights to receive cash flows from them have expired or where they have been transferred and the Group has also transferred substantially all risks and rewards of ownership.

Financial assets at fair value through other comprehensive income and financial assets at fair value through profit and loss are subsequently carried at fair value. Other financial assets are carried at amortized cost using the effective interest method.

Gains and losses arising from changes in the fair value of the financial assets at fair value through



profit and loss' category are included in the income statement in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognized in the statement of comprehensive income as part of Investment income when the Group's right to receive payments is established.

Interest on financial assets fair value through other comprehensive income calculated using the effective interest method is recognized in the income statement. Dividends on equity instruments fair value through other comprehensive income are recognized in the income statement when the Group's right to receive payments is established. Both are included in the investment income line.

### Determination of fair value

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges. The quoted market price used for financial assets held by the Group is the current bid price.

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

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using Inputs (for example, NIBOR, MPR etc.) existing at the dates of the statement of financial position.

## 2.5 Financial assets and financial liabilities

The Group uses widely recognized money market rates in determining fair values of non-standardized financial instruments of lower complexity like placements, and treasury bills. These financial instruments models are generally market observable. The carrying value less impairment provision of

trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. In cases where the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less any impairment.

The fair value for loans and receivables as well as liabilities to banks and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into account credit quality, liquidity and costs. The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

### 2.5.4 De-recognition of financial instruments

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

### 2.5.5 Reclassification of financial assets

Reclassification of financial assets is determined by The Group's senior management, and is done as a result of external or internal changes which are significant to The Group's operations and demonstrable to external parties.

Reclassification of financial assets occurs when The Entity changes its business model for managing financial assets investments in equity instruments that are designated as at FVTOCI at initial recognition cannot be reclassified because the election to designate as at FVTOCI is irrevocable. For financial assets, reclassification is required between FVTPL, FVTOGI and amortized cost; if and only if the entity's business model objective for its financial assets changes so its previous business model assessment would no longer apply.

IFRS 9 does not allow reclassification:

- when the fair value option has been elected in any circumstance for a financial asset;
- or equity investments (measured at FVTPL or FVTOCI); or
- for financial liabilities.

If an entity reclassifies a financial asset, it is required to apply the reclassification prospectively from the reclassification date, defined as the first day of the first reporting period following the change in business model that results in the entity reclassifying financial assets. Previously recognized gains, losses (including impairment gains or losses) or interest are not restated,

All impairment losses are recognized through profit or loss. If any loss on the financial asset was previously recognized directly in equity as a reduction in fair value, the cumulative net loss that had been recognized in equity is transferred to the income statement and is recognized as part of the impairment loss. The amount of the loss recognized in the income statement is the difference between the acquisition cost and the current fair value, less any previously recognized impairment loss.

### Impairment of financial assets

The Group will assess on a forward-looking basis, the expected credit losses ("ECL") associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts.

No impairment is recognized on equity investments. This is because the fair value changes will incorporate impairment gains or losses if any.

### General Approach

Under the general approach, at each reporting date, the Group recognizes a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss.

The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis or when a loan becomes credit impaired respectively.

### Staging

**Stage 1:** On origination, a financial asset (provided that it is not a purchased or originated credit impaired asset) will be in stage 1 of the general model for expected credit losses. Financial assets that have not had a significant increase in credit risk since initial recognition or that (upon assessment and option selected by the Group) have low credit risk at the reporting date remain in stage 1.

For these assets, 12-month expected credit losses ("ECL") are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the ECL that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12 months.

**Stage 2:** Financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date and this option is taken by the Group) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognized and interest revenue is still calculated on the gross carrying amount of the asset.

Lifetime ECL are the ECL that result from all possible default events over the maximum contractual period during which the Group is exposed to credit risk. ECL are the weighted average credit losses, with the respective risks of a default occurring as the weights.

The Group, when determining whether the credit risk on a financial instrument has increased significantly, considers reasonable and supportable (both historical and forward-looking) information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

**Stage 3:** This includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECLs are recognized



and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). This is done by applying the EIR in subsequent reporting periods to the amortized cost of the financial asset.

When the Group has no reasonable expectations of recovering the financial asset, then the gross carrying amount of the financial asset can be directly reduced in its entirety via a write off. A write-off constitutes a derecognition event.

### Simplified approach

The simplified approach does not require the Group to track the changes in credit risk, but, instead, requires the Group to recognize a loss allowance based on lifetime ECLs at each reporting date, right from origination.

The Group recognizes lifetime ECLs at each reporting period for trade receivables or other receivables that result from transactions within the scope of IFRS 15 and that do not contain a significant financing component.

### Measurement of expected credit losses

The standard defines credit loss as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECLs are a probability-weighted estimate of credit losses over the expected life of the financial instrument (i.e., the weighted average of credit losses with the respective risks of a default occurring as the weights).

When measuring ECLs, in order to derive an unbiased and probability-weighted amount, the Group would evaluate a range of possible outcomes. This involves identifying possible scenarios that specify:

- a. The amount and timing of the cash flows for particular outcomes
- b. The estimated probability of these outcomes
- c. Exposure at default (EAD): The EAD estimates the percentage of exposure the Group might lose if the borrower defaults.

### Probability of default (PD)

#### 12 Month PDs

12-month PD is the probability of a loan defaulting within the next 12 months. 12-month PD estimates are

required to calculate 12-month ECLs for accounts classified as Stage 1. These PD estimates also form the basis of the lifetime PD curves, which are required to calculate lifetime ECLs for accounts classified as Stage 2. 12 Months PD used is computed using the Group's data.

#### Lifetime PDs

Lifetime PD curves are required to calculate expected credit losses for Stage 2 accounts. Ideally, lifetime PD curves will be developed based on internal default data. However, the Company does not have sufficient history of internal default data to build credible curves so it has derived lifetime PD curves using S & P's "2017 Annual Sovereign Default Study and Rating Transition".

#### Loss given default (LGD)

LGD is the share of an asset that is lost when a borrower default. The recovery rate is defined as 1 minus the LGD, the share of an asset that is recovered when a borrower default. Loss given default is facility-specific because such losses are generally understood to be influenced by key transaction characteristics such as the presence of collateral and the degree of subordination.

#### Exposure at default (EAD)

EAD is equal to the current amount outstanding at the expected point of default in case of fixed exposures like staff loans and investment securities. This is derived using the original carrying amount, interest rate and tenor of the facility.

### 2.5.6 Financial liabilities

The Group's financial liabilities include trade and other payables as well as borrowings.

#### Subsequent measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the consolidated and separate statements of profit or loss.

### 2.5.7 Derecognition of financial liabilities/assets

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated and separate statements of profit or loss.

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

The rights to receive cash flows from the asset have expired or the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Group has transferred substantially all the risks and rewards of the asset or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 2.5.8 Offsetting financial instruments

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

### 2.6 Trade receivables

Trade, reinsurance and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Trade receivables arising from insurance contracts are stated after deducting allowance made for specific debts considered doubtful of recovery. Impairment of trade receivables are presented within other operating expenses.

Trade and Other receivables amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. Trade receivables are reviewed at every reporting period for impairment.

### 2.7 Other Receivables and Prepayments

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

### 2.7 Other Receivables and Prepayments

#### 2.7.1 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 amortization, if no impairment loss had been recognized.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which



are prepared separately for each of the Group'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.

## 2.8 Fair value measurement

IFRS 13 defines fair value as 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 (i.e. an exit price). The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the group.

The fair value of an asset or a liability is measured using the assumption that market participant would use when pricing the asset or liability, assuming that market participant's act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** - Valuation techniques for which the lowest level input that significant to the fair value measurement is directly or indirectly observable.
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of financial instruments that are actively traded in organized financial markets is

determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any adjustment for transaction costs.

For other financial instruments other than investment in equity instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist and other relevant valuation models.

Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using the Group's best estimate of the most appropriate model assumptions.

For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market-related rate for a similar instrument. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

## 2.9 Reinsurance assets

Reinsurance assets consist of short-term balances due from reinsurers, as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsurance contracts and in compliance with the terms of the reinsurance contract. The reinsurers' share of unearned premiums (i.e. the reinsurance assets) are recognized as an asset using principles consistent with the Company's method for determining unearned premium liability. The amount reflected on the statement of financial position is on a gross basis to indicate the extent of credit risk related to the reinsurance and its obligations to policy holders.

The Group assesses its reinsurance assets for impairment at each statement of financial position date. If there is objective evidence that the

reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes that impairment loss in the statement of profit or loss. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortized cost.

### 2.10 Deferred acquisition costs (DAC)

Commissions and other acquisition costs that are related to securing new contracts and renewing existing contracts are capitalized as Deferred Acquisition Costs (DAC) if they are separately identifiable can be measured reliably and it's probable that they will be recovered. All other acquisition costs are recognized as expenses when incurred. The DAC is subsequently amortized over the life of the contracts in line with premium revenue using assumptions consistent with those used in calculating unearned premium. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium. The DAC is tested for impairment annually and written down when it is not expected to be fully recovered.

### 2.11 Investment properties

Investment properties comprise of completed property and property under construction that are held by the Group 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 consolidated and separate 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 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.

### 2.12 Intangible assets

Intangible assets comprise computer software purchase 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 10years. 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.

The estimated useful live for the computer software is 10 years.

### 2.13 Property, plant and equipment

#### Recognition and measurement

Items of property, plant and equipment (except land and buildings) are carried at cost less subsequent accumulated depreciation and impairment losses. The cost of property, plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

#### 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 consolidated and separate 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.

### 2.13 Property, plant and equipment continued

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.

### 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 recognised 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 de-recognition of the asset (calculated as the difference between the net disposal proceed and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

### 2.14 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 General insurance business. Interest income on the deposit is recognized in the statement of profit or loss in the period the interest is earned.

### 2.15 Insurance contract liabilities

The Company issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. These contracts include General accident, workmen's compensation, motor, marine and aviation and fire insurance.

Insurance contracts protect the Company's customers against the risk of harm from unforeseen events to their properties resulting from their legitimate activities. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the Company's customers for damage suffered to their properties or for the value of property lost.

Others forms of Insurance contracts include but are not limited to workmen's compensation, motor, marine and aviation insurance.

Claims and loss adjustment expenses are charged to profit or loss as incurred based on the estimated liability for compensation owed to contract holders

or third parties for damaged incurred or lost suffered by the contract holders. They include direct and indirect claims settlement costs arising from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Companies i.e. Claims incurred but not reported (IBNR) which is actuarial valuation. The Group does not discount its liabilities for unpaid claims other than for workmen compensation claims. Liabilities for unpaid claims are estimated using the impute of assessments of provision reported to the Group and analysis for the claims incurred but not reported (IBNR).

### Reinsurance contracts held

The Group holds the under-noted reinsurance contracts:

- Treaty Reinsurance Outward is usually between the Group and Reinsurers.
- Facultative Reinsurance Outward is usually between the Group and other insurance companies or between the Group and Reinsurers.
- Facultative reinsurance inwards is usually between the Group and other insurance Companies or between the Group and Reinsurers.

Premiums due to the reinsurers are paid and all claims and recoveries due from reinsurers are received. Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts are classified as re-insurance contracts held while contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer (inward re-insurance) are included within insurance contracts.

The benefits to which the Group is entitled under its re-insurance contracts held are recognized as re-insurance assets. These assets consist of short-term balances due from reinsurers, as well as long term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts.

Amount recoverable from or due to reinsurers are measured consistently with the amount associated with the primary insurance contracts and in accordance with the terms of each reinsurance

contract. Re-insurance liabilities are primarily premiums payable for the reinsurance contracts and are recognized as an expense when due. The Company's Insurance liabilities or balances arising from insurance contracts primarily include those insurance contract liabilities that were valued by the Actuaries. These include unearned premiums reserve and outstanding claim reserve.

### Reserve for unearned premium

In compliance with Section 20 (1) (a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.

### Reserve for outstanding claims

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

### Reserves for unexpired risk

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

### Liability adequacy test

At the end of each reporting period, Liability Adequacy Tests are performed to ensure that material and reasonably foreseeable losses arising from existing contractual obligations are recognized. In performing these tests, current best estimates of future contractual cash flows, claims handling and administration expenses, investment income backing such liabilities are considered. Long-term insurance contracts are measured based on assumptions set out at the inception of the contract. Any deficiency is charged to profit or loss by increasing the carrying amount of the related insurance liabilities.

### Salvage and subrogation reimbursements

Some insurance contracts permit the Company to sell (usually damaged) property acquired in settling a claim (for example, salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation). Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims, and salvage property is recognized in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property.



Subrogation reimbursements are also considered as allowance in the measurement of the insurance liability for claims and are recognized in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

### 2.16 Trade payables

Trade payables (i.e. insurance payables) 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.

### 2.17 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 effective interest method. They comprise of other short-term monetary liabilities such as professional fees payable, insurance levy payable, and staff pension liability.

### 2.18 Retirement obligations and employee benefits

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

#### Defined contribution pension scheme

The Group 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 expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### 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.

### 2.19 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 and 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.

## 2.20 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 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.

## 2.21 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 refund made.

## 2.22 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.

## 2.23 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.

## 2.24 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.

### **2.25 Contingency reserve**

In compliance with Section 21(2) of Insurance Act, CAP I17 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.

### **2.26 Accumulated losses**

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

### **2.27 Premiums and unearned premiums**

Premiums written comprise the premiums on contracts incepting in the financial year. Premiums written are stated gross of commissions' payable to agents and exclusive of taxes levied on premiums. The Company earns premium income evenly over the term of the insurance policy generally using the pro rata method. The portion of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in unearned premiums.

### **2.28 Reinsurance expenses**

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

### **2.29 Commission income**

Commissions earned are recognized on ceding businesses to reinsurers and other insurance companies and are credited to the statement of profit or loss.

### **2.30 Claims expenses**

Claims expenses incurred consist of claims and claims handling expenses paid by the Company during the financial year together with the movement in the provision for outstanding claims. (See the accounting policy for reserve for outstanding claims above). The gross provision for claims represents the estimated liability arising from claims in the current and preceding financial years which have not yet given rise to claims paid. The provision includes an allowance for claims management and handling expenses.

The gross provision for claims is estimated based on current information and the ultimate liability may vary as a result of subsequent information and

events and may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provision for prior years are reflected in the statement of profit or loss in the financial period in which adjustments are made and disclosed separately if material.

### **2.31 Acquisition costs**

Acquisition costs represent commissions and other expenses related to the acquisition of insurance contract revenues written during the financial year.

### **2.32 Maintenance expenses**

Maintenance expenses are expenses incurred in servicing existing policies/contract. These expenses are charged to the statement of profit or loss in the accounting period in which they are incurred.

### **2.33 Investment income**

This includes interest income and dividend income. Interest income is recognized in the statement of profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Dividend income from equity investment is recognized when the right to receive payment is established.

### **2.34 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.

### **2.35 Losses per share**

The Group 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.

## 2.36 Significant judgements, estimates and assumption

### 2.36.1 Judgement

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

#### Going Concern

The Company's total liabilities exceeded its total assets by N11.805 billion (2020: N11.08 billion) while the Group's total liabilities exceeded its total assets by N11.801 billion (2020: N11.106 billion). In addition, the Company's negative total equity as at December 31 2021 of N11.805 billion (2020: N 11.08 billion) is below the minimum regulatory requirement of N3 billion and the Company did not meet the regulatory solvency margin whilst there was a shortfall of N2.7 billion (2020: N2.5 billion) in the assets cover. The Company recorded a negative operating cash flow of N50 million (2020: N54 million) while the Group recorded a negative operating cash flow of N6.7 million (2020: N4 million positive). The Company no longer carries out oil and gas line of business and this led to its declining revenue over the years.

These conditions give rise to a material uncertainty which may cast significant doubt about the Group and the Company's ability to continue as 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 on its retail business base by exploring new opportunities that may improve its revenues and performance. Specifically, some of the plan are leveraging on 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 partnership with other insurance and insurance brokerage firms. The Company plans to optimize its cost by converting some of its branches to office representatives.

The consolidated and separate financial statements are prepared on the basis that the Group and 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.

#### Deferred tax liabilities

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors such as experience of previous tax audits and differing interpretations by the taxable entity.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and the level of future taxable profits together with future tax planning strategies. The carrying value at the reporting date of deferred tax assets/liability is disclosed in Note 16.

### 2.36.2 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 judgements 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 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 below:

### **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 transaction 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 private treaty between willing seller and buyer under competitive market condition. "Further details can be found in Note 8."

### **Impairment on receivables**

In accordance with the accounting policy, the Company tests annually whether premium receivables have suffered any impairment. The recoverable amounts of the premium receivables have been determined based on the incurred loss model. These calculations required the use of estimates based on passage of time and probability of recovery. "Further details can be found in Note 3".

### **Insurance contract liabilities**

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date. It can take a significant period of time before the ultimate claims cost can be established with certainty and for some type of policies, IBNR claims form a significant part of the liability in the statement of financial position.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder method. The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. As

such, these methods extrapolate the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved. "Further details can be found in Note 12."

### **Revaluation of property, plant and equipment**

The Group measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group 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.

### **Impairment losses on financial assets**

The measurement of impairment losses both under IFRS 9 across all categories of financial assets in scope requires judgment the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

The measurement of impairment losses both under IFRS 9 across all categories of financial assets in scope requires judgment the estimation of the amount and timing of future cash flows and

collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

- i. S&P credit grading model of obligors which assigns PDs to the individual grades.
- ii. The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.
- iii. Development of ECL models, including the various formulas and the choice of inputs.
- iv. Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment rates, inflation rate, GDP growth rate and crude oil price, and the effect on PDs, EADs and LGDs.
- v. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The determination of whether a financial asset is credit impaired focuses exclusively on default risk, without taking into consideration the effect of credit risk mitigates such as collateral or guarantees. Specifically, the financial asset is credit impaired and in stage 3 when: The Company considers the obligor is unlikely to pay its credit obligations to the Company. The termination may include forbearance actions, where a concession has been granted to the borrower or economic or legal reasons that a qualitative indicators of credit impairment; or contractual payments of either principal or interest by the obligor are pass due by more than 90 days.

For financial assets considered to be credit impaired, the ECL allowance covers the amount of loss the Company is expected to suffer. The estimation of ECLs is done on a case by case basis for non-homogenous portfolios, or by applying portfolio-based parameters to individual financial assets in this portfolio by the Company's ECL model for homogenous portfolios.

Forecast of future economic conditions when calculating ECLs are considered. The lifetime expected losses are estimated based on the

probability – weighted present value of the difference between:

- 1) The contractual cash flows that are due to the Company under the contract; and
- 2) The cash flows that the Company expects to receive.

Elements of ECL models that are considered accounting judgments and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The development of ECL models, including the various formulas and the choice of inputs Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

### Expected lifetime

The expected life time of a financial asset is a key factor in determine the life time expected credit losses. Lifetime expected credit losses represents default events over the expected life of a financial asset. The Company measures expected credit losses considering the risk of default over the maximum contractual period (including any borrower's extension option) over which it is exposed to credit risk.

### Fair value of financial instruments using valuation techniques

The Directors use their judgment in selecting an appropriate valuation technique. Where possible, financial instruments are marked at prices quoted in active markets. In the current market environment, such price information is typically not available for all instruments and the Company uses valuation techniques to measure such instruments. These techniques use "market observable inputs" where available, derived from similar assets in similar and active markets, from recent transaction prices for comparable items or from other observable market data. For positions where observable reference data



are not available for some or all parameters the Company estimates the non-market observable inputs used in its valuation models.

Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates although some assumptions are not supported by observable market prices or rates.

### 3. IFRS 9 Financial Instruments

The Group has adopted IFRS 9 as issued by the International Accounting Standards Board (IASB) with a transition date of 1 January 2019. IFRS 9 replaces IAS 39 for annual periods on or after 1 January 2019. The Group has not restated comparative information for 2017 for financial instruments in the scope of IFRS 9. Therefore, the comparative information for 2019 is report under IAS 39 and is not comparable to the information presented for 2019. Differences arising from the adoption of IFRS 9 have been recognized directly in accumulated losses as of 1 January 2019 and are disclosed in Note 23.

#### Changes to classification and measurement

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

The IAS 39 measurement categories of financial assets {fair value through profit or loss (FVPL), available for sale (AFS), held to maturity and loans and receivables} have been replaced by:

- Debt instrument at amortized cost
- Debt instrument at fair value through other comprehensive income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- Financial assets FVPL

The accounting for financial liabilities remains largely the same as it was under IAS 39. The Group's classification of its financial assets and liabilities is explained in Notes 2.5.

#### Changes to the impairment calculation

The adoption of IFRS 9 has fundamentally changed the Group's accounting for loss impairments by replacing IAS 39's incurred loss approach (with the

exception of insurance related assets which is not within the scope of IFRS 9 just yet) with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to record an allowance for ECLs for loans and other debt financial assets not held at FVPL. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination.

Details of the Group's impairment method are disclosed in Note 2.5.

#### IFRS 7 Revised (IFRS 7R)

To reflect the differences between IFRS 9 and IAS 39, IFRS 7 Financial Instruments: Disclosures was updated, and the Group has adopted it, together with IFRS 9, for the year beginning 1 January 2019. Changes include transition disclosures as shown in Note 5, detailed qualitative and quantitative information about the ECL calculations such as the assumptions and inputs used are set out in Note 2.5 (note on significant estimates) and Note 2.5 to the financial statements.

