Custodian

Custodian And Allied Insurance Ltd. 2025 Annual Report & Accounts

FUTURE READY

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Corporate Information

DIRECTORS
Mr. Ibrahim Dikko
Mr. Edeki Isujeh
Mr. Ravi Sharma
Mr. Ademola Ajuwon
Mr. Moses Ariyibi
Mr. Kofo Majekodunmi
Mrs. Mimi Ade Odiachi
Mr. Adeniyi Falade

SECRETARY
Custodian Trustees Limited
Custodian House
16A Commercial Avenue
Sabo, Yaba, Lagos, Nigeria
Tel: (+234) 01-2707206-7, 2793740, 2793401
0700-CUSTODIAN, (+234)1 2774000-9
Fax: (+234) 1 2707203
P.O. Box 2101, Lagos
Email: enquiries@custodianinsurance.com
Website: www.custodianplc.com.ng

RC No. RC685235

TIN NO. 01451641-0001

FRC No. FRC/2014/COY/00000005116

REGISTERED OFFICE
Custodian House
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Sabo, Yaba, Lagos, Nigeria
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0700-CUSTODIAN, (+234)1 2774000-9
Fax: (+234) 1 2707203
P.O. Box 2101, Lagos
Email: enquiries@custodianinsurance.com
Website: www.custodianplc.com.ng

BANKERS
First Bank of Nigeria Limited
Stanbic IBTC Plc
Zenith Bank Plc
Access Bank Limited
Guaranty Trust Bank Limited
Standard Chartered Bank Nigeria Limited

AUDITORS
Deloitte & Touche
Civic Towers
Plot GA 1Ozumba Mbadiwe Avenue
Lagos

REINSURERS
Munich Reinsurance Company Limited
Swiss Reinsurance Company Limited
African Reinsurance Company
Continental Reinsurance Plc
FBS Reinsurance Limited

REPORTING ACTUARY
Ernst and Young
13 & 10 Floors UBA House
57 marina
Lagos, Nigeria
FRC No: FRC/2013/00000000578

Branch Directory

Abuja
Oakland Center, 3rd Floor
48 Aguiyi Ironsi, Maitama
Tel.: 02092900465

Kano
15 Bank Road, Kano, Kano State
Tel.: 064-895969

Port Harcourt
180, Aba Road,
Port Harcourt, Rivers State
Tel.: 07085000046

Akure
2nd & 3rd Floors
BOI House, Alagbaka, Akure
Tel.: 08034202962, 07086600484

Benin
34, Akpakpava Road, by Igbesamwan Junction
Benin City, Edo State
Tel.: 05-2292480

Ibadan
9 Onireke residential layout
Ibadan, Oyo State
Tel.: 022-918538

Kaduna
3, Kanta Road
P.O. Box 9301, Kaduna
Kaduna State
Tel.: 06-2293346

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Custodian and Allied Insurance Limited ("the Company") will be held virtually on April 21, 2026, at 3:00pm, to transact the following businesses:

ORDINARY BUSINESS

1. To lay before the members the Audited Financial Statements for the year ended December 31, 2025, the Report of the Directors and the Auditor's Report thereon.
2. To declare a Dividend
3. To re-elect the following Directors retiring by rotation:

i. Mr. Ibrahim Dikko
ii. Mr. Adeniyi Falade

4. To authorise the Directors to fix the remuneration of the External Auditors for the 2026 financial year
5. To disclose the remuneration of Managers in the employment of the Company

SPECIAL BUSINESS

6. To fix the remuneration of the Non-Executive Directors
7. To appoint a Board Evaluation Consultant

Dated March 27, 2026

By order of the Board

CUSTODIAN TRUSTEES LTD
AUTHORISED

ADEYINKA JAFOJO
FRC/2013/PRO/NBA/002/00000002403
Custodian Trustees Limited
Company Secretary