#### IFRS 15 Revenue from contracts with customers

The Group adopted IFRS 15 Revenue from contracts with customers on its effective date of 1 January 2019. IFRS 15 replaces IAS 18 Revenue and establishes a five-step model to account for revenue arising from contracts with customers. It applies to all contracts with customers except leases, financial instruments and insurance contracts.

The standard establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five-step model requires the Group to (i) identify the contract with the customer, (ii) identify each of the performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognize revenue as each performance obligation is satisfied.

There are no significant impacts from the adoption of IFRS 15 in relation to the timing of when the Company recognizes revenues or when revenue should be recognized gross as a principal or net as an agent. Therefore, International Energy Insurance Pic will continue to recognize fee and commission income charged for services provided by the Company as the services are provided (for example on completion of the underlying transaction). Revenue recognition

tor trading income and net investment Income are recognized based on requirements of IFRS 9. In addition, guidance on interest and dividend Income has been moved from IAS 18 to IFRS9 without significant changes to the requirements.

### **IFRIC Interpretation 22 Foreign Currency Transactions and Advance Considerations**

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This interpretation did not have any impact on the Group's financial statements.

### **Amendments to IAS 40 Transfers of Investment Property**

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere Change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments did not have any impact on the Group's financial statements.

### **Changes to the impairment calculation**

#### **Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts**

The amendments address concerns arising from implementing the new financial instruments standard, IFRS 9, before implementing IFRS 17 insurance Contracts, which replaces IFRS 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach. These amendments are not relevant to the Group as it has already adopted IFRS 9 in 2019.

Other standards that became effective during the year but have no impact on the Group's financial statements

- Amendments to IFRS 2 Classification and measurement of Share-based Payment Transactions
- Amendments to IAS 28 investments in Associates and Joint ventures - Clarification that measuring
- Investees at fair value through profit or loss is an investment-by-Investment choice
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters.

### **IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, which replaces IFRS 4 Insurance Contracts.

In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies for measurement purposes, IFRS 17 provides a comprehensive model (the general model) for insurance contracts, supplemented by the variable fee approach for contracts with direct participation features that are substantially investment-related service contracts, and the premium allocation approach mainly for short-duration which typically applies to certain non-life insurance contracts.

The main features of the new accounting model for insurance contracts are, as follows:

- The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, remeasured every reporting period (the fulfilment cash flows);
- A Contractual Service Margin (CSM) that is equal and opposite to any day one gain in the fulfilment cashflows of a group of contracts. The CSM represents the unearned profitability of the insurance contracts and is recognized in profit or loss over the service period (i.e., coverage period);
- Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognized in profit or loss over the remaining contractual service period;



- The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice;
- The recognition of insurance revenue and insurance service expenses in the statement of comprehensive income based on the concept of services provided during the period;
- Amounts that the policyholder will always receive, regardless of whether an insured event happens (non-distinct investment components) are not presented in the income statement, but are recognized directly on the statement of financial position;
- Insurance services results (earned revenue less incurred claims) are presented separately from the insurance finance income or expense;
- Extensive disclosures to provide information on the recognized amounts from insurance contracts and the nature and extent of risks arising from these contracts.

IFRS 17 is effective for annual reporting periods beginning on or after 1 January 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. Retrospective application is required.

However, if full retrospective application for a group of insurance contracts is impracticable, then the entity is required to choose either a modified retrospective approach or a fair value approach.

The Group started a project to implement IFRS 17 and has been performing a high-level impact assessment of IFRS 17. The Group expects that the new standard will result in an important change to the accounting policies for insurance contract liabilities of the Group and is likely to have a significant impact on profit and total equity together with presentation and disclosure.

#### **(i) IFRIC Interpretation 23 Uncertainty over Income Tax Treatment – continued**

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

#### **(i) IFRIC Interpretation 23 Uncertainty over Income Tax Treatment**

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available. The amendment did not have any impact on the group financial Statements.

#### **(ii) Annual Improvements 2015–2017 Cycle (issued in December 2017)**

##### **IAS 12 Income Taxes**

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognizes the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application is permitted. When an entity first applies those amendments, it applies them to the income tax consequences of dividends recognized on or after the beginning of the earliest comparative period. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

### IAS 23 Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application permitted. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its financial statements.

### (iii) Other amendments to standards, which currently do not apply to the Group are listed below:

- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long-term interests in associates and joint ventures
- IFRS 3: Business combination- Annual Improvements 2015-2017 Cycle
- IFRS 11: Joint Arrangements- Annual Improvements 2015-2017 Cycle
- IFRS 16- Leases
- IFRS 17- Insurance Contracts
- Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – Amendments to IFRS 4
- Definition of a Business – Amendments to IFRS 3
- Amendments to IAS 1 and IAS 8: Definition of Material
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7.



# NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 1 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Cash-in-hand	1,111	918	369	365
Balances with banks (Note 1.1)	67,470	77,311	32,969	62,177
Short-term placements (Note 1.2)	169,667	196,471	100,083	92,773
	238,248	274,700	133,421	155,315
Less: Allowance for credit losses	(12,431)	(8,112)	(12,196)	(8,112)
<b>Cash and cash equivalents</b>	<b>225,817</b>	<b>266,589</b>	<b>121,225</b>	<b>147,204</b>

### 1.1 Balances with banks are made up of the following:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Balances held with local banks	49,668	46,075	15,167	34,075
Balances held in domiciliary accounts	17,802	31,236	17,802	28,102
	67,470	77,311	32,969	62,177
Less: Allowance for credit losses	(92)	(139)	(92)	(139)
<b>Total balance with banks</b>	<b>67,378</b>	<b>77,172</b>	<b>32,877</b>	<b>62,038</b>

### 1.2 Short term placements are made up of:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Call deposits	3,300	2,228	3,300	2,228
Term deposits	166,367	194,243	96,783	90,545
	169,667	196,471	100,083	92,773
Less: Allowance for credit losses	(12,104)	(7,445)	(12,104)	(7,973)
<b>Total short term placements</b>	<b>157,563</b>	<b>189,026</b>	<b>87,979</b>	<b>84,800</b>

Short-term placements are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. All deposits are subject to an average variable interest rate of (2020: 6.5 %) per annum. All amounts included as part of cash and cash equivalents are current.

### 1.3 Impairment loss on cash and cash equivalents

An analysis of the gross carrying amount and corresponding ECLs is as follows:

Group	Stage 1	Stage 2	Stage 3	Total
	Individual	Individual	Individual	
	₺'000	₺'000	₺'000	
Gross carrying amount				
Balances held with local banks and domiciliary accounts	67,470	-	(92)	67,378
Call deposits	3,300	-	-	3,300
Term deposits	166,367	-	(12,104)	154,263
	<b>237,137</b>	<b>-</b>	<b>(12,196)</b>	<b>224,941</b>
Expected credit losses				
Balances held with local banks and domiciliary accounts	(92)	-	-	(92)
Call deposits	-	-	-	-
Term deposits	(12,104)	-	-	418
	<b>(12,196)</b>	<b>-</b>	<b>-</b>	<b>326</b>
Company				
Gross carrying amount				
Balances held with local banks and domiciliary accounts	32,969	-	(92)	32,877
Call deposits	3,300	-	-	3,300
Term deposits	96,783	-	(12,104)	84,679
	<b>133,052</b>	<b>-</b>	<b>(12,196)</b>	<b>120,856</b>
Expected credit gain/(losses)				
Balances held with local banks and domiciliary accounts	(92)	-	-	(92)
Call deposits	-	-	-	-
Term deposits	(12,104)	-	-	(12,104)
	<b>(12,196)</b>	<b>-</b>	<b>-</b>	<b>(12,196)</b>

## 2 Financial assets

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
- Fair value through profit or loss (Note 2.1)	92,255	93,609	92,255	93,609
- Fair value through other comprehensive income (Note 2.2)	240,586	247,281	240,586	247,281
- Debt instruments at amortised cost (Note 2.3)	240	519	240	519
- Treasury bill at amortised cost (Note 2.7)	-	-	-	-
	<b>333,081</b>	<b>341,409</b>	<b>333,081</b>	<b>341,409</b>



## 2.1 Fair value through profit or loss

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
At 1 January	93,609	108,556	93,609	108,556
Purchase during the year	-	-	-	-
Adjustment	-	-	-	-
Acquisition of shares	-	-	-	-
*Reclassification/ during the year/Redemption	-	(1,611)	-	(1,611)
Net fair value (loss)/gain (Note 35)	(1,354)	(13,336)	(1,354)	(13,336)
<b>At 31 December</b>	<b>92,255</b>	<b>93,609</b>	<b>92,255</b>	<b>93,609</b>

Financial assets held at fair value through profit or loss/Held-for-trading relates to quoted equity instruments.

## 2.2 Fair value through OCI (FVTOCI)

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Heritage Banking Company Limited	-	-	-	-
WAICA RE	116,865	123,493	116,865	123,493
EAIPN	122,177	122,177	122,177	122,177
*Unlisted Stocks- Reclassification from Quoted stocks	1,544	1,611	1,544	1,611
	<b>240,586</b>	<b>247,281</b>	<b>240,586</b>	<b>247,281</b>
Movement in FVTOCI/AFS				
At 1 January	247,281	136,288	247,281	136,288
Disposal	-	-	-	-
Addition	-	1,611	-	1,611
Fair value change (Note 41.1)	(6,695)	109,382	(6,695)	109,382
Fair value loss (Note 41.2)	-	-	-	-
<b>At 31 December</b>	<b>240,586</b>	<b>247,281</b>	<b>240,586</b>	<b>247,281</b>

The Group's FVTOCI/AFS financial assets consists of equities that are not quoted in an active market.

## 2.3 Debt securities at amortised cost/Loans and receivables

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Treasury bills	-	-	-	-
Staff loans	240	519	240	519
	<b>240</b>	<b>519</b>	<b>240</b>	<b>519</b>
Treasury bills*				
Gross	-	-	-	-
Impairment loss on treasury bills	-	-	-	-
	-	-	-	-
Movement in loans and receivables:				
Staff loans*	249,245	249,175	249,245	249,175
Payment received	(120)	(290)	(120)	(290)
Impairment allowance on loans and receivables	(248,885)	(248,366)	(248,885)	(248,366)
Bad debt	-	-	-	-
	<b>240</b>	<b>519</b>	<b>240</b>	<b>519</b>

### 3 Trade receivables

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Insurance receivables (Note 3.1)	-	-	(0)	-
Fees receivables	156,873	134,947	-	-
	156,873	134,947	(0)	-
Provision now written off	-	-	-	-
Less: allowance for credit losses (Note 3.3)	(187)	(2,039)	-	-
<b>At 31 December</b>	<b>156,686</b>	<b>132,908</b>	<b>(0)</b>	<b>-</b>

#### 3.1 Insurance receivables comprise amount due from:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Brokers	-	-	-	-
Insurers	-	-	-	-
	-	-	-	-

#### 3.2 Allowance for impairment on insurance receivables

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
At 1 January	-	-	-	-
Written off during the year	-	-	-	-
	-	-	-	-
Provision now written off	-	-	-	-
At 31 December	-	-	-	-



The sum of #10,179,000 represents allowance for impairment in respect to the amount of fraud perpetrated by a staff of the Company.

#### 4.1 Impairment written off

Movement in Sundry Receivables

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Sundry Receivables*	502,560	(1,969)	11,707	12,018
Impairment written off	-	13,336	-	-
Allowance for impairment on sundry receivables	(12,405)	(10,179)	(10,179)	(10,179)
<b>At 31 December</b>	<b>1,528</b>	<b>1,188</b>	<b>1,528</b>	<b>1,839</b>

#### 5 Reinsurance assets

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Reinsurance share of outstanding claims	233,513	258,884	233,513	258,884
Reinsurance share of IBNR on OCR	9,223	23,760	9,223	23,760
Outstanding claims recoverable	242,736	282,644	242,736	282,644
Prepaid reinsurance expenses	15,611	7,331	15,611	7,331
Minimum & Deposit Premium	4,030	4,030	4,030	4,030
	<b>262,377</b>	<b>294,005</b>	<b>262,377</b>	<b>294,005</b>
Movement in outstanding claims recoverable				
At 1st January	282,644	254,510	282,644	254,510
Reinsurance share of claims paid during the year	-	7,314	-	7,314
Recovery from reinsurance during the year	(25,696)	(22,839)	(25,696)	(22,839)
(Decrease)/Increase during the year (Note 30)	(14,212)	43,659	(14,212)	43,659
<b>At 31 December</b>	<b>242,736</b>	<b>282,644</b>	<b>242,736</b>	<b>282,644</b>
Movement in prepaid reinsurance expenses				
At 1st January	11,362	13,957	11,362	13,957
Reinsurance cost during the year	111,795	88,800	111,795	88,800
Increase during the year	(103,515)	(91,395)	(103,515)	(91,395)
<b>At 31 December</b>	<b>19,642</b>	<b>11,362</b>	<b>19,642</b>	<b>11,362</b>

Reinsurance assets represent the extent of credit risk related to reinsurance and its obligations to policy holders. Reinsurance assets are carried at amortised cost. The carrying amount is not significantly different from fair value.



## 6 Deferred acquisition costs

These represent commission paid to brokers on unearned premium relating to the unexpired tenure of risks.

	Fire	Motor	General accident	Marine	Energy	Total
	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2020	572	1,754	1,425	633	0	4,384
Commission incurred during the year (Note 31)	4,538	17,412	2,489	4,297	0	28,734
Amortisation	(3,831)	(11,906)	(2,874)	(4,045)	-	(22,654)
At 31 December 2020	1,279	7,260	1,040	885	-	10,464
Commission incurred during the year (Note 31)	2,647	14,449	5,330	8,132	-	30,558
Amortisation to profit or loss (to revenue account)	(3,206)	(16,257)	(4,631)	(7,780)	-	(31,874)
<b>At 31 December 2021</b>	<b>720</b>	<b>5,452</b>	<b>1,739</b>	<b>1,237</b>	<b>-</b>	<b>9,148</b>
<b>2021</b>						
Current	720	5,452	1,739	1,237	-	9,148
Non-current	-	-	-	-	-	-
	<b>720</b>	<b>5,452</b>	<b>1,739</b>	<b>1,237</b>	<b>-</b>	<b>9,148</b>
<b>2020</b>						
Current	1,279	7,260	1,040	885	-	10,464
Non-current	-	-	-	-	-	-
	<b>1,279</b>	<b>7,260</b>	<b>1,040</b>	<b>885</b>	<b>-</b>	<b>10,464</b>

## 7 Investment in subsidiary

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
IEI Anchor Pension Managers Limited	-	-	1,000,000	1,000,000
	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>1,000,000</b>

### Impairment testing

The Group performed its annual impairment test as at December 2021 on its various investments in its subsidiary. The Group considers the relationship between their value in use (VIU) and its book value, among other factors, when reviewing for indicators of impairment. As at 31 December 2021 the value in use (which approximate fair value) of the subsidiary was above the carrying value, indicating no potential impairment on the investments in the Group's subsidiary.

Subsidiary	Equity interest %		Country of incorporation	Business operation
	2021	2020		
IEI Anchor Pension Managers Limited	81	81	Nigeria	Pension assets management

### Non-controlling interest in subsidiary

The Group's subsidiary does not have a material non-controlling interest.

## 8 Investment properties

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
At 1 January	3,617,500	3,315,000	3,617,500	3,315,000
Reclassification	-	175,000	-	175,000
Net fair value adjustments (Note 35)	204,750	127,500	204,750	127,500
<b>At 31 December</b>	<b>3,822,250</b>	<b>3,617,500</b>	<b>3,822,250</b>	<b>3,617,500</b>

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

### 8.1 Description of properties

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
IEI Ibadan Estate, Liberty Road, Oke Ado, Ibadan	1,457,250	1,387,500	1,457,250	1,387,500
No 3. Oshunkeye Crescent, Gbagada Industrial Scheme, Lagos	1,544,000	1,450,000	1,544,000	1,450,000
7 Onitsha-Aba Benin Expressway, Asaba, Delta State	525,000	500,000	525,000	500,000
Ugbo-Enyi-Nike, Enugu Local Government	100,000	95,000	100,000	95,000
No 5 Ribadu Road, off swimming pool road GRA Kaduna	196,000	185,000	196,000	185,000
	<b>3,822,250</b>	<b>3,617,500</b>	<b>3,822,250</b>	<b>3,617,500</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 and rental income. 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 Humphrey Oronsaye & Co. (a registered estate surveyor & valuers) as at 31 December 2021, based on valuation model in accordance with that recommended by the International Valuation Standards Committee. However, the Valuer has confirmed that this represent the value of all these properties as at 31st December, 2021. The determination of fair value of the investment property was supported by market evidence.

### 8.2 The movement in investment properties are as follows;

Description/Location	Opening Balance	Additions/Transfer	Disposal	Fair Value gain/(loss)	Closing Balance
	N'000	N'000	N'000	N'000	N'000
UGBO-ENYI-NIKE ALONG ONITSHA ENUGU EXPRESSWAY, ENUGU STATE	95,000	-	-	5,000	100,000
3A OSHUNKEYE STREET, OFF APAPA OSHODI EXPRESSWAY, GBAGADA, LAGOS	1,450,000	-	-	94,000	1,544,000
KILOMETRE 7, ONITSHA-ASABA-BENIN EXPRESSWAY, ASABA, DELTA STATE	500,000	-	-	25,000	525,000
LIBERTY ROAD, OPPOSITE LIBERTY STADIUM, OFF RING ROAD, IBADAN, OYO STATE	1,387,500	-	-	69,750	1,457,250
No. 5, RIBADU ROAD, OFF SWIMMING POOL ROAD, GRA, KADUNA	185,000	-	-	11,000	196,000
	<b>3,617,500</b>	<b>-</b>	<b>-</b>	<b>204,750</b>	<b>3,822,250</b>

**Note:**

Status of title: Item (i) - (iv) are undergoing perfection.



**8.2.1** IEI Ibadan Estate contains 32 units valued at N1.943Billion out of which 8 units had been sold. IEI Plc currently has 24 units valued N1.457Billion, as indicated above on note 8(iv).

### 8.3 Details of the valuer

The investment properties were independently valued as at 31 December 2021 by Messrs Humphrey Oronsaye & Co. (an estate surveyor & valuer) duly registered with the Financial Reporting Council of Nigeria. The valuer, which is located at Suite 1, Lewis street by Maloney street Liafija - Obalende, Lagos, Nigeria is a qualified member of the Nigerian Institute of Estate Surveyors and Valuers with FRC No. FRC/2017/NIES/00000016090

Location of property	Valuation technique	Significant unobservable inputs
IEI Ibadan Estate, Liberty Road, Oke Ado Ibadan	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rent per annum ranges from N1.2million to N1.5million. Property has approximate total area of 2.6 hectares i.e. 26,000 square meters.
No 3 Oshunkeye Crescent, Gbagada Industrial Scheme, Lagos	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Approximate total area is 951 square meters. Rental value ranges between N3million to N6million per annum.
7 Onitsha-Aba Benin Expressway, Asaba, Delta State	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rental values in the area ranges between N4million to N8million per annum. The property is regular in shape and has approximate total area of 2,940 square meters.
Ugbo-Enyi-Nike, Enugu Local Government	Valuation was based on direct market comparison of recent sale of similar properties with same taste, finishings and location.	Site consists of warehouse and office complex on a total area of 1,280 square meters. Rental values range from N2million to N3.5million.
No 5, Ribadu Road, behind Police College, GRA, Kaduna, Kaduna State	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rent per annum ranges from N1.8million to 2million. Property has approximate total area of 1,195.60 square meters with a five bedroom two-storey detached house.

### Investment properties carried at fair value

Investment properties are fair valued as determined by an independent valuer. The valuation is based on open market capital valuation using the market comparison approach through analysis of recent transactions of sale of comparable properties in the neighborhood to arrive at the value of the property. Investment properties are categorised as level 3 assets based on the methodology adopted in determining the fair value.

Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

### Investment properties carried at fair value using market approach

Under this approach, fair value of investment properties was determined using the market comparable method. The valuation have been performed by the valuer and are based on proprietary data basis or prices of transaction for properties of similar nature, location and condition.

	Level 1	Level 2	Level 3	Total
	₦'000	₦'000	₦'000	₦'000
31 Decemeber 2020				
<b>Investment properties</b>	-	-	3,822,250	3,822,250
31 Decemeber 2019				
<b>Investment properties</b>	-	-	3,617,500	3,617,500

## 9 Intangible assets

	Group	Company
	₦'000	₦'000
<b>Cost:</b>		
At 1 January 2020	83,025	10,790
Additions	1,683	-
At 31 December 2020	84,708	10,790
Additions	3,186	-
<b>At 31 December 2021</b>	<b>87,894</b>	<b>10,790</b>
<b>Accumulated amortisation:</b>		
At 1 January 2020	65,575	10,790
Charge for the year (Note 38)	1,448	-
At 31 December 2020	67,023	10,790
Charge for the year (Note 38)	3,805	-
<b>At 31 December 2021</b>	<b>70,828</b>	<b>10,790</b>
<b>Carrying amount:</b>		
At 31 December 2021	17,066	-
<b>At 31 December 2020</b>	<b>17,685</b>	<b>-</b>

The Intangible assets consist wholly of computer software.

## 10 Property, plant and equipment

Group	Land N'000	Buildings N'000	Leasehold improvements	Plant and Machinery	Motor vehicles	Furniture fittings office and computer equipment	Total
<b>Cost/valuation:</b>							
At 1 January 2020	1,123,184	2,525,816	19,000	123,902	423,298	465,280	4,680,480
Additions	-	-	-	805	-	41,371	42,176
Disposals	-	-	-	(2,220)	(9,500)	(7,778)	(19,498)
Write-off/retired	-	-	-	-	-	-	-
Revaluation	(32,727)	(142,272)	-	-	-	-	(174,999)
<b>At 31 December 2020</b>	<b>1,090,457</b>	<b>2,383,544</b>	<b>19,000</b>	<b>122,487</b>	<b>413,798</b>	<b>498,873</b>	<b>4,528,159</b>
Additions	-	-	-	-	8,798	15,439	24,237
Disposals	-	-	-	-	-	-	-
Transfer*	-	-	-	-	-	-	-
Reclassification adjustment	-	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>1,090,457</b>	<b>2,383,544</b>	<b>19,000</b>	<b>122,487</b>	<b>422,596</b>	<b>514,312</b>	<b>4,552,396</b>
<b>Accumulated depreciation:</b>							
At 1 January 2020	-	4,180	19,000	119,831	352,563	390,698	886,272
Charge for the year (Note 38)	-	25,538	-	1,573	23,096	35,021	85,228
Disposals	-	-	-	(2,220)	(9,499)	(7,713)	(19,432)
Write-off/retired	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
<b>At 31 December 2020</b>	<b>-</b>	<b>29,718</b>	<b>19,000</b>	<b>119,184</b>	<b>366,160</b>	<b>418,006</b>	<b>952,068</b>
Charge for the year (Note 38)	-	25,545	-	996	22,844	30,480	79,865
Disposals	-	-	-	-	-	-	-
Transfer*	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>-</b>	<b>55,263</b>	<b>19,000</b>	<b>120,180</b>	<b>389,004</b>	<b>448,486</b>	<b>1,031,933</b>
Net book value:							
<b>At 31 December 2021</b>	<b>1,090,457</b>	<b>2,328,281</b>	<b>-</b>	<b>2,307</b>	<b>33,592</b>	<b>65,826</b>	<b>3,520,463</b>
<b>At 31 December 2020</b>	<b>1,090,457</b>	<b>2,353,826</b>	<b>-</b>	<b>3,303</b>	<b>47,638</b>	<b>80,867</b>	<b>3,576,091</b>

## 10 Property, plant and equipment

Company	Land N'000	Buildings N'000	Plant and Machinery	Motor vehicles	Furniture fittings office and computer equipment	Total
<b>Cost:</b>						
At 1 January 2020	1,123,184	2,136,816	108,084	200,743	213,310	3,782,137
Additions	-	-	-	-	2,312	2,312
Disposals	-	-	(2,220)	(9,500)	(7,778)	(19,498)
Revaluation adjustment	(32,727)	(142,272)	-	-	-	(174,999)
<b>At 31 December 2020</b>	<b>1,090,457</b>	<b>1,994,544</b>	<b>105,864</b>	<b>191,243</b>	<b>207,844</b>	<b>3,589,952</b>
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluation adjustment	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>1,090,457</b>	<b>1,994,544</b>	<b>105,864</b>	<b>191,243</b>	<b>207,844</b>	<b>3,589,952</b>
<b>Accumulated depreciation:</b>						
At 1 January 2020	-	-	107,038	200,641	201,393	509,072
Charge for the year (Note 38)	-	19,945	541	101	7,363	27,950
Disposals	-	-	(2,220)	(9,499)	(7,713)	(19,432)
Revaluation Adjustment	-	-	-	-	-	-
<b>At 31 December 2020</b>	<b>-</b>	<b>19,945</b>	<b>105,359</b>	<b>191,243</b>	<b>201,043</b>	<b>517,590</b>
Charge for the year (Note 38)	-	19,945	152	-	4,774	24,871
Disposals	-	-	-	-	-	-
Revaluation Adjustment	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>-</b>	<b>39,891</b>	<b>105,511</b>	<b>191,243</b>	<b>205,817</b>	<b>542,462</b>
<b>NET BOOK VALUE</b>						
<b>At 31 December 2021</b>	<b>1,090,457</b>	<b>1,954,653</b>	<b>353</b>	<b>-</b>	<b>2,026.93</b>	<b>3,047,490</b>
<b>At 31 December 2020</b>	<b>1,090,457</b>	<b>1,974,599</b>	<b>505</b>	<b>-</b>	<b>6,801</b>	<b>3,072,362</b>



If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Cost	1,534,057	1,534,057	1,425,923	1,425,923
Accumulated depreciation	-345,022	(302,739)	-323,413	(312,986)
<b>Net carrying amount</b>	<b>1,189,035</b>	<b>1,231,318</b>	<b>1,102,510</b>	<b>1,112,937</b>

### Group

The fair value disclosure on Land and Buildings is as follows:

	Fair value measurement using			
	Quoted prices in active market	Significant observable inputs	Significant observable inputs	
	Level 1	Level 2	Level 3	
	N'000	N'000	N'000	N'000
31 December				
Land and Buildings	-	-	3,418,738	3,444,283

### Company

The fair value disclosure on Land and Buildings is as follows:

	Fair value measurement using			
	Quoted prices in active market	Significant observable inputs	Significant observable inputs	
	N'000	N'000	N'000	N'000
	31 December			
Land and Buildings	-	-	3,045,110	3,065,056

During the reporting year ended 31 December 2021, there were no transfers between level 1 and level 2 and in and out of level 3 for land and building carried at fair value.

The revalued land and buildings are the subsidiary's property. Management determined that these constitute one class of asset under IFRS 13, based on the nature, characteristics and risks of the property. The valuation was based on an open market value reflecting the existing valuation of the assets. The surplus on the valuation has been credited to the revaluation reserve account as at the date of revaluation. As at the date of revaluation on December 31, 2019, the property's fair value was based on valuations performed by Messrs Humphrey Oronsaye & Co. (an estate surveyor & valuer) duly registered with the Financial Reporting Council of Nigeria. The valuer, which is located at Suite 1, Lewis street by Maloney street Liafija - Obalende, Lagos, Nigeria is a qualified member of the Nigerian Institute of Estate Surveyors and Valuers with FRC No. FRC/2017/NIESV/00000016090.

### Land and buildings are carried at fair value using market approach

Under this approach, fair value of land and buildings was determined using the market comparable method. The valuation have been performed by the valuer and are based on proprietary data basis or prices of transaction for properties of similar nature, location and condition.

Location of property	Valuation technique	Significant unobservable inputs
22, Otukpo Street, off Onitsha Crescent, Area 11, Garki District, FCT Abuja	Valuation was based on the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Estimated price per square metre ₦240,000 – ₦330,000

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Minimum statutory deposit	322,500	322,500	322,500	322,500

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 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.

## 12 Insurance contract liabilities

Insurance contract liabilities consist of the following:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Insurance contract liabilities consist of the following:				
Provision for reported claims	3,914,868	3,763,593	3,914,868	3,763,593
Provision for incurred but not reported claims	19,475	73,442	19,475	73,442
Reserve for outstanding claims	3,934,343	3,837,035	3,934,343	3,837,035
<b>Reserve for unearned premium</b>	<b>313,844</b>	<b>273,640</b>	<b>313,844</b>	<b>273,640</b>
	4,248,187	4,110,675	4,248,187	4,110,675
Movement in reserve for outstanding claims				
At 1 January	3,837,037	3,812,872	3,837,037	3,812,872
Claims incurred in the current accident year (Note 30)	218,721	89,005	218,721	113,169
<b>Claims paid during the year</b>	<b>(121,415)</b>	<b>(89,004)</b>	<b>(121,415)</b>	<b>(89,004)</b>
At 31 December	3,934,343	3,812,873	3,934,343	3,837,037
Movement in reserve for unearned premium				
At 1 January	273,262	240,843	273,262	240,843
Premium written in the year (Note 27)	687,076	564,563	687,076	564,563
<b>Premium earned during the year (Note 27)</b>	<b>(646,872)</b>	<b>(531,388)</b>	<b>(646,872)</b>	<b>(531,766)</b>
At 31 December	313,466	274,018	313,466	273,640
Current	4,248,187	4,110,675	4,248,187	4,110,675
<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>4,248,187</b>	<b>4,110,675</b>	<b>4,248,187</b>	<b>4,110,675</b>



### Age Analysis of Outstanding Claims as at December 31, 2021

	0 - 90 days	91-180 days	181 - 270 days	271 - 365 days	Above 365 days	Total
2021	N'000	N'000	N'000	N'000	N'000	N'000
1-250,000	2,589	1,300	2,900	6,400	129,538	142,727
250,001-500,000	270	3,300	4,000	270	61,992	69,833
500,001-1,500,000	200	270	2,320	900	207,997	211,687
1,500,001-2,500,000	1,300	100	325	357	31,483	33,565
2,500,001-5,000,000	1,597	2,150	-	1,500	65,130	70,375
Above 5,000,000	-	-	-	-	3,386,681	3,386,681
<b>Total</b>	<b>5,956</b>	<b>7,120</b>	<b>9,545</b>	<b>9,427</b>	<b>3,882,821</b>	<b>3,914,868</b>

	0 - 90 days	91-180 days	181 - 270 days	271 - 365 days	Above 365 days	Total
2021	N'000	N'000	N'000	N'000	N'000	N'000
1-250,000	42,085	52,000	45,000	45,000	56,000	240,085
250,001-500,000	32,569	110,232	84,000	52,000	58,000	336,801
500,001-1,500,000	9,563	50,269	24,397	65,000	50,238	199,467
1,500,001-2,500,000	-	-	-	-	100,560	100,560
2,500,001-5,000,000	-	-	-	-	357,132	357,130
Above 5,000,000	-	-	-	-	2,529,550	2,529,550
<b>Total</b>	<b>84,217</b>	<b>212,501</b>	<b>153,397</b>	<b>162,000</b>	<b>3,151,480</b>	<b>3,763,593</b>

### Number of Claimants in each category

	0 - 90 days	91 - 180 days	181 - 270 days	271 - 365 days	Above 365 days	Total
At 31 December 2021	223	223	176	472	1,202	2,296
At 31 December 2020	289	265	809	756	1,258	3,377

The claims outstanding beyond 90 days are due to the following reasons; incomplete documentations, awaiting adjusters' reports and non-availability of funds.

### 13 Trade payables

This represents the amount payable to insurance companies on facultative placements.

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
	104,562	73,016	27,913	23,905

This represents the amount payable to insurance companies as at year end. The carrying amounts of trade payable as disclosed above approximate their fair value at the reporting date. Trade payables are derecognised when the obligation under the liability is settled, cancelled or expired.

## 14 Provisions and other payables

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Staff pension	177,197	157,808	177,197	157,808
Accruals (Note 14.1)	513,631	454,062	487,672	401,586
Sundry creditors (Note 14.2)	483,140	149,342	430,771	395,295
Deposit premium*	161,505	156,187	161,505	156,187
Unclaimed dividend	64,211	64,211	64,211	64,211
	<b>1,399,685</b>	<b>1,250,237</b>	<b>1,321,357</b>	<b>1,175,086</b>

### 14.1 Accruals comprise:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Accrued expenses	423,001	327,448	397,042	304,903
Professional fees	64,528	64,528	64,528	64,528
Accrued rental income	15,793	23,458	15,793	23,458
Audit fee	10,310	7,310	10,310	7,310
Accrued claims	-	1,387	-	1,387
	<b>513,631</b>	<b>528,741</b>	<b>487,672</b>	<b>401,586</b>

### 14.2 Sundry creditors comprise:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Anchor pension limited	46,180	46,180	46,180	46,180
Staff cooperative	64,113	64,113	64,113	64,113
Other creditors	372,847	337,608	320,478	285,002
	<b>483,140</b>	<b>447,901</b>	<b>430,771</b>	<b>395,295</b>

\*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. Whilst "Other Creditors" consist of various accrued expenses on commission and other ancillary expenses.



## 15 Taxation

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
<b>Per statement of profit or loss:</b>				
Company income tax				
Minimum tax	1,922	5,651	1,617	1,328
Education tax	2,201	2,094	-	-
Information technology development levy	525	13,664	-	13,199
	4,648	21,409	1,617	14,527
Over provision	-	-	-	-
Deferred tax expense	3,587	(571,326)	-	(586,516)
Income tax expense	8,235	(549,917)	1,617	(571,989)
<b>Per statement of financial position:</b>				
<i>Current income tax payable</i>				
At 1 January	525,521	505,594	512,464	497,937
Charge to profit or loss	4,648	21,409	1,617	14,527
Over provision	-	-	-	-
Withholding tax credit notes utilised	-	-	-	-
Payment during the year	(4,304)	(1,482)	(3,000)	-
	<b>525,865</b>	<b>525,521</b>	<b>511,081</b>	<b>512,464</b>
<b>Reconciliation of tax charge</b>				
Profit/(Loss) before income tax expense	(685,162)	(1,129,531)	(720,957)	(1,175,674)
Tax at Nigeria income tax rate of 30%	(205,549)	(338,859)	(216,287)	(352,702)
			-	-
Non-deductible expenses	723,234	723,234	721,980	721,980
Tax exempt income	(430,370)	(430,571)	(132,683)	(171,209)
Minimum tax	1,922	5,651	1,617	1,328
Education tax	2,201	2,094	-	-
Information technology development levy	525	13,664	-	13,199
Over provision	-	-	-	-
Utilisation of previously unrecognised tax losses	(825,091)	(825,091)	(1,084,453)	(1,084,453)
Tax rate differential on fair value gains on investment properties	(25,501)	(25,501)	(25,501)	(25,501)
<b>At effective income tax rate of 2% (2020:2%)</b>	<b>(758,629)</b>	<b>(875,379)</b>	<b>(735,327)</b>	<b>(897,358)</b>

## 16 Deferred taxation

Deferred income tax assets/(liabilities) are attributable to the following items:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
<b>Deferred tax liabilities/(asset)</b>				
Accelerated depreciation	(772,188)	(772,188)	(680,416)	(680,416)
Revaluation gain on land and building	(368,899)	(368,899)	76,199	76,199
Unutilised tax credit	463,833	463,833	463,833	463,833
Fair value gains on investment properties	394,888	394,888	(65,825)	(65,825)
Carried forward losses	35,890	35,890	-	-
Impairment on financial assets	-	-	-	-
	<b>(246,476)</b>	<b>(246,476)</b>	<b>(206,209)</b>	<b>(206,209)</b>
<b>Movement in temporary differences during the year:</b>				
At 1 January	810,606	810,606	792,722	792,722
<i>Recognised in profit or loss:</i>				
Accelerated depreciation	175,720	175,720	175,720	175,720
Unutilised tax credit	(604,242)	(604,242)	(604,242)	(604,242)
Fair value gains on investment properties	(192,787)	(192,787)	(192,787)	(192,787)
Impairment on financial assets	34,796	34,796	34,796	34,796
Losses carried forward	22,383	22,383	-	-
Impairment on financial assets	-	-	-	-
	<b>(564,130)</b>	<b>(564,130)</b>	<b>(586,513)</b>	<b>(586,513)</b>
<i>Recognised in other comprehensive income:</i>				
Revaluation surplus on property	-	-	-	-
	<b>246,476</b>	<b>246,476</b>	<b>206,209</b>	<b>206,209</b>

A deferred tax asset has not been recognised in respect of a tax loss carry forward of ₦1,464,212,700 (2020: ₦556,026,700) relating to its subsidiary, as there is insufficient certainty as to the availability of future profits. This tax loss has no expiry date.

## 17 Borrowings

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Daewoo Securities (Europe) Limited (Note 17.1)	14,092,843	13,537,660	14,092,843	13,537,660
Term Loan - Fidelity Bank	26,500	38,500	-	-
	<b>14,119,343</b>	<b>13,576,160</b>	<b>14,092,843</b>	<b>13,537,660</b>



## 17.1 Daewoo Securities (Europe) Limited

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
At 1 January	13,537,660	12,454,934	13,537,660	12,454,934
Interest	-	-	-	-
Exchange rate differences	555,183	1,082,726	555,183	1,082,726
	<b>14,092,843</b>	<b>13,537,660</b>	<b>14,092,843</b>	<b>13,537,660</b>

International Energy Insurance Plc issued a bond valued at 1,850,000,000 Japanese Yen (JPY) to Daewoo Securities (Europe) Limited who has acted as the foreign agent. The bond has a tenor of 20 years commencing on 24 January 2008 and maturing on 23 January 2028. The bond was issued at a zero coupon interest rate. A premium of 29% of the face value of the bond is payable on the maturity date.

The Terms and condition of the bond contract, among others granted the bondholders the right to require IEI to redeem all or some of the bonds on 18, 20, 24, 36 and 48 months from the date of the issuance of the bond. On 25 July 2009, 18 months after the issuance of the bonds, Daewoo exercise their right of early redemption, contrary to the general understanding of the parties that the bonds were to be a long term borrowing. The bond is now a subject of litigation.

IEI has denied liability and is currently obtaining a judicial precedence to this effect. It is not practical to estimate the potential effect of this claim, but initial legal advice indicated that it is not probable that a significant liability will arise.

The matter is currently being considered by the Company lawyers and the Company expects a judiciary precedence that can serve as a basis to negotiate for the principal amount as final settlement under the doctrine of money held and received. The Company considers it to be probable that any competent court of jurisdiction will give a judgement in its favour and has therefore not recognise a provision of interest and penalty on the loan in 2020.

## 18 Deposit for shares

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
Private placement	279,360	279,360	279,360	279,360
Staff	37,873	37,873	37,873	37,873
	<b>317,233</b>	<b>317,233</b>	<b>317,233</b>	<b>317,233</b>

### 18.1 Deposit for shares

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
Opening Balance- 1st January	279,360	279,360	279,360	279,360
Additions	-	-	-	-
<b>Closing Balance- 31st December</b>	<b>279,360</b>	<b>279,360</b>	<b>279,360</b>	<b>279,360</b>

## 18.2 Deposit for shares – Staff

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Opening Balance – 1st January	37,873	38,767	37,873	38,767
Refund	-	(894)	-	(894)
<b>Closing Balance–31st December</b>	<b>37,873</b>	<b>37,873</b>	<b>37,873</b>	<b>37,873</b>

## 19 Share capital

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
<b>Authorised:</b>				
5,136,341,957 ordinary shares of 50 kobo each	2,568,171	2,568,171	2,568,171	2,568,171
1,600,000,000 redeemable preference shares of N2.5 kobo each	4,000,000	4,000,000	4,000,000	4,000,000
<b>Issued and fully paid:</b>				
1,284,085,489 ordinary shares of 50 kobo each	642,043	642,043	642,043	642,043

## 20 Share premium

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
<b>At 1 December</b>	<b>963,097</b>	<b>963,097</b>	<b>963,097</b>	<b>963,097</b>

Premium from issue of shares are reported in share premium account.

## 21 Statutory contingency reserve

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
At 1 January	1,629,867	1,607,980	1,583,143	1,566,206
Transfer from profit or loss	27,806	21,887	20,612	16,937
<b>At 31 December</b>	<b>1,657,673</b>	<b>1,629,867</b>	<b>1,603,755</b>	<b>1,583,143</b>

The statutory contingency reserve has been computed in accordance with Section 21 (1) of the Insurance Act, Cap I17 LFN 2004. In addition, part of the statutory contingency reserve at the Group level represents 12.5% of net profit after tax in accordance with the new Pension Reform Act.

## 22 Capital reserve

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
<b>At 1 December</b>	<b>7,926,399</b>	<b>7,926,399</b>	<b>7,926,399</b>	<b>7,926,399</b>



This represents the surplus nominal value which arose from the share reconstruction exercise done in previous years.

### 23 Accumulated losses

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
At 1 January	(24,108,120)	(23,500,237)	(23,825,671)	(23,198,670)
Transfer to contingency reserves	(27,806)	(21,887)	(20,612)	(16,937)
Transfer from profit or loss	(697,200)	(611,023)	(722,574)	(635,091)
Adjustment made to write off balances	-	25,027	-	25,027
<b>At 31 December</b>	<b>(24,833,127)</b>	<b>(24,108,120)</b>	<b>(24,568,858)</b>	<b>(23,825,671)</b>

During the year ended there were adjustments made to write off various legacy balances which has resulted to a net balance of ₺25,027,000. This has impacted on the balances on the accumulated losses as at 31st December, 2020.

This comprises the accumulated losses previous years, which have not been reclassified to other reserves in equity.

### 24 Property revaluation reserve

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
At 1 January	1,501,417	1,501,417	1,482,917	1,482,917
Transfer from OCI	-	-	-	-
<b>At 31 December</b>	<b>1,501,417</b>	<b>1,501,417</b>	<b>1,482,917</b>	<b>1,482,917</b>

This reserve contains surplus on revaluation of Property, Plant and Equipment. A revaluation surplus is recorded in Other Comprehensive Income and credited to the property revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

### 25 Fair value reserve

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
At 1 January	152,283	42,901	152,283	42,901
Transfer from OCI	(6,695)	109,382	(6,695)	109,382
<b>At 31 December</b>	<b>145,588</b>	<b>152,283</b>	<b>145,588</b>	<b>152,283</b>

The fair value reserve represent accumulation of fair value gains/losses on investments measured subsequently at fair value through other comprehensive Income (OCI).