Summary Of Results And Balances

For The Year Ended 31 December 2025

Statement of Profit or loss and other Comprehensive Income items	2025 N'000	2024 N'000	Variance Increase/ (Decrease) N'000	Growth %
Gross premium written	108,833,232	71,688,127	37,145,105	52%
Insurance contract revenue	100,893,786	66,250,057	34,643,729	52%
Insurance service expenses	(33,366,069)	(29,585,585)	(3,780,484)	13%
Insurance service result	17,751,364	2,698,323	15,053,041	558%
Net Investment income	14,057,378	32,766,305	(18,708,927)	(57%)
Other operating expenses	(4,873,274)	(3,718,554)	(1,154,720)	31%
Profit before income tax expense	26,167,205	33,112,912	(6,945,707)	(21%)
Profit for the year	20,676,277	29,715,032	(9,038,755)	(30%)
Statement of Financial Position Item				
Total assets	152,711,924	136,237,128	16,474,796	12%
Insurance contract liabilities	50,686,122	36,886,613	13,799,509	37%
Statutory contingency reserve	17,318,613	12,085,172	5,233,441	43%
Total equity	66,773,612	60,267,339	6,506,273	11%

Management's Discussion and Analysis

For The Year Ended 31 December 2025

This "management discussion and analysis" of Custodian and Allied Insurance Limited's performance as at 31 December 2025 should be read in conjunction with the audited financial statements of the company as at 31 December 2025.

Business Profile

Custodian and Allied Insurance Limited is a Nigerian company whose vision is to be Africa's insurer of choice, with a mission to develop, package and deliver innovative insurance products that best satisfy customer needs whilst operating a highly profitable, efficient, resourceful and ethical organization that will survive well into the future and be a valuable asset to its shareholders.

Custodian and Allied Insurance Limited ("the Company") is engaged in property-casualty insurance. The products and services are essentially market-driven with emphasis on providing options on policies, paying due regard to production processes employed in various industries. Consequently, our product ranges have been developed to meet and address the needs of our clients, buoyed by the Company's commitment to delivering exemplary service to its clients and outperforming its peers.

Objectives and Strategies

The Company remains committed to continuous improvement of its structures, systems and processes in order to keep ahead of the challenges of new growth, improving business prospects, transparency, and governance.

The Company's strategy and performance to date are very strong indicators of the Company's vision, mission and long-term growth objectives.

Highlights of operating performance and financial position

	2025 N'000	2024 N'000	Change %
Insurance contract revenue	100,893,786	66,250,057	52%
Insurance service expenses	(33,366,069)	(29,585,585)	13%
Net expense from reinsurance contracts held	(49,776,353)	(33,966,149)	47%
Insurance service result	17,751,364	**2,698,323**	**558%**
Interest and other investment income	12,566,442	10,450,497	20%
Other operating expenses	(4,873,274)	(3,718,554)	31%
Profit before income tax expense	26,167,205	33,112,912	(21%)
Profit for the year	20,676,277	**29,715,032**	**(30%)**
Earnings per share (kobo):			
Basic/diluted	103	149	(31%)
Cash and cash equivalents	29,957,783	20,646,170	45%
Total assets	152,711,924	136,237,128	12%
Insurance contract liabilities	50,686,122	36,886,613	37%
Total equity	66,773,612	60,267,339	11%

Underwriting Performance

Insurance contract revenue increased by 52% while insurance service expenses increased by 13%. Net expenses from reinsurance contracts also increased by 47% from N33.96b to N49.77b. The combination of these result in a 558% increase in Insurance service result from N2.70b to N17.75b.

Interest and other investment income

Interest and other investment income for the year was N12.57b up from N10.45b in 2024 representing a 20% increase.

Expenses

Management expenses for the year was N7.80b from N5.52b in 2024 representing an increase of 4%. Other operating expenses which relates to the non-directly attributable expenses increased by 31% from N4.87b to N3.72b.

Insurance service result

The result of insurance service rendered net of expense from reinsurance contracts held during the year was a surplus of N17.75b compared with a prior year surplus of N2.69b representing a year on year increase of 558%

Profitability

The Company's profit before income tax expense was N26.17b compared to N33.11b in 2024, a decrease of 21%. The Company's profit for the year was N20.67b compared to N29.72b in 2024, a decrease of 30% with basic earnings per share (EPS) decreasing to 103kobo from 149kobo.

Liquidity and financial position

The Company's cash and cash equivalents increased by 45% from N20.65b in 2024 to N29.92b as at 31 December 2025; while Insurance contract liabilities were N50.69b, 37% increase from N36.89b in 2024. Total assets now stand at N152.41b representing a 12% increase from N136.24b in 2024, while total equity increased by 11% to N66.77b when compared to N60.27b recorded in 2024.