## 26 Non-controlling interest

International Energy Insurance Plc has a controlling interest of 81% (2020: 81%) in IEI Anchor Pension Managers Limited, which gives rise to a non-controlling interest of 19% in the entity. The balance represents the amount attributable to the non-controlling shareholders of IEI Anchor Pension Managers Limited.

	Group	
	31-Dec-21	31-Dec-20
	₺'000	₺'000
Opening balance	186,587	181,954
Share from total comprehensive Income	6,814	4,633
<b>Closing balance</b>	<b>193,401</b>	<b>186,587</b>

## 27 Gross premium income

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
Gross premium written:				
Direct	685,532	556,996	685,532	556,996
Inward	1,544	7,567	1,544	7,567
Total gross written premium (Note 12)	687,076	564,563	687,076	564,563
Change in unearned premium	(40,204)	(33,175)	(40,204)	(33,175)
Gross premium income (Note 12)	646,872	531,388	646,872	531,388

Gross premium income represents the total premium that the Group realised for the year. The amount of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in reserve for unearned premiums in insurance contract liabilities.

## 28 Reinsurance expenses

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
Outward reinsurance	111,795	88,798	111,795	88,798
(Increase)/Decrease in prepaid reinsurance (Note 5)	(8,280)	2,595	(8,280)	2,595
	<b>103,515</b>	<b>91,393</b>	<b>103,515</b>	<b>91,393</b>

Reinsurance expenses represent outward premium paid to reinsurance companies.

## 29 Commission income

	Group		Company	
	2021	2020	2021	2020
	₺'000	₺'000	₺'000	₺'000
Commission income	23,942	9,939	23,942	9,939

Commission income represents commission received on transactions ceded to reinsurance during the year under review. Commission Income is recognised over the time of the premium.



### 30 Claims expenses

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Gross claims paid	121,415	89,004	121,415	89,004
Change in outstanding claims reserve	150,743	54,370	150,743	54,370
Changes in IBNR	(53,966)	(30,206)	(53,966)	(30,206)
	<b>218,192</b>	<b>113,169</b>	<b>218,192</b>	<b>113,169</b>
Recoverable from reinsurance (Note 30.1)	14,212	(43,659)	14,212	(43,659)
	<b>232,404</b>	<b>69,510</b>	<b>232,404</b>	<b>69,510</b>

#### 30.1 Recoverable from reinsurance:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Reinsurance share of claims paid (Note 5)	(25,696)	(22,839)	(25,696)	(22,839)
Change in reinsurance share of outstanding claims	25,371	(24,756)	25,371	(24,756)
Changes in reinsurance share of IBNR	14,537	3,936	14,537	3,936
	<b>14,212</b>	<b>(43,659)</b>	<b>14,212</b>	<b>(43,659)</b>

### 31 Acquisition costs

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Deferred acquisition costs at 1 January	10,464	4,384	10,464	4,384
Commission for the year (Note 6)	30,558	28,735	30,558	28,735
<b>Gross commission</b>	<b>41,022</b>	<b>33,119</b>	<b>41,022</b>	<b>33,119</b>
Deferred acquisition costs at 31 December	(9,148)	(10,464)	(9,148)	(10,464)
	<b>31,874</b>	<b>22,655</b>	<b>31,874</b>	<b>22,655</b>

### 32 Maintenance costs

These are underwriting expenses incurred in servicing existing policies or contract. The costs include, but are not limited to, supervisory levy, superintending fees and other technical expenses.

#### 33.1 Interest revenue calculated using effective interest method

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Short term investment income	5,162	4,363	2,195	1,346
Interest on bank and statutory deposits	8,255	42,078	8,255	42,078
	<b>13,417</b>	<b>46,441</b>	<b>10,450</b>	<b>43,424</b>

### 33.2 Other investment income

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Dividend income	9,890	1,969	9,890	1,969

### 34 Net realised gains/(loss)

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
On disposal of property, plant and equipment	-	2,615	-	2,615
Recycled to profit or loss on available for sale financial asset	-	-	-	-
(Loss)/gain on disposal of financial asset	-	-	-	-
	-	2,615	-	2,615

### 35 Net fair value gain/(loss)

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
On fair value through profit or loss/held for trading financial assets (Note 2.1)	(1,354)	(13,057)	(1,354)	(13,057)
On investment properties ( Note 8)	204,750	127,500	204,750	127,500
	203,396	114,443	203,396	114,443

### 36 Other income

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Fee based income	989,323	861,525	-	-
Rental Income	30,487	17,151	30,487	17,151
Foreign exchange gains	3,545	3,130	3,545	3,130
Sundry income	53,231	121,127	53,231	121,127
	1,076,586	1,002,933	87,263	141,408

**36.1** Fee based income is related to the income accrued to the Group, through its subsidiary line of business, which is pension administration. Principally, pensions administration revenue are generally "fee based" in nature. Thus, the income is at a point in time.

**36.2** Sundry income consist of recovery from lost investment.



### 37 Charge on impairment of assets

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Impairment on cash and cash equivalents (Note 1.3)	(4,084)	(7,206)	(4,084)	(7,206)
Impairment on amortised costs (Note 2.3)	(519)	-	(519)	-
Impairment on fees receivable (Note 3.3)	(2,226)	(10,179)	-	(10,179)
Impairment on FVOCI (Note 4i)	-	-	-	-
	<b>(6,829)</b>	<b>(17,385)</b>	<b>(4,603)</b>	<b>(17,385)</b>

### 38 Management expenses

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Personnel cost (Note 47)	837,139	790,810	332,020	367,855
Directors emoluments	44,907	80,348	20,157	15,185
Auditors remuneration	8,450	8,450	6,450	6,450
Depreciation (note 10)	79,865	85,229	24,871	27,951
Amortisation (Note 9)	3,805	1,448	-	-
Legal and other professional fees	66,542	81,643	60,842	86,676
Motor running expenses	17,653	16,962	17,653	15,044
Subscription	9,584	16,456	5,011	12,728
Corporate gift	-	488	-	488
Repairs and maintenance	89,409	66,978	41,771	25,515
Rent and rates	29,536	23,592	8,772	4,111
Postage and telephone	12,721	17,971	2,983	3,291
Transport and travelling	15,217	13,111	9,328	6,703
Advertisements, sales and marketing	4,862	3,329	32	892
Printing and stationery	15,703	6,893	3,121	2,002
Security expenses	7,501	7,945	5,263	5,497
Oil and diesel	21,792	14,979	7,812	5,132
Insurance and license	11,255	11,549	7,134	8,007
State and local government levy	9,470	2,859	3,265	2,859
NAICOM Levy	6,871	5,633	6,871	5,633
Balance carried forward	1,292,283	1,256,673	563,357	602,019
Balance brought forward	1,292,283	1,256,673	563,357	602,019
Other operating expenses	119,373	53,498	17,475	13,747
ICT consumables	5,261	3,337	5,261	3,380
Internet subscription	18,631	25,432	8,609	19,949
Bank charges	1,517	1,929	1,204	1,605
Electricity and utilities	11,625	5,925	4,403	2,797
Fines and penalty	3,140	3,848	3,140	2,957
Sales and marketing	81,764	100,659	-	-
Training Expenses	9,037	4,209	-	-
Loss on Disposal	-	629	-	-
	<b>1,542,631</b>	<b>1,456,139</b>	<b>603,449</b>	<b>646,453</b>

### 38.1 Non-audit service

The Company did not engage the auditors for non-audit services during the year (2020: Nil).

### 39 Finance costs

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Interest on borrowings	8,713	8,713	-	-
Other interest expense	-	-	-	-
Exchange loss on borrowings	555,183	1,082,726	555,183	1,082,726
	<b>563,896</b>	<b>1,091,439</b>	<b>555,183</b>	<b>1,082,726</b>

### 40 Basic and diluted profit/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:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Net losses attributable to owners of the parent =N='000	(704,739)	(615,035)	(722,575)	(635,091)
Weighted average number of shares for the year ('000)	1,284,085	1,284,085	1,284,085	1,284,085
Basic and diluted profit/loss per share	(55)	(48)	(56)	(49)

### 41.1 Net (loss)/gain on available-for-sale financial assets

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Fair value profit/loss on available-for-sale financial assets (Note 2.2)	(6,695)	-	(6,695)	-
Gain on disposal (note 34)	-	2,616	-	2,616
Impairment recycled through p or I (Note 37)	(6,829)	(17,191)	(4,603)	(17,191)

### 41.2 Net loss on equity instrument designated at fair value through other comprehensive income

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Fair value loss on financial assets at FVTOCI (Note 2.2)	(6,695)	109,382	(6,695)	109,382



## 42 Revaluation surplus on property

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Arising during the year (Note 10)				
Revaluation surplus	-	-	-	-
	-	-	-	-
Income tax effect (Note 16)	-	-	-	-
	-	-	-	-

## 43 Reconciliation of loss before income tax expense to cash provided by operating activities

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Loss before income tax expense	(685,162)	(1,160,937)	(720,957)	(1,175,674)
Adjustments for items not involving movement of cash:				
Depreciation	82,149	85,229	24,871	27,951
Amortisation of intangible assets	1,447	1,447	-	-
Profit on disposal of PPE	-	2,616	-	2,616
Profit on disposal of financial asset	-	-	-	-
Recycled to profit or loss (financial asset)	-	-	-	-
Interest income	(43,954)	(63,592)	(40,937)	(60,575)
Dividend income	(9,890)	(1,969)	(9,890)	(2,113)
Fair value loss/(gain) on held-for-trading assets	1,354	13,336	1,354	13,057
Recovery on other financial asset (Waica Re)	6,695	(109,382)	6,695	(109,382)
Fair value loss / (gains) on investment properties	(204,750)	(127,500)	(204,750)	(127,500)
Charge on impairment of assets	(4,603)	-	(4,603)	-
Finance costs	563,896	1,091,439	555,183	1,082,726
Exchange gains	(3,545)	(3,130)	(3,545)	(3,130)
	388,800	888,494	324,379	823,650
<b>Changes in working capital:</b>				
Loans and receivables	759	519	759	519
Trade receivables	23,778	12,017	(0)	(79)
Other receivables and prepayments	105,763	89,932	(305)	(11,914)
Reinsurance assets	(31,628)	25,539	(31,628)	25,539
Deferred acquisition costs	(1,317)	6,081	(1,317)	6,081
Insurance contract liabilities	136,980	56,960	136,980	56,960
Trade payables	31,546	10,699	4,014	7,852
Provisions and other payables	17,476	76,233	241,212	244,011
	<b>283,358</b>	<b>277,980</b>	<b>349,716</b>	<b>328,970</b>
	<b>(13,005)</b>	<b>5,537</b>	<b>(46,863)</b>	<b>(54,039)</b>

#### 44 Reconciliation of other operating cash payments

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Auditors' remuneration	(8,450)	(8,450)	(6,450)	(6,450)
Other expenses	(675,688)	(675,248)	(715,150)	(799,908)
Change in other assets and receivables	106,522	90,451	454	(11,395)
Change in trade payables and other liabilities	49,022	86,932	245,226	251,863
	<b>(528,594)</b>	<b>(506,315)</b>	<b>(475,920)</b>	<b>(565,890)</b>

#### 45 Cash and cash equivalents for the purposes of the consolidated and separate statements of cash flows:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Cash and cash equivalents for the purposes of the consolidated and separate statements of cash flows:	528,594	686,520	475,920	565,890
Cash and cash equivalents	225,817	266,783	121,225	147,204
Overdrafts	-	-	-	-
	<b>225,817</b>	<b>266,783</b>	<b>121,225</b>	<b>147,204</b>

#### 46 Loss before income tax expense

Loss before income tax expense is arrived at after charging/(crediting):

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Depreciation of property, plant and equipment	82,149	85,229	24,871	27,951
Amortisation of intangible assets	1,448	1,448	-	-
Directors' emoluments	85,320	80,348	20,157	15,185
Auditors' remuneration	8,450	6,300	6,450	4,300
Profit on disposal of property and equipment	-	2,616	-	2,615
Net exchange loss	-	-	-	-

#### 47 Directors and employees

##### Compensation of key management personnel

Key management personnel of the Group includes all directors, executives and non-executive, and senior management. The summary of compensation of key management personnel for the year is as follows:

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Short-term employee benefits:				
Salaries and allowances	135,078	131,332	56,418	56,418
Long-term employee benefits:				
Post employment pension benefits	4,330	4,330	4,330	4,330
	<b>139,408</b>	<b>135,662</b>	<b>60,748</b>	<b>60,748</b>
Fees and other emolument disclosed above includes amount paid to:				
Chairman	12,000	12,000	6,000	6,000



The number of Directors who received fees and other emoluments (excluding pension contributions and certain benefit) in the following ranges was:

	Number	Number	Number	Number
Below =N=1,000,000	0	0	0	0
=N=1,000,001 - =N=5,000,000	7	5	2	2
=N=5,000,001 - =N=10,000,000	2	2	1	1
=N=10,000,001 and above	1	1	0	0
	10	8	3	3

#### Employees

The number of persons employed (excluding Directors) in the Group during the year was as follows:

Administration	56	47	21	21
Technical	126	99	37	34
General services	70	53	-	-
	252	199	58	55

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

Emolument range	Number	Number	Number	Number
=N=500,001 - =N=600,000	9	0	1	0
=N=600,001 - =N=1,000,000	22	43	2	2
=N=1,000,001 - =N=2,000,000	115	79	5	2
=N=2,000,001 - =N=3,000,000	30	13	9	5
=N=3,000,001 - =N=4,000,000	26	19	17	14
=N=4,000,001 - =N=5,000,000	22	18	15	13
=N=5,000,001 - =N=8,000,000	17	19	6	15
=N=8,000,001 - =N=10,000,000	3	4	1	1
=N=10,000,001 - and above	8	4	2	3
	252	199	58	55

#### 47 Directors and employees - continued

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Staff costs				
Wages and salaries	706,143	663,554	294,818	325,291
Other staff costs	68,332	58,942	17,812	17,365
Pensions	62,665	68,314	19,390	25,199
	837,140	790,810	332,020	367,855

#### 48 Related parties

##### Subsidiary

IEI Plc holds 81% interest in IIEI Anchor Pensions Limited. Transactions between IEI Plc and her subsidiary is eliminated on consolidation.

## Transaction with related parties

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

	2021	2020
	N'000	N'000
Premium received	3,594	3,544
Claims paid	-	736
Office rent received	-	-
Amount due from subsidiary	-	-
Amount due to subsidiary	46,180	46,180

## Terms and conditions

Premium received and claims paid relates to sale of insurance contract and other services are at arms length.

## 49 Contingencies and commitments

### 49.1 Outstanding litigations

In the ordinary course of business, there are pending litigations involving the Company for which no provision has been made amounted to N 209.4 million (2020:N80.7 million). However, the actions are being defended and the Directors are of the opinion that no material liability would arise therefrom.

### 49.2 Capital commitments

The Company has no capital commitment at the reporting date.

## 50 Events after the reporting date

On 20 May 2019, the National Insurance Commission (NAICOM) issued a circular in which it reviewed the minimum paid-up share capital for insurance and reinsurance companies. It required General Insurance companies to shore up their share capital to N10 billion by 30 June 2020. In subsequent circulars dated 30 December 2019 and 03 June 2020, the regulator extended the deadline to 31 December 2020 and then 30 September 2021 respectively. This events have no financial adjustment as at the reporting date.

However, during the course of the year, there was an attempt made by prospective investors (Norrenberger) who are willing to invest and take over the reins of the Company. The proposed acquisition comes at a strategic time for the company by meeting the capitalization requirement of N10 Billion minimum by the National Insurance Commission (NAICOM). To this end, the Company has sought and obtained the "No Objection" approval of NAICOM for the 100 % equity stake of the company by Norrenberger Investment and Capital Management Limited. Norrenberger Investment and Capital Management 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 Company is very optimistic that the Recapitalization issue would be concluded and finalised by reconstituting a new Board after the handing over to the new investors by the Regulator, National Insurance Commission before the end of second quarter 2022.

## Non Compliance with laws and regulations

The Company contravened certain laws and regulations during the year ended December 31 2021. Details of the contraventions and penalty is as follows:

	Name of Regulator	Company	
		2021	2020
		N'000	N'000
Late submission of accounts.	SEC	18,000	3,174
Late filing of audited accounts	NSE	9,000	9,000
Late filing of accounts	NAICOM	1,222	1,345
		<b>28,222</b>	<b>13,519</b>



## 52 Segment information

For management purpose, the Group 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 Group 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.

The business of this segment is undertaken by International Energy Insurance Plc, the parent company.

### Pension administration

This reportable segment includes the administration and management of the retirement benefits of members. The administration includes making investment decisions, collection of contribution and making payment to retirees in-line with provisions of Pension Reform Act 2014. The revenue earned includes administration and management fees received on member's contributions and the Net Asset value of Funds under Management respectively. The business of this segment is undertaken by IEI Anchor Pensions Limited, a 81% owned subsidiary of the Company.

	Non-life	Pension	Total	Eliminations	Consolidated
<b>Consolidated statement of profit or loss 2021</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
Gross written premium	687,076	-	687,076	-	687,076
Gross premium income	646,872	-	646,872	-	646,872
Reinsurance expenses	(103,515)	-	(103,515)	-	(103,515)
Net premium income	543,357	-	543,357	-	543,357
Commission income	23,942	-	23,942	-	23,942
Net underwriting income	567,299	-	567,299	-	567,299
Claims expenses	(232,404)	-	(232,404)	-	(232,404)
Underwriting expenses	(203,616)	-	(203,616)	-	(203,616)
Underwriting results	131,279	-	131,279	-	131,279
Interest revenue calculated using effective interest method	10,450	2,967	13,417	-	13,417
Investment income	9,890	-	9,890	-	9,890
Net realised gains	-	-	-	-	-
Net fair value gains/(loss)	203,396	-	203,396	-	203,396
Other income	87,263	989,323	1,076,586	-	1,076,586
(Impairment)/Reversal charge on assets	(4,604)	(8,285)	(12,889)	-	(12,889)
Depreciation	(24,871)	(54,994)	(79,865)	-	(79,865)
Ammortisation	-	(3,805)	(3,805)	-	(3,805)
Management expenses	(578,578)	(876,267)	(1,454,845)	-	(1,454,845)
Results from operating activities	(165,775)	48,939	(116,836)	-	(116,836)
Finance costs	(555,183)	(8,713)	(563,896)	-	(563,896)
(Loss)/profit before income tax	(720,958)	40,226	(680,732)	-	(680,732)
Income tax (expense)/credit	(1,617)	(6,618)	(8,235)	-	(8,235)
profit/(Loss) after income tax	(722,575)	33,608	(688,967)	-	(688,967)

**52 Segment information – continued**

	Non-life	Pension	Total	Eliminations	Consolidated
Consolidated statement of financial position 2020	₺'000	₺'000	₺'000	₺'000	₺'000
Segment assets	8,919,762	1,225,449	10,145,211	(987,371)	9,157,840
Segment liabilities	20,724,823	160,597	20,885,420	75,932	20,961,352

**Consolidated statement of profit or loss 2020**

Gross written premium	564,563	-	564,563	-	564,563
Gross premium income	531,388	-	531,388	-	531,388
Reinsurance expenses	(91,393)	-	(91,393)	-	(91,393)
Net premium income	439,995	-	439,995	-	439,995
Commission income	9,939	-	9,939	-	9,939
Net underwriting income	449,934	-	449,934	-	449,934
Claims expenses	(69,510)	-	(69,510)	-	(69,510)
Underwriting expenses	(144,520)	-	(144,520)	-	(144,520)
Underwriting results	235,904	-	235,904	-	235,904
Interest revenue calculated using effective interest method	43,424	3,017	46,441	-	46,441
Investment income	1,969	-	1,969	-	1,969
Net realised gains	2,615	-	2,615	-	2,615
Net fair value gains/(loss)	114,164	-	114,164	-	114,164
Other income	141,408	861,525	1,002,933	-	1,002,933
Allowance for impairment of assets	(17,385)	-	(17,385)	-	(17,385)
Depreciation	(27,951)	(57,278)	(85,229)	-	(85,229)
Ammortisation	-	-	-	-	-
Management expenses	(618,503)	(752,097)	(1,370,600)	-	(1,370,600)
Results from operating activities	(124,354)	55,167	(69,187)	-	(69,187)
Finance costs	(1,082,726)	(8,713)	(1,091,439)	-	(1,091,439)
(Loss)/profit before income tax	(1,207,080)	46,454	(1,160,626)	-	(1,160,626)
Income tax credit/(expense)	571,989	(22,072)	549,917	-	549,917
<b>(Loss)/profit after income tax</b>	<b>(635,091)</b>	<b>24,382</b>	<b>(610,709)</b>	<b>-</b>	<b>(610,709)</b>

**Consolidated statement of financial position 2020**

Segment assets	8,807,441	1,225,449	10,032,890	(1,040,000)	8,992,890
Segment liabilities	19,883,232	182,662	20,065,894	33,424	20,099,318



### 53 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 Group.

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.

The Company	Insurance	Shareholders'	2021
	contract	funds	Total
Assets	₹'000	₹'000	₹'000
Cash and cash equivalents	121,225	-	121,225
Financial assets			
- Fair value through P/L	92,255	-	92,255
- Fair value through OCI	43,136	197,450	240,586
- Loans and receivables- Amortised cost	240	-	240
Trade receivables	(0)	0	(0)
Other receivables and prepayments	-	1,692	1,692
Reinsurance assets	262,377	-	262,377
Deferred acquisition costs	-	9,148	9,148
Investment in subsidiary	-	1,000,000	1,000,000
Investment properties	1,062,047	2,760,203	3,822,250
Property, plant and equipment	-	3,047,490	3,047,490
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>1,581,280</b>	<b>7,338,483</b>	<b>8,919,762</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,248,187	-	4,248,187
Trade payables	-	27,913	27,913
Provisions and other payables	-	1,321,357	1,321,357
Current income tax payable	-	511,079	511,079
Deferred tax liabilities	-	206,209	206,209
Borrowings	-	14,092,843	14,092,843
Deposit for shares	-	317,233	317,233
<b>Total liabilities</b>	<b>4,248,187</b>	<b>16,476,634</b>	<b>20,724,821</b>
	<b>(2,666,907)</b>	<b>(9,138,151)</b>	<b>(11,805,059)</b>

### 53 Asset and Liability Management - continued

The Company	Insurance	Shareholders'	2020
	contract	funds	Total
Assets	₦'000	₦'000	₦'000
Cash and cash equivalents	147,204	-	147,204
Financial assets			-
- Fair value through P/L	93,609	-	93,609
- Fair value through OCI	43,136	204,145	247,281
- Loans and receivables- Amortised cost	519	-	519
Trade receivables	-	-	-
Other receivables and prepayments	-	1,996	1,996
Reinsurance assets	294,005	-	294,005
Deferred acquisition costs	-	10,465	10,465
Investment in subsidiary	-	1,000,000	1,000,000
Investment properties	1,027,669	2,589,831	3,617,500
Property, plant and equipment	-	3,072,362	3,072,362
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>1,606,142</b>	<b>7,201,299</b>	<b>8,807,441</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,110,675	-	4,110,675
Trade payables	-	23,905	23,905
Provisions and other payables	-	1,175,085	1,175,085
Current income tax payable	-	512,464	512,464
Deferred tax liabilities	-	206,209	206,209
Borrowings	-	13,537,660	13,537,660
Deposit for shares	-	317,233	317,233
<b>Total liabilities</b>	<b>4,110,675</b>	<b>15,772,556</b>	<b>19,883,231</b>
	<b>(2,504,533)</b>	<b>(8,571,257)</b>	<b>(11,075,790)</b>

### 54 Capital Management

The main objectives of the Group when managing capital are:

- \* To ensure that the Minimum Capital Requirement of N3 billion as required by the Insurance Act CAP 117, LFN 2004, 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 Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and



- \* To provide an adequate return to shareholders by pricing insurance contracts and other services commensurately with the level of risk.

The Insurance Act CAP I17, LFN 2004 specifies the amount of capital that must be held in proportion to the Company's liabilities, i.e. in respect of outstanding claims liability 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 Insurance Act CAP I17, LFN 2004 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 paid-up capital or 15% of the gross premium income less reinsurance premiums paid out during the year, whichever is higher in accordance with section 24 of Insurance Act CAP I17 LFN, 2004.

### Capital Adequacy Test

Based on the capital adequacy calculation below, International Energy Insurance Plc has a deficit of ₦11.805 billion (2020:₦11.076 billion).

	31-Dec-21	31-Dec-20
	₦'000	₦'000
Shareholders funds as per statement of financial position	(11,805,059)	(11,075,790)
<b>Capital Base</b>	<b>(11,805,059)</b>	<b>(11,075,790)</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 N3 billion specified by NAICOM.

The Company's capital requirement of ₦3,000,000,000 was not maintained as at the end of the financial year, while the Solvency margin was also below the requirements of the Insurance Act CAP I17, LFN 2004 as a result of the restriction on the admissibility of certain assets.

## 54 Capital Management - continued

	2021		2021		2020		2020	
	Admissible N'000	Inadmissible N'000	Total N'000	Admissible N'000	Inadmissible N'000	Total N'000	Admissible N'000	Inadmissible N'000
Cash and cash equivalents	103,423	17,802	121,225	86,276	60,928	147,204	-	-
Financial assets	-	-	-	-	-	-	-	-
- Fair value through profit or loss	92,255	-	92,255	93,609	-	93,609	-	93,609
- Fair value through other comprehensive income	240,586	-	240,586	247,281	-	247,281	-	247,281
- Debt instruments at amortized Cost	240	-	240	519	-	519	-	519
Trade receivables	-	-	-	-	-	-	-	-
Other receivables and prepayments	-	1,692	1,692	-	1,997	1,997	-	1,997
Reinsurance assets	262,377	-	262,377	294,005	-	294,005	-	294,005
Deferred acquisition costs	9,148	-	9,148	10,465	-	10,465	-	10,465
Investment in subsidiary	1,000,000	-	1,000,000	1,000,000	-	1,000,000	-	1,000,000
Investment properties	1,000,000	2,822,250	3,822,250	1,000,000	2,617,500	3,617,500	-	3,617,500
Property, plant and equipment - Land & Building	1,065,789	1,979,322	3,045,110	1,027,594	2,037,462	3,065,056	-	3,065,056
Property, plant and equipment - Others	2,380	-	2,380	7,306	-	7,306	-	7,306
Statutory deposit	322,500	-	322,500	322,500	-	322,500	-	322,500
<b>Admissible assets</b>	<b>4,098,697</b>	<b>4,821,065</b>	<b>8,919,762</b>	<b>4,089,555</b>	<b>4,717,886</b>	<b>8,807,441</b>		
Insurance contract liabilities	4,248,187	-	4,248,187	4,110,675	-	4,110,675	-	4,110,675
Trade payables	27,913	-	27,913	23,905	-	23,905	-	23,905
Provision and other payables	1,321,357	-	1,321,357	1,175,086	-	1,175,086	-	1,175,086
Current income tax payable	511,081	-	511,081	512,464	-	512,464	-	512,464
Deferred Tax liabilities	-	206,209	206,209	-	206,209	206,209	-	206,209
Borrowings	14,092,843	-	14,092,843	13,537,660	-	13,537,660	-	13,537,660
Deposit for shares	317,233	-	317,233	317,233	-	317,233	-	317,233
	<b>20,518,614</b>	<b>206,209</b>	<b>20,724,823</b>	<b>19,677,023</b>	<b>206,209</b>	<b>19,883,232</b>		
Solvency margin	(16,419,917)			(15,587,468)				
The higher of:								
15% of net premium income and Shareholders' funds	3,000,000			3,000,000				
Shortfall in solvency margin	19,419,917			18,587,468				



### 55.1 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.

<b>Group</b>		<b>Fair value through OCI</b>	<b>Fair value through P &amp; L</b>
<b>31 December 2021</b>	<b>Note</b>	<b>₺'000</b>	<b>₺'000</b>
Quoted equities at FVTPL	2	92,255	
Fair value through OCI - unquoted	2		240,586
		<b>92,255</b>	<b>240,586</b>
31 December 2020			
Quoted equities at FVTPL	2	93,609	
Fair value through OCI - unquoted	2.1		247,281
		<b>93,609</b>	<b>247,281</b>

<b>Company</b>		<b>Fair value through OCI</b>	<b>Fair value through P &amp; L</b>
<b>31 December 2021</b>	<b>Note</b>	<b>₺'000</b>	<b>₺'000</b>
Quoted equities at FVTPL	2	92,255	
Fair value through OCI - unquoted	2		
		<b>92,255</b>	<b>-</b>
31 December 2020			
Quoted equities at FVTPL	2	93,609	
Fair value through OCI - unquoted	2.1		247,281
		<b>93,609</b>	<b>247,281</b>

The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**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.

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 Unlisted managed funds**

The Company invests in managed funds, including private equity funds, which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets.

The Company's investment manager considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate. Therefore, the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Company classifies these funds as Level 3.

**iii 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.

**iv 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.



Group	2021	2020
	₦'000	₦'000
<b>Financial Assets measured at:</b>		
Quoted prices in active markets (level 1)	92,255	93,609
Valuation technique:		
Market observable data (level 2)		-
Other than observable market data (level 3)	240,586	247,281
	<b>332,840</b>	<b>244,690</b>
<b>Company</b>		
Financial Assets measured at:		
Quoted prices in active markets (level 1)	92,255	93,609
Valuation technique:		
Market observable data (level 2)		-
Other than observable market data (level 3)	240,586	247,281
	<b>332,840</b>	<b>244,690</b>

### 55.1.1 Fair value and fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, into Levels 1 to 3 based on the degree to which the fair value is observable. The categorisation also includes items not measured at fair value but whose fair value is disclosed.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Nigerian Stock Exchange equity investments classified as trading securities.

#### Financial instruments in level 2

Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

#### Financial instruments in level 3

**Level 3:** inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted

prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

### 55.1.1 Fair value and fair value hierarchy - Continued

Group	2021			
	Level 1	Level 2	Level 3	Total
	₺'000	₺'000		
<b>Financial Assets measured at:</b>				
Financial assets at FVTPL:				
Quoted equity shares	92,255			92,255
Financial assets at FVOCI:				
Unquoted equity shares			240,586	240,586
	<b>92,255</b>		<b>240,586</b>	<b>332,840</b>
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>92,255</b>		<b>240,586</b>	<b>332,840</b>

Group	2020			
	Level 1	Level 2	Level 3	Total
	₺'000	₺'000		
<b>Financial Assets measured at:</b>				
Financial assets at FVTPL:				
Quoted equity shares	93,609	-	-	93,609
	93,609	-	-	93,609
Financial assets at FVOCI:				
Unquoted equity shares		-	247,281	247,281
	<b>93,609</b>	<b>-</b>	<b>247,281</b>	<b>340,890</b>
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>93,609</b>	<b>-</b>	<b>247,281</b>	<b>340,890</b>

Company	2021			
	Level 1	Level 2	Level 3	Total
	₺'000	₺'000		
<b>Financial Assets measured at:</b>				
Financial assets at FVTPL:				
Quoted equity shares	92,255			92,255
Financial assets at FVOCI:				
Unquoted equity shares			240,586	240,586
	<b>92,255</b>		<b>240,586</b>	<b>332,840</b>
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>92,255</b>		<b>240,586</b>	<b>332,840</b>



Company	2020			
	Level 1	Level 2	Level 3	Total
Financial Assets measured at:	₦'000	₦'000		
Financial assets at FVTPL:				
Quoted equity shares	93,609	-	-	93,609
	93,609	-	-	93,609
Financial assets at FVOCI:				
Unquoted equity shares		-	247,281	247,281
	<b>93,609</b>	<b>-</b>	<b>247,281</b>	<b>340,890</b>
Items whose fair values are disclosed				
<b>Total financial assets</b>	<b>93,609</b>	<b>-</b>	<b>247,281</b>	<b>340,890</b>

There were no transfers between level 1 and 2 or in and out of level 3 in 2021 and 2020.

## 55.2 Management of insurance and financial risk

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

### 55.2.1 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 Group 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 Group is adequately protected and would only suffer predetermined amounts.

### Concentration of insurance risk

The following table discloses the concentration of claims by class of business and the gross future claims paid that are incurred by the Group:

Class of business	Outstanding claims					
	2021			2020		
	Gross OCR	Gross IBNR	Total	Gross OCR	Gross IBNR	Total
	₦'000	₦'000		₦'000	₦'000	₦'000
Fire	163,168	3,745	166,913	205,389	6,409	211,798
Motor	231,165	-	231,165	141,348	27,287	168,635
General accident	522,607	3,680	526,287	507,601	2,881	510,482
Marine	97,918	12,019	109,937	123,122	36,794	159,916
Oil and gas	2,643,428	-	2,643,428	2,529,551	-	2,529,551
Bond	256,582	31	256,613	256,582	71	256,653
	<b>3,914,868</b>	<b>19,475</b>	<b>3,934,343</b>	<b>3,763,593</b>	<b>73,442</b>	<b>3,837,035</b>

The Group manages insurance risks through the underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk and class of business.

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

The Group 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 Group has ensured that liabilities on the statement of financial position at year end for existing claims whether reported or not, are adequate.

The Group 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.

### **Claims development table**

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

In general, the uncertainty associated with the ultimate claims experience in an accident year is greatest when the accident year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherited in the estimation process, the actual overall claim provision may not always be in surplus.

The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. The top half of each triangulation below illustrates how the Group's estimate of total claims outstanding for each year has changed at successive year-ends.



**Claims Paid Triangulations as at December 2022**

**Fire**

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2011	13,923,481	35,511,599	48,106,407	50,315,587	50,779,549	51,536,719	51,536,719	51,536,719	51,536,719	51,536,719	51,536,719
2012	9,347,077	69,421,670	152,096,308	152,171,189	155,729,020	155,729,020	155,729,020	155,786,789	155,786,789	155,786,789	
2013	103,285,228	255,104,668	265,256,015	268,935,635	268,935,635	268,941,623	269,052,590	269,052,590	269,052,590	269,052,590	
2014	59,852,787	142,857,622	150,774,147	150,774,147	150,774,147	150,976,553	150,976,553	150,976,553	150,976,553	150,976,553	
2015	85,621,507	149,547,998	150,602,679	150,602,679	151,855,038	151,855,038	151,870,038				
2016	132,457,527	138,834,030	138,834,030	139,244,443	159,244,443	159,244,443					
2017	19,528,512	20,818,462	27,412,385	28,201,328	28,231,328						
2018	739,900	1,189,060	1,189,060	1,191,811							
2019	1,095,933	3,924,133	3,924,133								
2020	1,541,426	1,541,426									
2021	1,360,516										

**General Accident**

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2011	67,546,777	151,285,342	162,942,107	170,457,352	172,337,700	172,855,074	172,855,074	172,855,074	175,429,195	175,429,195	175,429,195
2012	95,828,128	163,899,612	192,773,402	206,952,358	213,947,548	214,243,329	214,243,329	214,250,043	214,250,043	214,257,851	
2013	31,371,558	88,306,886	117,110,435	122,801,777	122,950,819	122,950,819	123,420,004	123,420,004	123,777,388		
2014	20,907,504	63,899,976	103,398,183	104,263,629	104,307,016	104,566,846	104,875,340	104,875,340	104,876,765		
2015	277,26,878	76,164,209	77,848,458	77,922,366	78,960,468	79,078,807	79,175,262				
2016	184,956,225	197,936,241	198,013,388	200,575,240	200,807,351	200,809,809					
2017	6,171,701	6,829,706	9,316,645	9,381,313	9,644,452						
2018	2,409,357	6,438,895	6,448,398	9,480,563							
2019	1,000,508	1,000,508	1,000,508								
2020	-	2,086,787									
2021	233,321										

## Marine

## Development Year

Accident Year	0	1	2	3	4	5	6	7	8	9	10
2011	22,017,774	49,852,042	67,337,157	67,337,157	77,488,583	77,488,583	77,488,583	77,488,583	77,488,583	77,488,583	77,488,583
2012	17,833,789	91,791,902	95,417,901	95,417,901	95,417,901	95,417,901	95,417,901	103,462,160	103,462,160	103,462,160	
2013	26,949,610	74,470,453	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737	102,975,737		
2014	2,401,025	31,551,960	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224	36,329,224			
2015	63,206,983	175,767,690	175,781,078	175,781,078	175,781,078	175,781,078	175,781,078				
2016	35,714,338	38,024,308	38,024,308	38,044,850	38,044,850	38,044,850					
2017	7,386,270	7,861,754	8,665,968	8,665,968	8,665,968						
2018	-	607,900	5,607,900	12,697,495							
2019	618,864	797,365	797,365								
2020	373,377	23,321,753									
2021	374,790										

## Motor

## Development Year

Accident Year	0	1	2	3	4	5	6	7	8	9	10
2011	242,075,173	380,541,338	386,386,154	386,386,154	386,386,154	386,386,154	386,386,154	386,386,154	386,386,154	386,386,154	386,386,154
2012	182,242,762	310,002,731	320,616,652	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694	320,768,694	
2013	164,976,160	292,041,120	320,374,399	320,720,399	320,720,399	320,720,399	320,899,543	320,899,543	320,899,543		
2014	172,156,052	352,807,806	364,365,500	364,379,655	364,383,380	364,383,380	364,383,380	364,383,380	364,383,380		
2015	296,337,229	448,891,947	449,720,071	449,720,071	451,540,071	451,540,071	451,540,071				
2016	254,668,498	263,760,244	264,513,995	266,044,789	266,494,999	267,062,249					
2017	69,781,947	73,110,873	77,377,291	77,377,291	77,587,858						
2018	21,842,328	40,083,170	40,147,870	40,147,870							
2019	17,095,752	26,779,958	27,059,558								
2020	21,968,015	38,800,287									
2021	29,979,599										



**Oil and Energy**

Accident Year	Development Year										
	0	1	2	3	4	5	6	7	8	9	10
2011	39,519,397	125,257,576	198,063,682	262,496,263	271,803,479	271,803,479	271,803,479	271,803,479	271,803,479	271,803,479	271,803,479
2012	159,329,379	430,151,435	529,590,485	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649	578,563,649
2013	86,844,517	204,419,169	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351	245,075,351
2014	97,999,141	189,846,172	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254	190,232,254
2015	71,553	2,385,919	2,385,919	2,385,919	3,555,655	3,555,655	3,555,655	3,555,655	3,555,655	3,555,655	3,555,655
2016	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284	5,797,284
2017	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207	3,505,207
2018	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-

### 55.2.3 Claims development tables

The following tables show the development of claims over a period of time on both a gross and net of reinsurance basis. In 2012, in the year of adoption of IFRS, only 5 years were required to be disclosed. This will be increased in each succeeding year, until 8 - 10 years of information is presented. The top half of the table shows how the estimates of total claims for each accident year develop over time. The lower half of the table reconciles the cumulative claims to the amount appearing in the Statement of Financial Position.

#### Analysis of claims development – Gross

	Before 2014		2014	2015	2016	2017	2018	2019	2020	2021	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Estimate of ultimates:</b>											
End of accident year	-	1,143,689	1,910,840	2,890,511	1,111,770	1,750,955	975,014	865,890	1,069,739	-	-
1 year later	-	2,094,662	1,890,840	1,990,121	1,203,475	1,790,134	1,565,234	1,267,124	-	-	-
2 years later	-	2,996,216	1,656,840	1,891,230	1,787,075	1,767,133	1,500,231	-	-	-	-
3 years later	-	2,617,056	1,742,840	1,510,034	1,767,075	1,714,333	-	-	-	-	-
4 years later	-	1,917,752	1,742,708	1,810,034	1,602,074	-	-	-	-	-	-
5 years later	-	1,601,929	1,892,708	1,590,034	-	-	-	-	-	-	-
6 years later	-	1,282,949	1,717,708	-	-	-	-	-	-	-	-
7 years later	-	1,020,778	-	-	-	-	-	-	-	-	-
<b>Current estimate of ultimate claims</b>											
End of accident year	-	1,020,778	1,717,708	1,590,034	1,602,074	1,714,333	1,500,231	1,267,124	1,069,739	11,482,021	-
1 year later	-	(698,756)	(888,870)	(1,476,089)	(1,180,710)	(1,156,802)	(641,577)	(811,520)	(755,842)	-	-
2 years later	-	(1,188,200)	(1,009,983)	(1,337,139)	(1,203,623)	(1,383,214)	(1,428,887)	(875,822)	-	-	-
3 years later	-	(1,214,014)	(1,456,234)	(1,450,164)	(1,211,450)	(1,403,180)	(901,879)	-	-	-	-
4 years later	-	(1,299,219)	(1,867,345)	(1,149,611)	(1,200,450)	(1,119,214)	-	-	-	-	-
5 years later	-	(1,387,225)	(1,380,556)	(1,350,118)	(1,135,949)	-	-	-	-	-	-
6 years later	-	(1,137,203)	(1,269,556)	(1,150,178)	-	-	-	-	-	-	-
7 years later	-	(1,286,725)	-	-	-	-	-	-	-	-	-
Cummulative payments	-	(1,286,725)	(1,269,556)	(1,149,611)	(1,135,949)	(1,383,214)	(1,428,887)	(811,520)	(755,842)	(9,221,304)	-
<b>Outstanding claims provision at December 31, 2021</b>	<b>1,653,619</b>	<b>-265,947</b>	<b>448,152</b>	<b>440,423</b>	<b>466,125</b>	<b>331,119</b>	<b>71,344</b>	<b>455,604</b>	<b>313,897</b>	<b>3,914,336</b>	



### 55.3 Financial risk

The Group 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 Group's 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 Group 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.

#### 55.3.1 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 Group 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 Group monitors adherence to this market risk policy through its Investment Committee. The Group'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 Group'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.

#### Currency risk

The Group 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 not hedged.