Future Outlook

We evolve our products and services to ensure that we continue to meet customers' changing needs using our multi-channel and multiproduct approach, employing digital sales, fulfilment, and premium collection channels. We believe we are well-positioned to weather the disruption caused by the implementation of the current policies of the new administration information technology evolution, the market dynamics and industry changes, the general insecurity in the country, and to support our customers and communities for many years to come. We are confident that we will not only continue to demonstrate our agility and resilience, but that we will emerge from it stronger, more digitally enabled and even better able to serve our customers.

The Nigerian Insurance Industry Reform Act (NIIRA) 2025 is a landmark legislation that consolidates existing insurance laws and introduces a modern framework for regulation, supervision, and market development. It addresses licensing, capital requirements, consumer protection and confidence, digital transformation and market penetration, aiming to reposition the insurance sector as a stronger pillar of Nigeria's financial system. NIIRA empowered the regulators with broader authority to enforce compliance, revoke licenses, and monitor insurers more effectively introducing frameworks for risk based capital and solvency monitoring, aligning Nigeria with global best practices. While reforms are ambitious, concerns remain about regulatory overreach, infrastructural readiness, and the ability of smaller underwriters to meet new requirements.

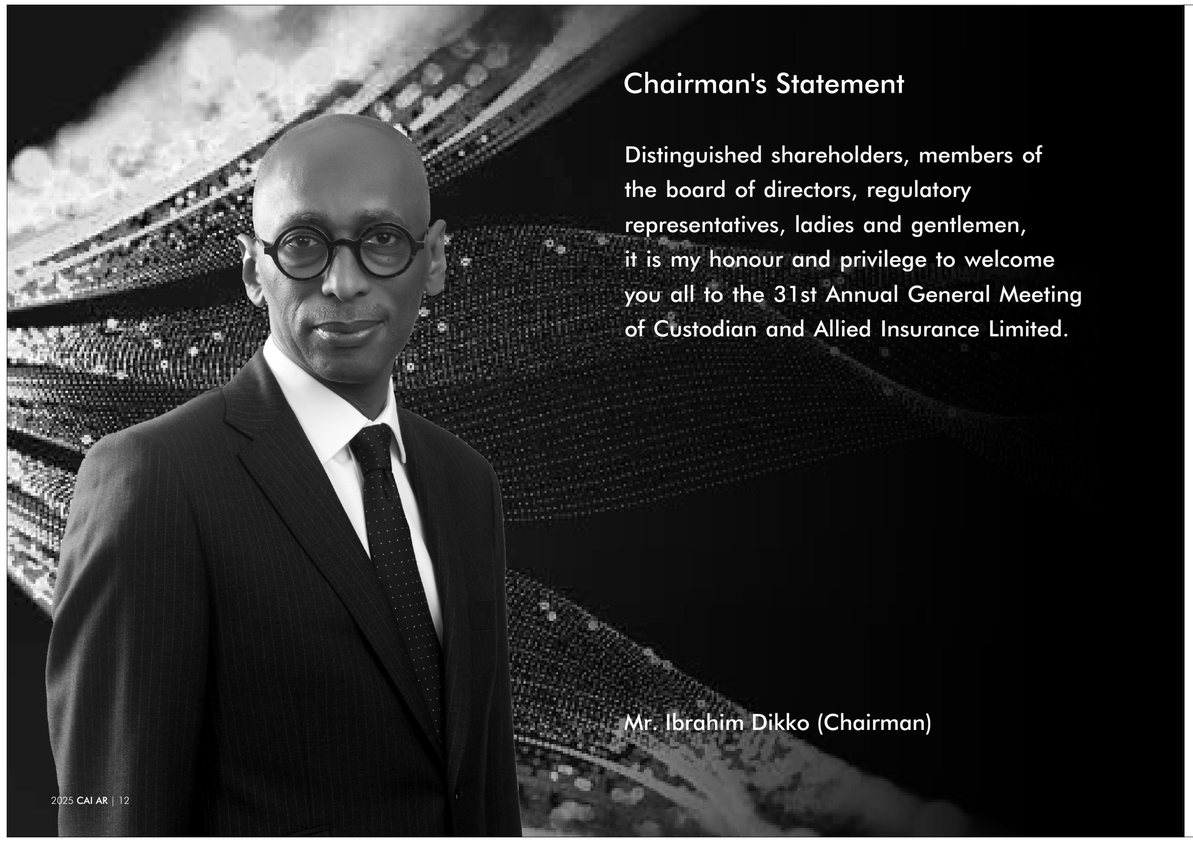
We remain focused on our strategic priorities of improving the performance and resilience of the business while focusing on simplifying what we do and driving further investment in areas of strength to enable our investors to fully benefit from the opportunity presented by our business. We continue to invest and innovate to meet important needs for consumers, we operate a highly resilient business model, and we are dedicated to our purpose of helping people get the most out of life.