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

At 31 December 2021	N'000	¥'000	£'000	\$'000	€'000	Total
<b>Assets:</b>						
Financial assets						
- Fair value through profit or loss	93,609	-	-	-	-	93,609
- Fair value through other comprehensive income	247,281	-	-	-	-	247,281
- Debt instruments at amortised cost	519	-	-	-	-	519
Trade receivables	132,908	-	-	-	-	132,908
Other receivables and prepayments	413,772	-	-	-	-	413,772
Reinsurance assets	294,005	-	-	-	-	294,005
Deferred acquisition costs	10,465	-	-	-	-	10,465
Investment properties	3,617,500	-	-	-	-	3,617,500
Intangible assets	17,652	-	-	-	-	17,652
Property, plant and equipment	3,576,091	-	-	-	-	3,576,091
Deferred tax assets	-	-	-	-	-	-
Statutory deposit	322,500	-	-	-	-	322,500
Bank balances, deposits and cash	205,661	-	154	47,674	13,100	266,589
<b>Total assets</b>	<b>8,931,962</b>	<b>-</b>	<b>-</b>	<b>15,936</b>	<b>5,412</b>	<b>8,992,890</b>
<b>Liabilities:</b>						
Insurance contract liabilities	4,110,675	-	-	-	-	4,110,675
Trade payables	73,016	-	-	-	-	73,016
Provision and other payables	1,250,237	-	-	-	-	1,250,237
Current income tax payable	525,521	-	-	-	-	525,521
Deferred tax liabilities	246,476	-	-	-	-	246,476
Deposit for shares	317,233	-	-	-	-	317,233
Borrowings	4,265,555	9,310,605	-	-	-	13,576,160
<b>Total Liabilities</b>	<b>10,788,713</b>	<b>9,310,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,099,318</b>

At 31 December 2020	N'000	¥'000	£'000	\$'000	€'000	Total
<b>Assets:</b>						
Financial assets						
- Fair value through profit or loss	92,255	-	-	-	-	92,255
- Fair value through other comprehensive income	240,586	-	-	-	-	240,586
- Debt instruments at amortised cost	240	-	-	-	-	240
Trade receivables	(0)	-	-	-	-	(0)
Other receivables and prepayments	1,692	-	-	-	-	1,692
Reinsurance assets	262,377	-	-	-	-	262,377
Deferred acquisition costs	9,148	-	-	-	-	9,148
Investment in subsidiary	1,000,000	-	-	-	-	1,000,000
Investment properties	3,822,250	-	-	-	-	3,822,250
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	3,047,490	-	-	-	-	3,047,490
Deferred tax assets	-	-	-	-	-	-
Statutory deposit	322,500	-	-	-	-	322,500
Bank balances, deposits and cash	103,423	-	192	12,198	5,412	121,225
<b>Total assets</b>	<b>8,901,960</b>	<b>-</b>	<b>192</b>	<b>12,198</b>	<b>5,412</b>	<b>8,919,762</b>
<b>Liabilities:</b>						
Insurance contract liabilities	4,248,187	-	-	-	-	4,248,187
Trade payables	27,913	-	-	-	-	27,913
Provision and other payables	1,321,357	-	-	-	-	1,321,357
Current income tax payable	511,081	-	-	-	-	511,081
Deferred tax liabilities	206,209	-	-	-	-	206,209
Deposit for shares	317,233	-	-	-	-	317,233
Borrowings	4,782,238	9,310,605	-	-	-	14,092,843
<b>Total Liabilities</b>	<b>11,414,218</b>	<b>9,310,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,724,823</b>



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

At 31 December 2021	¥'000	€'000	£'000	\$'000	€'000	Total
<b>Assets:</b>						
Financial assets						
- Fair value through profit or loss	92,255	-	-	-	-	92,255
- Fair value through other comprehensive income	240,586	-	-	-	-	240,586
- Debt instruments at amortised cost	240	-	-	-	-	240
Trade receivables	(0)	-	-	-	-	(0)
Other receivables and prepayments	1,692	-	-	-	-	1,692
Reinsurance assets	262,377	-	-	-	-	262,377
Deferred acquisition costs	9,148	-	-	-	-	9,148
Investment in subsidiary	1,000,000	-	-	-	-	1,000,000
Investment properties	3,822,250	-	-	-	-	3,822,250
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	3,047,490	-	-	-	-	3,047,490
Deferred tax assets	-	-	-	-	-	-
Statutory deposit	322,500	-	-	-	-	322,500
Bank balances, deposits and cash	103,423	-	192	12,198	5,412	121,225
<b>Total assets</b>	<b>8,901,960</b>	<b>-</b>	<b>192</b>	<b>12,198</b>	<b>5,412</b>	<b>8,919,762</b>
<b>Liabilities:</b>						(8,919,762)
Insurance contract liabilities	4,248,187	-	-	-	-	4,248,187
Trade payables	27,913	-	-	-	-	27,913
Provision and other payables	1,321,357	-	-	-	-	1,321,357
Current income tax payable	511,081	-	-	-	-	511,081
Deferred tax liabilities	206,209	-	-	-	-	206,209
Deposit for shares	317,233	-	-	-	-	317,233
<b>Borrowings</b>	<b>4,782,238</b>	<b>9,310,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,092,843</b>
<b>Total Liabilities</b>	<b>11,414,218</b>	<b>9,310,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,724,823</b>
<b>At 31 December 2020</b>	<b>¥'000</b>	<b>€'000</b>	<b>£'000</b>	<b>\$'000</b>	<b>€'000</b>	<b>Total</b>
<b>Assets:</b>						
Financial assets						
- Fair value through profit or loss	93,609	-	-	-	-	93,609
- Fair value through other comprehensive income	247,281	-	-	-	-	247,281
- Debt instruments at amortised cost	519	-	-	-	-	519
Trade receivables	-	-	-	-	-	-
Other receivables and prepayments	1,997	-	-	-	-	1,997
Reinsurance assets	294,005	-	-	-	-	294,005
Deferred acquisition costs	10,465	-	-	-	-	10,465
Investment in subsidiary	1,000,000	-	-	-	-	1,000,000
Investment properties	3,617,500	-	-	-	-	3,617,500
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	3,072,362	-	-	-	-	3,072,362
Deferred tax assets	-	-	-	-	-	-
Statutory deposit	322,500	-	-	-	-	322,500
Bank balances, deposits and cash	86,276	-	154	47,674	13,100	147,204
<b>Total assets</b>	<b>8,746,513</b>	<b>-</b>	<b>154</b>	<b>15,936</b>	<b>5,412</b>	<b>8,807,441</b>
<b>Liabilities:</b>						
Insurance contract liabilities	4,110,675	-	-	-	-	4,110,675
Trade payables	23,905	-	-	-	-	23,905
Provision and other payables	1,175,086	-	-	-	-	1,175,086
Current income tax payable	512,464	-	-	-	-	512,464
Deferred tax liabilities	206,209	-	-	-	-	206,209
Book overdraft	-	-	-	-	-	-
Deposit for shares	317,233	-	-	-	-	317,233
Borrowings	4,227,055	9,310,605	-	-	-	13,537,660
<b>Total Liabilities</b>	<b>10,572,627</b>	<b>9,310,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,883,232</b>

## 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:

Impact on results	NGN	Yen	GBP	USD	Euro	Carrying value	+5%	-5%
							₦'000	₦'000
<b>Group</b>								
<b>At 31 December 2021</b>								
Bank balances and deposits	103,423	-	192	12,198	5,412	121,225	890	(890)
Borrowings	4,808,738	9,310,605	-	-	-	14,119,343	(465,530)	465,530
<b>At 31 December 2020</b>								
Bank balances and deposits	205,661	-	154	47,674	13,100	266,589	3,046	(3,046)
Borrowings	4,265,555	9,310,605	-	-	-	13,576,160	(465,530)	465,530
<b>Company</b>								
<b>At 31 December 2021</b>								
Bank balances and deposits	103,423		192	12,198	5,412	121,225	890	(890)
Borrowings	4,782,238	9,310,605				14,092,843	(465,530)	465,530
<b>At 31 December 2020</b>								
Bank balances and deposits	86,276		154	47,674	13,100	147,204	3,046	(3,046)
Borrowings	4,227,055	9,310,605	-	-	-	13,537,660	(465,530)	465,530

## 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 Group'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.

## Interest rate risk

Based on the Group assessment, interest rate risk does not arise from the Group's investments in long term debt securities and fixed income securities (Held-to-Maturity financial assets), bank balances and deposits which are exposed to fluctuations in interest rates. Exposure to interest rate risk on short term business is monitored by the Investment Committee through a close matching of assets and liabilities. No impact was observed for the entities.

The Group concluded that it is not exposed to interest rate risk because none of the financial instruments mentioned is measured at fair value and of them carries variable rate of interest.

## Equity price risk

The Group is subject to price risk due to daily changes in the market values of its equity securities portfolio. Equity price risk is actively managed in order to mitigate anticipated unfavourable market movements. In addition, local insurance regulations set the capital required for risks associated with type of assets held, investments above a certain concentration limit, policy liabilities risk, catastrophes risks and reinsurance ceded.

The Investment Committee actively monitors equity assets owned directly by the Group as well as concentrations of specific equity holdings. Equity price risk is also mitigated as the Group holds diversified portfolios of local investments in various sectors of the economy.

## Sensitivity

The impact on the Group's shareholders' equity, had the equity market values increased/decreased by 1% and 5% with other assumptions left unchanged, would have been as follows:



Group/Company	Carrying value	Decrease by 5%	Increase by 5%
2021	N'000	N'000	N'000
<b>Financial assets</b>			
Listed equities (FVPL)	92,255	(4,613)	4,613
Impact on profit or loss before tax		(4,613)	4,613

Group/Company	Carrying value	Decrease by 5%	Increase by 5%
2021	N'000	N'000	N'000
<b>Financial assets</b>			
Unlisted equities (FVOCI)	240,586	(12,029)	12,029
Impact on equity		(12,029)	12,029

Group/Company	Carrying value	Decrease by 5%	Increase by 5%
2020	N'000	N'000	N'000
<b>Financial assets</b>			
Listed equities (FVPL)	93,609	(4,680)	4,680
Impact on profit or loss before tax		(4,680)	4,680

Group/Company	Carrying value	Decrease by 5%	Increase by 5%
2020	N'000	N'000	N'000
<b>Financial assets</b>			
Unlisted equities (FVOCI)	247,281	(6,814)	6,814
Impact on equity		(6,814)	6,814

### 55.3.2 Credit risks

Credit risks arise from a counterparty's inability to fully meet its on and/ off-statement of financial obligation contractual obligations. Exposure to this risk results from financial transactions with a counterparty including issuer, debtor, investee, borrower, broker, policy holder, reinsurer or guarantor. The Group has policies in place to mitigate its credit risks.

- (i) The Group's Enterprise Risk Management policy sets out the assessment and determination of what constitutes credit risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

Net exposure limits are set for each counterparty or group of counterparties, geographical and industry segment (i.e., limits are set for investment and cash deposits, foreign exchange trade exposures and minimum credit for investments that may be held).

- (ii) The Group further restricts its credit risk exposure by entering into master netting arrangements with which it enters into significant volumes of transactions. However, such arrangements do not generally result in an offset of statement of financial position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with such balances is reduced in the event of default, when such balances are settled on a net basis. The group's reinsurance treaty contracts involve netting arrangements.

- (iii) Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the management and are subject to regular reviews. At each reporting date, management performs an assessment of credit worthiness of reinsurers and updates the reinsurance purchase strategy; ascertaining suitable allowance for impairment.
- (iv) The Group's set guidelines determine when to obtain collateral and guarantees. The Group also maintains strict control limits by amount and terms on financial assets. The amount subject to credit risk are limited to the fair value of 'in the money' financial assets against which the Group either obtains collateral from counterparties or requires margin deposits. Collateral may be sold or repledged by the Group and is repayable if the contract terminates or the contract's fair value falls.
- (v) The Group sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long-term credit ratings and worthiness.
- (vi) The credit risk in respect of customer balances incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document or trust deed until expiry, when the policy is either paid up or terminated. Commission paid to intermediaries is netted off against amounts and receivables from them to reduce the risk of doubtful debts.

### Credit exposure

The credit risk analysis below is presented in line with how the Company manages the risk. The Company manages its credit risk exposure based on the carrying value of the financial instruments.

### Industry analysis

Group	Financial services	Government	Other	Total
31 December 2021	N'000	N'000	N'000	N'000
Cash and cash equivalents	225,817	-	-	225,817
Trade receivables	-	-	156,687	156,687
Debt instrument at amortised cost	-	-	240	240
Other receivables	-	-	-	-
Reinsurance assets	262,377	-	-	262,377
Statutory deposit	-	322,500	-	322,500
	<b>488,194</b>	<b>322,500</b>	<b>156,927</b>	<b>967,621</b>

Group	Financial services	Government	Other	Total
31 December 2020	N'000	N'000	N'000	N'000
Cash and cash equivalents	266,589	-	-	266,589
Trade receivables	-	-	132,908	132,908
Debt instrument at amortised cost	-	-	519	519
Other receivables	-	-	-	-
Reinsurance assets	294,005	-	-	294,005
Loans and receivables	-	-	-	-
Statutory deposit	-	322,500	-	322,500
	<b>560,594</b>	<b>322,500</b>	<b>133,427</b>	<b>1,016,521</b>



Company	Financial services	Government	Other	Total
	₦'000	₦'000	₦'000	₦'000
<b>31 December 2021</b>				
<b>Cash and cash equivalents</b>	121,225			121,225
Trade receivables				-
Debt instrument at amortised cost			240	240
Other receivables				-
Reinsurance assets	262,377			262,377
Loans and receivables				-
Statutory Deposit		322,500		322,500
	<b>383,602</b>	<b>322,500</b>	<b>240</b>	<b>706,342</b>

Company	Financial services	Government	Other	Total
	₦'000	₦'000	₦'000	₦'000
<b>31 December 2020</b>				
Cash and cash equivalents	147,204	-	-	147,204
Trade receivables	-	-	-	-
Debt instrument at amortised cost	-	-	519	519
Other receivables	-	-	-	-
Reinsurance assets	294,005	-	-	294,005
Loans and receivables	-	-	-	-
Statutory Deposit	-	322,500	-	322,500
	<b>441,209</b>	<b>322,500</b>	<b>519</b>	<b>764,228</b>

The table below provides information regarding the credit risk exposure of the Group and Company by classifying assets according to the Group and Company credit ratings of counter parties.

Group	Neither past due nor impaired				Total
	Investment Grade	Non Investment Grade: Satisfactory	Non Investment Grade: Unsatisfactory	Past due but not impaired	
	₦'000	₦'000	₦'000	₦'000	
<b>31 December 2021</b>					
Cash and cash equivalents	-	225,817	-	-	225,817
Trade receivables	156,687	-	-	-	156,687
Debt instrument at amortised costs	-	-	-	-	-
Other receivables	-	-	-	-	-
Reinsurance assets	262,377	-	-	-	262,377
Loans and receivables	-	-	-	-	-
Statutory deposit	322,500	-	-	-	322,500
	<b>741,564</b>	<b>225,817</b>	<b>-</b>	<b>-</b>	<b>967,381</b>

Group	Neither past due nor impaired				Total
	Investment Grade	Non Investment Grade: Satisfactory	Non Investment Grade: Unsatisfactory	Past due but not impaired	
	₦'000	₦'000	₦'000	₦'000	
<b>31 December 2020</b>					
Cash and cash equivalents	-	266,589	-	-	266,589
Trade receivables	132,908	-	-	-	132,908
Debt instrument at amortised costs	-	-	-	519	519
Other receivables	-	-	-	-	-
Reinsurance assets	294,005	-	-	-	294,005
Loans and receivables	-	-	-	-	-
Statutory deposit	322,500	-	-	-	322,500
	<b>749,413</b>	<b>266,589</b>	<b>-</b>	<b>519</b>	<b>1,016,521</b>

Company	Neither past due nor impaired				Total
	Investment Grade	Non Investment Grade: Satisfactory	Non Investment Grade: Unsatisfactory	Past due but not impaired	
	₦'000	₦'000	₦'000	₦'000	
<b>31 December 2021</b>					
Cash and cash equivalents	-	121,225	-	-	121,225
Trade receivables	-	-	-	-	-
Other receivables	-	-	-	-	-
Reinsurance assets	262,377	-	-	-	262,377
Finanacial assets at amortized Cost	-	240	-	-	240
Statutory deposit	322,500	-	-	-	322,500
	<b>584,877</b>	<b>121,465</b>	<b>-</b>	<b>-</b>	<b>706,342</b>

Company	Neither past due nor impaired				Total
	Investment Grade	Non Investment Grade: Satisfactory	Non Investment Grade: Unsatisfactory	Past due but not impaired	
	₦'000	₦'000	₦'000	₦'000	
<b>31 December 2020</b>					
Cash and cash equivalents	-	147,204	-	-	147,204
Held-for-trading	-	-	-	-	-
Available-for-sale	-	-	-	-	-
Trade receivables	-	-	-	-	-
Other receivables	-	-	-	-	-
Reinsurance assets	294,005	-	-	-	294,005
Finanacial assets at amortized Cost	-	519	-	-	519
Statutory deposit	322,500	-	-	-	322,500
	<b>616,505</b>	<b>147,723</b>	<b>-</b>	<b>-</b>	<b>764,228</b>



## Impairment assessment

The Company's ECL assessment and measurement method is set out below.

### Significant increase in credit risk, default and cure

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Company also considers a variety of instances that may indicate unlikelihood to pay by assessing whether there has been a significant increase in credit risk. Such events include:

- The counterparty having past due liabilities to public creditors or employees
- The counterparty (or any legal entity within the debtor's group) filing for bankruptcy application/protection
- Counterparty's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties

The Company considers a financial instrument defaulted and, therefore, credit-impaired for ECL

calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Company may also consider an instrument to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. In such cases, the Company recognises a lifetime ECL.

There has been no significant increase in credit risk or default for financial assets during the year.

### Expected credit loss

The Company assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio varies for different instruments. In rare cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

### Debt instruments measured at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk based on Moody's credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are also provided.

Group	31-Dec-21			01-Jan-21
	12mECL	LTECL	Total	Total
Moody's rating				
Performing	N'000	N'000	N'000	N'000
<b>Cash and cash equivalents</b>				
AAA-A+	-	-	-	-
BBB-B+	238,248		238,248	274,700
C-CCC			-	-
<b>Total Gross Amount</b>	<b>238,248</b>		<b>238,248</b>	<b>274,700</b>
ECL	(7,584)		(12,431)	(712)
<b>Total Net Amount</b>	<b>230,664</b>		<b>225,817</b>	<b>273,988</b>
<b>Financial assets - amortised cost</b>				
AAA-A+	-		-	-
BBB-B+	-		-	519
C-CCC	-		-	-
<b>Total Gross Amount</b>	<b>-</b>		<b>-</b>	<b>519</b>
ECL			-	-
<b>Total Net Amount</b>	<b>-</b>		<b>-</b>	<b>519</b>
<b>Unrated</b>				
<b>Trade receivables</b>	<b>156,686</b>		<b>156,686</b>	<b>132,908</b>
<b>Total Gross Amount</b>	<b>156,686</b>		<b>156,686</b>	<b>132,908</b>
ECL	(187)		(187)	-
<b>Total Net Amount</b>	<b>156,499</b>		<b>156,499</b>	<b>132,908</b>

Company Moody's rating Performing	31-Dec-21			01-Jan-21
	12mECL	LTECL	Total	Total
	N'000	N'000	N'000	N'000
<b>Cash and cash equivalents</b>				
AAA-A+	-	-	-	-
BBB-B+	133,421	-	133,421	155,315
C-CCC	-	-	-	-
Total Gross Amount	133,421	-	133,421	136,605
ECL	(12,196)	-	(12,196)	(8,112)
Total Net Amount	121,225	-	121,225	128,493
<b>Financial assets - amortised cost</b>				
AAA-A+	-	-	-	-
BBB-B+	-	-	-	240
C-CCC	-	-	-	-
Total Gross Amount	-	-	-	240
ECL	-	-	-	-
Total Net Amount	-	-	-	240

### Collateral for other receivables

As at December 31, 2021, the Company had no asset reposed as security against asset. The group policy is to pursue timely realisation of collateral in an orderly manner in the case of default. The company does not generally use the non cash collateral for its own operations.

As at December 31, 2020, the Company has not pledged any of its assets as collateral for any liability or payable balance (2019: nil)

### Amounts arising from ECL

#### Inputs, assumptions and techniques used for estimating impairment

When determining whether the credit risk (i.e. Risk of default) on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available with out undue cost of effort. This includes both qualitative and quantitative information analysis based on the Company's experience, expert credit assessment and forward looking information. The Company primarily identifies whether a significant increase in credit risk has occurred for an exposure by using days past due and assessing other information obtained externally.

Whenever available, the Company monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the

published rating, the group also reviews changes in Bond yields together with available press and regulatory information about issuers.

Where external credit ratings are not available, the Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of default (including but not limited to the audited financial statement, management accounts and cashflow projections, available regulatory and press information about the borrowers and apply experienced credit judgement. Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are aligned with the external credit rating definition from Moody's and standards and Poor.

The Company has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk at reporting date. The company considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Company considers this to be Baa3 or higher based on the Moody rating.

As a back stop, the Company considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due. Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates are determined without considering any grace



period that might be available to the borrower. The Company monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;
- The criteria do not align with the point in time when the asset becomes 30 days past due;
- The average time between the identification of a significant increase in credit risk and default appears reasonable
- Exposures are not generally transferred from 12-month ECL measurement to credit impaired and
- There is no unwarranted volatility in loss allowance from transfers between 12-month ECL and Lifetime ECL measurement.

### Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the borrower. An existing financial asset whose terms have been modified may be derecognized and the renegotiated asset recognized as a new financial asset at fair value in accordance with the accounting policies. When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects a comparison of:

- Its risk of default occurring at the reporting date based on the modified term; with
- The risk of default occurring estimated based on data on initial recognition and the original contractual terms.

### Definition of default

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or the financial asset is more than 90 days past due.

In assessing whether a borrower is in default, the Company considers indicators that are:

- qualitative: e.g. breaches of covenant and the other indicators of financial distress;
  - quantitative: e.g. overdue status and non-payment of another obligation of the same issuer to the Group; and

- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

### Incorporation of Forward looking information

The Company incorporates forward-looking information into its measurement of ECL. It formulates a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on advice from the Company's Investment and Risk committee, economic experts and consideration of a variety of external actual and forecast information. This process involves developing two additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the Nigeria, supranational organizations such as the Organisation for Economic Cooperation and Development and the International Monetary Fund, and selected private-sector and academic forecasters.

The base case represents a best estimate and is aligned with information used by the Company for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and pessimistic outcomes.

### Measurement of ECL

The calculation of the expected credit loss is based on the key risk parameters of Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD)

To determine the Lifetime and 12-month PDs, the Company uses the PD tables supplied by Moody's based on the default history of sovereign and corporate obligors with the same credit rating. The Company adopts the same approach for unrated investments by mapping its internal risk grades to the equivalent external credit ratings. The PDs are recalibrated and adjusted to reflect forward looking information as described below. Changes in the rating for counterparties and exposure lead to a change in estimate of the associated PD.

Loss Given Default is the magnitude of the likely loss if there is a default. The Company estimates LGD parameters based on the history of recovery rates of claims against the defaulted counterparties. The LGD for sovereign fixed income exposures are based on publications by Moody's and the models consider the structure, collateral, seniority of claims

and recovery of any collateral that is integral to the financial asset. For loans secured with properties or asset, loan to value ratios are key parameter in determining LGD. LGDs are calculated on discounted cash flow basis using effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortisation, and prepayments. The EAD of a financial asset is its gross carrying amount. As described in the accounting policy, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Company measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options over which it is exposed to credit risk, even if, for risk management purposes, the Company considers a longer period. The modelling of parameter is carried out on an individual basis.

An overview of the approach to estimating ECLs is set out in Note 2 Summary of significant accounting policies and in Note 3 Significant accounting

judgements, estimates and assumptions. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Moody's, Standards and Poor, Economist associate etc.) and its investment team verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Company's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios for Nigeria, as at December 31, 2020 and January 1, 2020.

The Company has identified and documented key drivers of credit risk and ECL for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro economic variables and credit risk and credit losses. The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

## Analysis of inputs to the ECL model under multiple economic scenarios

December 31, 2021

Key drivers	ECL Scenario	Assigned Probabilities	2021	2023	2024
Macroeconomic variable					
GDP Growth rate (%)					
	Upside	35%	1.71	1.80	
	Base case	35%	1.71	1.8	
	Downside	30%	1.71	1.80	
Inflation rates (%)					
	Upside	35%	14.50	14.50	14.50
	Base case	35%	14.5	14.50	14.5
	Downside	30%	14.50	14.50	14.50
Oil Prices "USD"(price per barrel)					
	Upside	35%	69	69	70
	Base case	35%	69	69	70
	Downside	30%	69	69	70
Unemployment rates (%)					
	Upside	35%	15.00	16.20	16.50
	Base case	35%	15.00	16.20	16.50
	Downside	30%	15.00	16.20	16.50



## Analysis of inputs to the ECL model under multiple economic scenarios December 31, 2020

Key drivers	ECL Scenario	Assigned Probabilities	2021	2023	2024
Macroeconomic variable					
GDP Growth rate (%)					
	Upside	35%	1.71	1.80	
	Base case	35%	1.71	1.8	
	Downside	30%	1.71	1.80	
Inflation rates (%)					
	Upside	35%	14.50	14.50	14.50
	Base case	35%	14.5	14.50	14.5
	Downside	30%	14.50	14.50	14.50
Oil Prices "USD"(price per barrel)					
	Upside	35%	69	69	70
	Base case	35%	69	69	70
	Downside	30%	69	69	70
Unemployment rates (%)					
	Upside	35%	15.00	16.20	16.50
	Base case	35%	15.00	16.20	16.50
	Downside	30%	15.00	16.20	16.50

Since the beginning of the year, as the Company has reassessed the key economic indicators used in its ECL models, the expected GDP growth rate over the next few years has been revised downwards, given the slowdown of Nigeria's economy which is majorly due to the unstable political outlook of the country. Unemployment and oil price assumptions follow a similar trend. Central Bank base rates have been stable while inflation rate is on the rise with the expected minimum wage legislation. Long-term expectations remain unchanged.

The following tables outline the impact of multiple scenarios on the allowance

	Cash and cash equivalents	Financial assets - amortised cost	Other receivables	Total	
<b>31-Dec-21</b>					
<i>Upside</i>	-	-	-	-	
Base case	-	-	-	-	
Downside	-	-	-	-	
	-	-	-	-	
<b>31-Dec-20</b>					
<i>Upside</i>	18%	128	41	-	169
<i>Base case</i>	66%	470	143	-	613
<i>Downside</i>	16%	114	33	-	147
		712	217	-	929

### 55.3.3 Liquidity risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk:

- \* A Company liquidity risk policy which set out assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- \* Guidelines are set for asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.
- \* Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.

The following table shows details of the expected maturity profile of the company's undiscounted obligations with respect to its financial liabilities and estimated cash flows of recognised insurance contract liabilities. Unearned premiums are excluded from this analysis. The table includes both interest and principal cash flows. Assets are included in this table because Management uses those assets to manage liquidity risk.

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
GROUP - 31 December 2021	N'000	N'000	N'000	N'000	N'000
<i>Financial and Insurance assets</i>					
Debt instrument at amortised cost	240	-	-	-	240
Trade receivables	156,687	-	-	-	156,687
Other receivables and prepayments	490,319	-	-	-	490,319
Cash and cash equivalents	225,817	-	-	-	225,817
	<b>873,063</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>873,063</b>

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
GROUP - 31 December 2021	N'000	N'000	N'000	N'000	N'000
<i>Financial and Insurance liabilities</i>					
Insurance contract liabilities	4,248,187	-	-	-	4,248,187
Borrowings	-	38,500	-	14,080,843	14,119,343
Deposit for shares	-	-	-	317,233	317,233
	<b>4,248,187</b>	<b>38,500</b>	<b>-</b>	<b>14,398,076</b>	<b>18,684,763</b>

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
GROUP - 31 December 2020	N'000	N'000	N'000	N'000	N'000
<i>Financial and Insurance assets</i>					
Debt instrument at amortised cost	53,295	-	-	-	53,295
Trade receivables	125,769	-	-	-	125,769
Other receivables and prepayments	716,817	-	-	-	716,817
Cash and cash equivalents	255,924	-	-	-	255,924
	<b>1,151,805</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,151,805</b>



	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
<b>GROUP - 31 December 2020</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<i>Financial and Insurance liabilities</i>					
Insurance contract liabilities	4,110,675	-	-	-	4,110,675
Borrowings	-	50,500	-	13,525,660	13,576,160
Deposit for shares	-	-	-	318,127	318,127
	<b>4,110,675</b>	<b>50,500</b>	<b>-</b>	<b>13,843,787</b>	<b>18,004,962</b>

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
<b>Company - 31 December 2021</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<i>Financial and Insurance assets</i>					
Debt instrument at amortised cost	240	-	-	-	240
Reinsurance assets	262,377	-	-	-	262,377
Trade receivables	(0)	-	-	-	(0)
Other receivables	1,692	-	-	-	1,692
Cash and cash equivalents	121,225	-	-	-	121,225
	<b>385,534</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>385,534</b>

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
<b>Company - 31 December 2021</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<i>Financial and Insurance liabilities</i>					
Insurance contract liabilities	4,248,187	-	-	-	4,248,187
Borrowings	-	-	-	14,092,843	14,092,843
Provisions and other payables	1,321,887	-	-	-	1,321,887
Deposit for shares	-	-	-	317,233	317,233
	<b>5,570,074</b>	<b>-</b>	<b>-</b>	<b>14,410,076</b>	<b>19,980,150</b>

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
<b>Company - 31 December 2020</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<i>Financial and Insurance assets</i>					
Debt instrument at amortised cost	519	-	-	-	519
Reinsurance assets	294,005	-	-	-	294,005
Trade receivables	-	-	-	-	-
Other receivables	1,997	-	-	-	1,997
Cash and cash equivalents	147,204	-	-	-	147,204
	<b>443,724</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>443,724</b>

	Up to 1 year	1 - 3 years	3 - 5 years	Over 5 years	Total
<b>Company - 31 December 2020</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<i>Financial and Insurance liabilities</i>					
Insurance contract liabilities	4,110,675	-	-	-	4,110,675
Borrowings	-	-	-	13,537,660	13,537,660
Provisions and other payables	1,175,086	-	-	-	1,175,086
Deposit for shares	-	-	-	317,233	317,233
	<b>5,285,761</b>	<b>-</b>	<b>-</b>	<b>13,854,893</b>	<b>19,140,654</b>

### Maturity analysis on expected maturity bases

The table below summarises the expected utilisation of assets and liabilities

Group - 31 December 2021	Current	Non-current	Total
<b>Assets</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash and cash equivalents	225,817	-	225,817
Financial assets			
- Fair value through profit or loss	92,255	-	92,255
- Fair value through other comprehensive income	240,586	-	240,586
- Debt instruments at amortised cost	240	-	240
Trade receivables	156,687	-	156,687
Other receivables and prepayments	488,452	-	488,452
Reinsurance assets	262,377	-	262,377
Deferred acquisition costs	9,148	-	9,148
Investment in subsidiary	-	-	-
Investment properties	-	3,822,250	3,822,250
Intangible assets	-	17,066	17,066
Property, plant and equipment	-	3,520,463	3,520,463
Statutory deposit	-	322,500	322,500
<b>Deferred tax assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>1,475,561</b>	<b>7,682,279</b>	<b>9,157,840</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,248,187	-	4,248,187
Trade payables	104,562	-	104,562
Provisions and other payables	1,399,685	-	1,399,685
Current income tax payable	525,866	-	525,866
Deferred tax liabilities	-	246,476	246,476
Borrowings	14,119,343	-	14,119,343
Deposit for shares	317,233	-	317,233
<b>Total liabilities</b>	<b>20,714,876</b>	<b>246,476</b>	<b>20,961,352</b>

Group - 31 December 2020	Current	Non-current	Total
<b>Assets</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash and cash equivalents	266,589	-	266,589
Financial assets			
- Fair value through profit or loss	93,609	-	93,609
- Fair value through other comprehensive income	247,281	-	247,281
- Debt instruments at amortised cost	519	-	519
Trade receivables	132,908	-	132,908
Other receivables and prepayments	413,772	-	413,772
Reinsurance assets	294,005	-	294,005
Deferred acquisition costs	10,465	-	10,465
Investment in subsidiary	-	-	-
Investment properties	-	3,617,500	3,617,500
Intangible assets	-	17,652	17,652
Property, plant and equipment	-	3,576,091	3,576,091
Statutory deposit	-	322,500	322,500
<b>Deferred tax assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>1,459,147</b>	<b>7,533,743</b>	<b>8,992,890</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,110,675	-	4,110,675
Trade payables	73,016	-	73,016
Provisions and other payables	1,250,237	-	1,250,237
Current income tax payable	525,521	-	525,521
Deferred tax liabilities	-	246,476	246,476
Borrowings	13,576,160	-	13,576,160
Deposit for shares	317,233	-	317,233
<b>Total liabilities</b>	<b>19,852,842</b>	<b>246,476</b>	<b>20,099,318</b>



<b>Company - 31 December 2021</b>	<b>Current</b>	<b>Non-current</b>	<b>Total</b>
<b>Assets</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash and cash equivalents	121,225	-	121,225
Financial assets			
- <i>Held-for-trading</i>	92,255	-	92,255
- <i>Available-for-sale</i>	240,586	-	240,586
- <i>Debt instruments at amortised cost</i>	240	-	240
Trade receivables	(0)	-	(0)
Other receivables and prepayments	1,692	-	1,692
Reinsurance assets	262,377	-	262,377
Deferred acquisition costs	9,148	-	9,148
Investment in subsidiary	-	1,000,000	1,000,000
Investment properties	-	3,822,250	3,822,250
Intangible assets	-	-	-
Property, plant and equipment	-	3,047,490	3,047,490
Statutory deposit	-	322,500	322,500
<b>Total assets</b>	<b>727,522</b>	<b>8,192,240</b>	<b>8,919,762</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,248,187	-	4,248,187
Trade payables	27,913	-	27,913
Provisions and other payables	1,321,357	-	1,321,357
Current income tax payable	511,081	-	511,081
Deferred tax liabilities	-	206,209	206,209
Borrowings	14,092,843	-	14,092,843
Deposit for shares	317,233	-	317,233
<b>Total liabilities</b>	<b>20,518,614</b>	<b>206,209</b>	<b>20,724,823</b>

<b>Company - 31 December 2020</b>	<b>Current</b>	<b>Non-current</b>	<b>Total</b>
<b>Assets</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash and cash equivalents	147,204		147,204
Financial assets			
- <i>Held-for-trading</i>	93,609		93,609
- <i>Available-for-sale</i>		247,281	247,281
- <i>Debt instruments at amortised cost</i>	519		519
Trade receivables	-		-
Other receivables and prepayments	1,997		1,997
Reinsurance assets	294,005		294,005
Deferred acquisition costs	10,465		10,465
Investment in subsidiary		1,000,000	1,000,000
Investment properties		3,617,500	3,617,500
Intangible assets		-	-
Property, plant and equipment		3,072,362	3,072,362
Statutory deposit	322,500		322,500
<b>Total assets</b>	<b>870,298</b>	<b>7,937,143</b>	<b>8,807,441</b>
<b>Liabilities</b>			
Insurance contract liabilities	4,110,675		4,110,675
Trade payables	23,905		23,905
Provisions and other payables	1,175,086		1,175,086
Current income tax payable	512,464		512,464
Deferred tax liabilities		206,209	206,209
Borrowings	13,537,660		13,537,660
Deposit for shares	317,233		317,233
<b>Total liabilities</b>	<b>19,677,023</b>	<b>206,209</b>	<b>19,883,232</b>

**Fair value of financial assets and liabilities**
**a Financial instruments not measured at fair value**

Group	31 December 2021		31 December 2020	
	Carrying value	Fair value	Carrying value	Fair value
	N'000	N'000	N'000	N'000
<b>Financial assets</b>				
Cash and cash equivalents	225,817	225,817	266,589	266,589
Debt instrument at amortised cost	240	240	519	519
Trade receivables	156,687	156,687	132,908	132,908
<b>Financial liabilities</b>				
Trade payables	104,562	104,562	73,016	73,016
Borrowings	14,119,343	14,119,343	13,576,160	13,576,160
Deposit for shares	317,233	317,233	317,233	317,233

Company	31 December 2021		31 December 2020	
	Carrying value	Fair value	Carrying value	Fair value
	N'000	N'000	N'000	N'000
<b>Financial assets</b>				
Cash and cash equivalents	121,225	121,225	147,204	147,204
Debt instrument at amortised	240	240	519	519
<b>Financial liabilities</b>				
Trade payables	27,919	27,919	23,905	23,905
Borrowings	14,092,843	14,092,843	13,537,660	13,537,660
Deposit for shares	317,233	317,233	317,233	317,233

Note: Financial liabilities carrying amounts approximates their fair value

**b Fair valuation methods and assumptions**

Financial assets and liabilities:

**(i) Cash and cash equivalents**

Cash and cash equivalents represent cash and placement held with banks for short-term. The carrying amount of these balances approximates their fair value.

**(ii) Trade receivables, Other receivables and Trade payables**

Trade receivables and Other receivables represent monetary assets which usually has a short recycle period and other payables represents amount outstanding on account payables. And as such the fair values of these balances approximate their carrying amount.

**(iii) Equity**

Listed equities were fair valued using quoted prices from the Nigerian Stock Exchange. The inputs are unit held and the market price.

**(iv) Loans and receivable**

Loans and receivables were valued using the DCF method and the inputs are the expected cashflows and interest rate.

**56 Enterprise Risk Management (ERM)**

ERM as defined Under COSO framework is "a process, effected by an entity's Board of Directors, management and other personnel, applied in a strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives".



International Energy Insurance Plc recognizes the presence of risk in our value chain, business model and other processes of delivering value to our stakeholders and therefore committed to establishing due processes for identifying, assessing, monitoring, controlling and mitigating all material risks in the business of the Group as embedded in the Group's ERM framework.

IEI Plc in adopting COSO ERM framework, defines ERM in its framework as the discipline by which International Energy Insurance Plc assesses, controls, exploits, finances, and monitors risks from all sources for the purpose of increasing the IEI Plc short- and long-term value to its Stakeholders.

### **Risk Management Philosophy, Principles and Culture**

The Enterprise Wide Risk Management process of the company is guided by the following core principles:

#### ***Embedding***

ERM and Internal Control framework shall be fully embedded within the major functional and operational processes just as strategic planning and performance measurement system.

#### ***Consistency***

The Group shall adopt a consistent method for the identification, assessment, monitoring, mitigation, control and communication of risks associated with all of its activities, functions, processes, and events in an effort to efficiently and effectively achieve its corporate objectives.

#### ***Risk awareness***

A result driven and risk awareness culture shall be nurtured to move the Group to a position where decisions are taken with full consideration of relevant risks and their implications.

#### ***Ownership***

Ownership – Specific risk owners within the Group's workforce as well as the members of the Board shall have sound understanding of the risk impacting their operations or areas of responsibility and be able to respond with appropriate strategies and mechanisms to identify, assess, monitor and control those risks.

#### ***Accountability***

Risk owners within the Group's workforce shall be accountable for the risk management actions in their respective areas of responsibility. The Board shall provide adequate oversight, control, review

and approve risk strategies, plans and budgets prepared by management.

#### ***Authority***

Risk owners must have the required level of authority and flexibility to determine and execute the proper course of action to manage the risk in their respective areas of responsibility.

#### ***Communication***

The Group's information system will be continually updated to accommodate data output necessary for proper assessment and monitoring of risks.

#### ***Risk Management Process***

The Group's disciplined approach to risk management is iterative, scalable, and includes the steps below. Consistent application of this process enables continuous improvement in decision making and performance.

#### ***Communication and dialogue:***

Communication and dialogue with internal and external stakeholders should take place at every relevant stage of the risk management process.

#### ***Establishing the Context:***

This defines the internal and external parameters to be taken into account when managing risk, and setting the scope and risk criteria for the remaining process.

#### ***Risk Identification:***

The purpose of this step is to generate a comprehensive list of risks based on those events that might enhance, prevent, degrade, or delay the achievement of the objectives.

#### ***Risk Analysis:***

Risk analysis is about developing an understanding of the risk by considering the causes and sources of risk, their positive and negative consequences, and the likelihood that those consequences can occur. Existing risk controls and their effectiveness should be taken into account.

#### ***Risk Evaluation:***

The purpose of risk evaluation is to assist in making decisions based on the outcomes of risk analysis about which risks need treatment and to prioritize treatment implementation for those unacceptable risks (i.e. those that exceed risk tolerance).

### **Risk Treatment:**

This involves the selection of one or more options for modifying unacceptable risks and implementing those options. Risk treatment options include: avoiding the risk, seeking out an opportunity, removing the source of risk, changing the likelihood, changing the consequence, sharing the risk with another party, and retaining the risk by choice.

### **Monitoring and Review:**

This step encompasses all aspects of the risk management process to:

- \* Analyze and learn lessons from events, changes, and trends.
- \* Detect changes in the external and internal context including changes to the risk itself.
- \* Ensure that the risk controls and treatment measures are effective in both design and operation.
- \* Identify emerging risks.

### **Risk Identification**

IEI Plc's focus in risk identification is capturing all the possible risks associated with an event, activity, project, roles or management decisions. It also covers the impact of an event occurring on the identified success criteria.

### **Risk Assessment**

Risks is measured in terms of likelihood and consequences on both inherent and residual basis (pre and post controls). IEI in accessing the likelihood and consequences of risk uses both qualitatively or quantitatively measures depending on the risks being considered.

### **Risk Appetite**

Risk appetite is the level of risk that the Company is willing to accept in fulfilling its business objectives. The purpose of the risk appetite is to assist in the process of setting the company's strategic objective and in the management of risks.

IEI has an articulated risk appetite limits for various classes of risk in it is written which has been approved by Management and Board.

### **Risk Culture**

Risk culture is the system of values and behaviors present in the organization that shapes risk decisions of management and employees. IEI ensures a common understanding of the organization and its business purpose amongst its employees. Employees understand that risk and compliance rules apply to everyone as they work towards business goals. This understanding is to ensure that IEI "does the right thing" all the time.

IEI propagates a strong risk culture and supports employee's training to understand how to make educated risk-related decisions to ensure consistent risk behavior in the organization.

To ensure a good risk culture IEI:

- \* Propagates a positive corporate culture
- \* Actively ensures observation of policy and procedures
- \* Ensures effective use of technology in its management processes.

**OTHER  
NATIONAL DISCLOSURES**





## CONSOLIDATED AND SEPARATE STATEMENTS OF VALUE ADDED

For the year ended 31 December 2021

	GROUP				COMPANY			
	2021		2020		2021		2020	
	N'000	%	N'000	%	N'000	%	N'000	%
Gross premium income	646,872		531,388		646,872		531,388	
Commission	23,942		9,939		23,942		9,939	
Interest revenue calculated using effective interest method	13,417		63,592		10,450		60,575	
Investment income	9,890		9,890		9,890		9,890	
Other income	1,076,586		1,253,241		290,659		263,918	
	1,770,707		1,868,050		981,813		875,710	
Reinsurance expenses, net claims incurred, commission paid and other operating expenses - Local	(1,542,685)		(535,861)		(1,377,208)		(98,731)	
Value added	228,021		1,332,189		(395,396)		776,979	
<b>Applied as follows:</b>								
<i>To pay employees:</i>								
Salaries, wages and benefits	837,139	94	790,810	94	332,020	123	367,855	123
<i>To pay Government:</i>								
Taxes	4,648	3	21,409	3	1,617	5	14,527	5
<i>To pay providers of capital:</i>								
Finance costs	563,896	129	1,091,439	129	555,183	362	1,082,726	362
<i>Retained for asset replacement and future expansion of business:</i>								
-Depreciation and amortisation	79,865	10	86,677	10	24,871	9	27,951	9
-Deferred taxation	(564,130)	(67)	22,383	(67)	(586,513)	(196)	-	(196)
-Profit / loss for the year	(693,397)	(69)	(680,529)	(69)	(722,574)	(203)	(716,080)	(203)
Value added	228,021	100	1,332,189	100	(395,396)	100	776,979	100

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

# NON LIFE REVENUE ACCOUNT

For the year ended 31 December 2021

						Total	Total
	Fire	Motor	General accident	Marine	Oil and energy	2021	2020
REVENUE	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Direct premium	15,429	595,602	28,167	46,334	-	685,532	556,995
Inward premium	160	558	530	296	-	1,544	7,567
<b>Gross written premium</b>	<b>15,589</b>	<b>596,160</b>	<b>28,697</b>	<b>46,630</b>	<b>-</b>	<b>687,076</b>	<b>564,563</b>
Change in unearned premium	2,557	(36,327)	(4,292)	(2,142)	-	(40,204)	(33,175)
<b>Gross premium earned</b>	<b>18,147</b>	<b>559,833</b>	<b>24,405</b>	<b>44,487</b>	<b>-</b>	<b>646,872</b>	<b>531,388</b>
Outward reinsurance	(16,046)	(54,348)	(16,196)	(16,925)	-	(103,515)	(91,395)
<b>Net premium earned</b>	<b>2,100</b>	<b>505,485</b>	<b>8,209</b>	<b>27,563</b>	<b>-</b>	<b>543,357</b>	<b>439,993</b>
Commission received	5,206	3,197	2,996	12,544	-	23,942	9,939
<b>Net underwriting income</b>	<b>7,306</b>	<b>508,681</b>	<b>11,205</b>	<b>40,106</b>	<b>-</b>	<b>567,299</b>	<b>449,933</b>
<b>EXPENSES</b>							
Gross claims paid	35,000	48,537	7,206	30,309	363	121,415	89,004
Change in outstanding claims	(44,885)	62,530	15,765	(49,979)	113,347	96,778	24,165
<b>Gross claims incurred</b>	<b>(9,885)</b>	<b>111,067</b>	<b>22,971</b>	<b>(19,671)</b>	<b>113,711</b>	<b>218,193</b>	<b>113,170</b>
Changes in Reinsurance claims recovery	1,366	(813)	2,181	11,478	-	14,212	(43,660)
<b>Net claims incurred</b>	<b>(8,519)</b>	<b>110,254</b>	<b>25,152</b>	<b>(8,192)</b>	<b>113,711</b>	<b>232,405</b>	<b>69,510</b>
Acquisition costs	3,206	16,257	4,631	7,780	-	31,874	22,655
Maintenance costs	28	145,922	15,715	10,077	-	171,742	121,865
<b>Underwriting expenses</b>	<b>(5,285)</b>	<b>272,432</b>	<b>45,498</b>	<b>9,665</b>	<b>113,711</b>	<b>436,021</b>	<b>214,030</b>
<b>Underwriting (loss)/profit</b>	<b>12,591</b>	<b>236,249</b>	<b>(34,293)</b>	<b>30,442</b>	<b>(113,711)</b>	<b>131,279</b>	<b>235,902</b>

## FIVE-YEAR FINANCIAL SUMMARY – GROUP

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	2021	2020	2019	2018	2017
	₦'000	₦'000	₦'000	₦'000	₦'000
<b>Assets</b>					
Cash and cash equivalents	225,817	266,589	255,323	278,458	347,526
Financial assets	333,081	341,409	302,726	327,976	1,118,437
Trade receivables	156,687	132,908	120,891	159,372	137,945
Other receivables and prepayments	488,452	413,772	353,055	256,165	182,963
Reinsurance assets	262,377	294,005	268,466	319,085	533,262
Deferred acquisition costs	9,148	10,465	4,384	14,454	31,272
Investment properties	3,822,250	3,617,500	3,315,000	2,686,250	2,600,250
Intangible assets	17,066	17,652	17,417	8,271	9,521
Property, plant and equipment	3,520,463	3,576,091	3,795,603	3,225,670	3,211,137
Deferred tax assets	-	-	-	455	-
Statutory deposit	322,500	322,500	322,500	322,500	322,500
<b>Total assets</b>	<b>9,157,840</b>	<b>8,992,890</b>	<b>8,755,366</b>	<b>7,598,656</b>	<b>8,494,813</b>
<b>Liabilities</b>					
Insurance contract liabilities	4,248,187	4,110,675	4,053,715	3,956,877	4,061,593
Trade payables	104,562	73,016	62,317	158,356	300,068
Provisions and other payables	1,399,685	1,250,237	1,134,019	1,387,878	1,183,555
Current income tax payable	525,866	525,521	505,593	506,779	429,237
Deferred tax liabilities	246,476	246,476	810,606	630,908	524,515
Book overdraft	-	-	-	-	6,039
Borrowings	14,119,343	13,576,160	12,505,434	12,454,934	9,310,605
Deposit for shares	317,233	317,233	318,127	373,567	376,028
<b>Total liabilities</b>	<b>20,961,352</b>	<b>20,099,318</b>	<b>19,389,811</b>	<b>19,469,299</b>	<b>16,191,640</b>
<b>Equity</b>					
Share capital	642,043	642,043	642,043	642,043	642,043
Share premium	963,097	963,097	963,097	963,097	963,097
Other reserves	(13,602,772)	(12,898,155)	(12,421,539)	(13,651,882)	(9,476,613)
Non-controlling interest	194,123	186,587	181,954	176,099	174,646
<b>Total equity</b>	<b>(11,803,509)</b>	<b>(11,106,428)</b>	<b>(10,634,445)</b>	<b>(11,870,643)</b>	<b>(7,696,827)</b>
<b>Total liabilities and equity</b>	<b>9,157,840</b>	<b>8,992,890</b>	<b>8,755,366</b>	<b>7,598,656</b>	<b>8,494,813</b>
<b>STATEMENT OF PROFIT OR LOSS</b>					
(Loss)/profit before income tax	(688,967)	(1,160,319)	308,115	(3,995,596)	(2,080,492)
Income tax	(8,235)	549,917	(32,726)	(183,111)	(167,769)
Profit/loss for the year	(697,202)	(610,402)	275,389	(4,178,707)	(2,248,261)
Other comprehensive income/(loss)	(6,695)	109,382	469,804	7,214	(71,645)
Total comprehensive (loss)/income	(703,897)	(501,020)	745,193	(4,171,493)	(2,319,906)
Basic and diluted (loss)/income per share (kobo)	(55)	(48)	21	(325)	(175)
Net (liabilities)/assets per share (kobo)	(934)	(879)	(842)	(938)	(613)

Note: The (losses)/income per share have been computed respectively for each year on the loss after income tax expense and the number of ordinary shares in issue at the end of each year. The net liabilities per share are based on the number of issued 50 kobo ordinary shares at the end of the year.

# FIVE-YEAR FINANCIAL SUMMARY – COMPANY

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	2021	2020	2019	2018	2017
	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>					
Cash and cash equivalents	121,225	147,204	136,093	165,653	266,113
Financial assets	333,081	341,409	302,726	327,976	968,927
Trade receivables	(0)	-	79	100	16,888
Other receivables and prepayments	1,692	1,997	13,910	5,222	106,723
Reinsurance assets	262,377	294,005	268,466	319,085	533,262
Deferred acquisition costs	9,148	10,465	4,384	14,454	31,272
Non-current assets held-for-sale	-	-	-	-	-
Investment in subsidiary	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Investment properties	3,822,250	3,617,500	3,315,000	2,686,250	2,600,250
Intangible assets	-	-	-	-	-
Property, plant and equipment	3,047,490	3,072,362	3,273,065	2,710,722	2,740,143
Statutory deposit	322,500	322,500	322,500	322,500	322,500
<b>Total assets</b>	<b>8,919,762</b>	<b>8,807,441</b>	<b>8,636,224</b>	<b>7,551,962</b>	<b>8,586,078</b>
<b>Liabilities</b>					
Insurance contract liabilities	4,248,187	4,110,675	4,053,715	3,956,877	4,061,593
Trade payables	27,913	23,905	16,053	158,356	300,068
Provisions and other payables	1,321,357	1,175,086	1,077,843	1,294,118	1,212,720
Current income tax payable	511,081	512,464	497,936	480,676	410,525
Deferred tax liabilities	206,209	206,209	792,724	630,908	524,515
Book overdraft	-	-	-	-	6,039
Borrowings	14,092,843	13,537,660	12,454,934	12,454,934	9,310,605
Deposit for shares	317,233	317,233	318,127	373,567	376,028
<b>Total liabilities</b>	<b>20,724,823</b>	<b>19,883,232</b>	<b>19,211,332</b>	<b>19,349,436</b>	<b>16,202,093</b>
<b>Equity</b>					
Share capital	642,043	642,043	642,043	642,043	642,043
Share premium	963,097	963,097	963,097	963,097	963,097
Other reserves	(13,410,200)	(12,680,930)	(12,180,248)	(13,402,614)	(9,221,155)
<b>Total equity</b>	<b>(11,805,059)</b>	<b>(11,075,790)</b>	<b>(10,575,108)</b>	<b>(11,797,474)</b>	<b>(7,616,015)</b>
<b>Total liabilities and equity</b>	<b>8,919,762</b>	<b>8,807,441</b>	<b>8,636,224</b>	<b>7,551,962</b>	<b>8,586,078</b>
<b>STATEMENT OF PROFIT OR LOSS</b>					
(Loss)/profit before income tax	(720,958)	(1,207,080)	276,230	(3,981,220)	(2,127,588)
Income tax expense	(1,617)	571,989	(8,816)	(183,866)	(157,966)
(Loss)/profit for the year	(722,575)	(635,091)	267,414	(4,165,086)	(2,285,554)
Other comprehensive income/(loss)	(6,695)	109,382	469,804	(15,626)	(71,645)
Total comprehensive loss	(729,271)	(525,709)	737,218	(4,180,712)	(2,357,199)
Basic and diluted (loss)/income per share (kobo)	(56)	(49)	21	(324)	(178)
Net liabilities per share (kobo)	(919)	(863)	(824)	(919)	(593)

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.



**MERISTEM REGISTRARS & PROBATE SERVICES LIMITED**

**UNCLAIMED DIVIDEND AS OF DECEMBER 31ST, 2024**

NAME OF COMPANY	DIV. NO	AMOUNT OF DIVIDEND DECLARED	AMOUNT OF DIVIDEND DECLARED NET	TOTAL DIVIDEND PAID TO DATE	DATE OF PAYMENT	UNPAID DIVIDEND	TOTAL AMOUNT RETURNED TO COY AFTER 15 MONTHS	AMOUNT IN CUSTODY
		NAIRA (N)	NAIRA (N)	NAIRA (N)	NAIRA (N)	NAIRA (N)	NAIRA (N)	NAIRA (N)
INTERNATIONAL ENERGY INSURANCE	1	445,761,105.77	445,761,105.77	412,072,660.51	11/07/2008	33,688,445.26	33,658,405.09	30,040.17
	2	247,645,058.76	247,645,058.76	217,085,011.53	18/08/2009	30,560,047.23	30,552,424.26	7,622.97
<b>TOTAL</b>		<b>693,406,164.53</b>	<b>693,406,164.53</b>	<b>629,157,672.04</b>		<b>64,248,492.49</b>	<b>64,210,829.35</b>	<b>37,663.14</b>

**IEI PLC SHARE CAPITAL HISTORY**

YEAR	INCREASE IN SHARES	AUTHORIZED			INCREASE	ISSUED & FULLY PAID UP		TOTAL AMOUNT(N)	CONSIDERATION
		TOTAL SHARES	PAR VALUE	TOTAL AMOUNT		TOTAL SHARES	PER VALUE		
1995		10,000,000		10,000,000		10,000,000		100,000,000	CASH
1996				10,000,000				100,000,000	CASH
1997		90,000,000		100,000,000				100,000,000	CASH
1998				100,000,000		51,352,000		17,145,000	CASH
2000				100,000,000				78,497,000	CASH
2001				100,000,000				78,497,000	CASH
2002								78,497,000	CASH
2003								78,497,000	CASH
2004				500,000,000		223,200,000		301,697,000	CASH
2005		2,500,000,000		3,000,000,000		135,551,000		635,552,000	CASH
2006		3,000,000,000		6,000,000,000		789,637,189		1,425,188,189	STOCK SPLIT/MERGER
2007		2,500,000,000		8,500,000,000		6,829,647,103		8,254,835,292	CASH PRIVATE PLACEMENT
Nov-07				8,500,000,000				2,751,611,764	SHARE CAPITAL RECONSTRUCTION
2008				8,500,000,000				2,751,611,764	
2009				8,500,000,000				2,751,611,764	
2010						917,203,921		458,601,961	BONUS
2010								3,210,213,725	
2011		8,500,000,000		8,500,000,000					
2012		17,000,000,000	0.5	8,500,000,000		6,420,427,450	0.5	3,210,213,725	
2013		5,136,341,957 ORINARY SHARE 1,600,000,000 REDEMED PREFERENCE SHARES	0.50 2.50	6,568,171,000		1,284,085,489	0.5	642,042,744.50	5:1 RECONSTRUCTION
2014						1,284,085,489			
2015						1,284,085,489			
2016						1,284,085,489			
2017						1,284,085,489			
2018						1,284,085,489			
2019						1,284,085,489			
2020						1,284,085,489			
2021						1,284,085,489			
2022						1,284,085,489			
2023						1,284,085,489			
2024						1,284,085,489			



Scan the QR code to access and download **IEI Plc Unpaid Dividend List**.



# PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_  
 being a member of International Energy Insurance Plc hereby appoint \_\_\_\_\_  
 \_\_\_\_\_ of \_\_\_\_\_ to act as my proxy, to vote for me and  
 on my behalf at the Annual General Meeting of the Company to be held on Thursday, April 10 2025 and at  
 every adjournment thereof.

As Witness under my hand this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
 Signed

SN	RESOLUTIONS	FOR	AGAINST
1.	ORDINARY BUSINESS (ORDINARY RESOLUTIONS)		
1.	To lay before the Members, the Audited Financial Statements of the Company for the years ended 31st December 2021 – 2023 together with the Reports of the Directors, Auditors and Audit Committee thereon.		
2.	To re-elect the following retiring Directors of the Company:		
	a. Mr. Anthony Edeh		
	b. Mr. Oluwateniola Eleoramo		
3.	To appoint Messrs. Doyin Owolabi & Co (Chartered Accountants) as the Auditors of the Company.		
4.	To authorize the Directors to fix the remuneration of the Auditors.		
5.	To elect/re-elect members of the Statutory Audit Committee.		
6.	To disclose the remuneration of the Managers of the Company.		
	SPECIAL BUSINESS		
7.	To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company: To approve the remuneration of the Non-Executive Directors.		
8.	To consider and if thought fit, pass the following resolution as a special resolution of the Company:  That pursuant to the resolution of the general meeting of the Company held on Thursday, February 23, 2017 to wit: "that the Board of Directors of the Company (the "Board") and representatives of the Shareholders should jointly restructure the Company's indebtedness to Daewoo." As a result of the negotiations of the Technical Committee comprising the Board and Shareholders representative, the Board has restructured the Loan by way of transfer of the loan obligations to Norrenberger Advisory Partners Limited ("NAPL") to fully settle the Loan and make full payment of same to Daewoo and in consideration of the settlement of the loan, the Company shall hereby allot 28,185,682,000 (TwentyEight Billion, One Hundred and Eighty-Five Million, Six Hundred and Eighty-Two Thousand) Units of N0.50k ordinary shares of the Company to NAPL to be issued at par value.		

<p>9.</p>	<p>To consider and if thought fit, pass the following sub-joined resolutions as an ordinary resolution of the Company:</p> <p>9.1 That the Issued Share Capital of the Company' be increased from N642,042,744.00 (Six Hundred and Forty-Two Million, Forty-Two Thousand, Seven Hundred and Forty-Four Naira) to N16,130,940,257.00 (Sixteen Billion, One Hundred and Thirty Million, Nine Hundred and Forty Thousand, Two Hundred and Fifty Seven Naira) by the creation of additional 30,977,795,025 (Thirty Billion, Nine Hundred and Seventy-Seven Million, Seven Hundred and NinetyFive Thousand and Twenty five) ordinary shares of the Company , each share to rank pari passu in all respects with the existing ordinary shares in the Company's capital and that the Board be and is hereby authorised, if deemed necessary, to cancel any unallotted shares or increase the share capital of the Company to an amount sufficient to accommodate any transaction undertaken by the Company to raise additional equity capital;</p> <p>9.2 That the Board be and is hereby authorized to allot the 28,185,682,000 (Twenty-Eight Billion, One Hundred and EightyFive Million, Six Hundred and Eighty-Two Thousand) additional ordinary shares of N0.50k per share to NAPL, each share to rank pari passu in all respects with the existing ordinary shares in the capital of the Company and on such other terms and conditions as may be decided by the Board, subject to obtaining relevant regulatory approvals.</p>		
<p>10.</p>	<p>To consider and if thought fit, pass the following as a special resolution of the Company:</p> <p>10.1 That the Board be and is hereby authorised to raise additional capital by way of private placements, rights issues, public offers or any other mode or combination of modes, in such tranches, series, amounts, pricing or proportions and on such terms and conditions and at such times as may be determined by the Board to meet the minimum capital requirements for Non-Life Insurance Companies as may be prescribed by the National Insurance Commission (NAICOM), subject to obtaining the requisite regulatory approvals.</p> <p>10.2 That the capital raising exercise in Resolution 10.1 above be underwritten on such terms as may be determined by the Board, subject to regulatory approvals.</p> <p>10.3 (a) That the Board be and is hereby authorised to amend Clause E of the Company's Memorandum of Association to reflect the new Issued Share Capital of the Company pursuant to the foregoing resolutions.</p> <p>(b) That the Board be and is hereby authorized to amend Article 51 of the Company's Articles of Association by permitting holding the general meeting of its members virtually or physically and to read as follows;</p> <p><i>"The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year and shall specify the meetings as such in the notices calling it and no more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next provided that so long as the Company holds its Annual General Meeting within eighteen months of its incorporation, it need not hold in the year of its incorporation, or in the following year. The Annual General Meeting shall be held virtually or physically at such time and place as the Directors shall appoint."</i></p> <p>Pursuant to the foregoing resolutions, the Board be and is hereby authorised to file the amended Memorandum and Articles of Association at the Corporate Affairs Commission.</p> <p>10.4 That the Board be and is hereby authorised to take all such lawful steps, pass all requisite resolutions and do all such other lawful acts and/or things as may be necessary for, incidental, supplemental and/or consequential to giving effect to the resolutions above including without limitation, appointing relevant professional advisers, obtaining requisite regulatory approvals including the approval of the Securities and Exchange Commission and the Corporate Affairs Commission, cancelling any excess shares not fully subscribed to and listing the new shares on the floor of Nigerian Exchange Limited.</p>		

Please mark an "X" in the appropriate box to indicate how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.



# MARINE INSURANCE

## (HULL & CARGO)

For businesses involved in trade, the movement of goods and vessels is a significant investment. Our Marine Insurance ensures that your cargo and ships are protected against damages and losses while in transit. Whether by sea or air, we provide reliable coverage that keeps your business moving smoothly. Trust us to secure your marine operations with tailored policies that minimize risks and maximize peace of mind.

## International Energy Insurance Plc

9th floor, FF Millennium Tower, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos  
[www.ieiplcng.com](http://www.ieiplcng.com) | [info@ieiplcng.com](mailto:info@ieiplcng.com) | 02012806990 | 09120217206

International Energy Insurance Plc is authorized, licensed and regulated by the National Insurance Commission (NAICOM).