NIIRA is poised to reshape Nigeria's insurance industry into a more resilient, transparent, and technology driven market. In the medium term, consolidation and stricter compliance may create short term pressures, but in the long run, the reforms are expected to enhance financial stability, attract foreign investment, and expand insurance penetration across the country.

The National Insurance Commission (NAICOM), in a bid to deepen insurance and enhance growth in the Nigerian economy unveiled the insurance industry's strategic vision for 2024-2033. The vision is built upon seven strategic pillars that encompass regulatory transformation, risk-based capital models, insurance promotion and adoption, product diversification, distribution channel optimization, digitalization, talent development, and support for Nigeria's economic transformation. Custodian and Allied Insurance Limited is poised to take its leadership position in the non-life segment of the insurance sector in line with our vision to be Africa's Insurer of choice.

The Nigerian Insurance markets remain competitive but the Company has the right foundation to target sustainable growth in certain product lines and customer types. The continuation of our programme of business simplification aligned to customer driven values will assist this growth further.





Chairman's Statement

Distinguished shareholders, members of the board of directors, regulatory representatives, ladies and gentlemen, it is my honour and privilege to welcome you all to the 31st Annual General Meeting of Custodian and Allied Insurance Limited.

Mr. Ibrahim Dikko (Chairman)

Chairman's Statement

Distinguished shareholders, members of the board of directors, regulatory representatives, ladies and gentlemen, it is my honour and privilege to welcome you all to the 31st Annual General Meeting of Custodian and Allied Insurance Limited. I sincerely appreciate your presence as we gather once again to review our performance for the financial year ended 31 December 2025, reflect on the progress we have made, and consider the opportunities ahead.

It is my pleasure to present the Audited Financial Statements of Custodian and Allied Insurance Limited for the year ended 31 December 2025. The year under review was one of disciplined execution, strategic resilience, and continued value creation for all stakeholders. Despite a challenging macroeconomic landscape marked by persistent inflationary pressures, tight monetary conditions, and regulatory shifts across the financial services industry, our Custodian and Allied Insurance Limited remained focused on delivering sustainable growth while strengthening the foundations of our diversified business model.

As we reflect on the progress made in 2025, we remain resolute in pursuing strategic initiatives that enhance shareholder value, strengthen our financial resilience, and ensure that Custodian and Allied Insurance Limited continues to adapt and flourish in an evolving business environment.

Global Economy

The global economy in 2025 evolved amid persistent uncertainty, shaped by geopolitical tensions, trade policy realignments, and structural shifts across major economies. The IMF's 2025 World Economic Outlook reported that global growth slowed to around 3.0% in 2025, with risks still tilted to the downside as tighter financial conditions and trade barriers weighed on activity.

Despite these headwinds, global sentiment improved toward the end of the year. The McKinsey Global Survey (December 2025) found rising optimism among business leaders, supported by easing inflation, stabilising financial markets, and stronger corporate performance expectations.

Looking ahead to 2026, the global economy is expected to remain steady but divergent. The IMF projects 3.3% global growth in 2026, supported by technology investment and fiscal accommodation in some advanced economies. However, geopolitical tensions, uneven disinflation, and structural constraints will continue to pose risks.

The global economy in 2025 evolved amid persistent uncertainty, shaped by geopolitical tensions, trade policy realignments, and structural shifts across major economies.

The UN Trade and Development (UNCTAD) 2026 outlook further underscores these concerns, projecting global growth to slow to 2.7% as investment remains subdued and trade barriers persist.

Overall, 2025 was a year of cautious global recovery, characterised by moderating inflation and gradual easing of financial conditions, modest but stable GDP growth, improvements in corporate sentiment, persistent vulnerabilities tied to trade disruptions, geopolitical tensions, and structural economic challenges.

While major economies demonstrated resilience, underlying fragilities underscored the need for sustained policy coordination, fiscal discipline, and structural reforms to support medium term stability.

The Domestic Economy

Nigeria's economic landscape in 2025 reflected the early gains of comprehensive macroeconomic reforms. According to the CBN Macroeconomic Outlook (2026 edition), significant progress was made in macro stability through FX reforms, banks' recapitalisation efforts, and coordinated fiscal and monetary tightening.

The economy transitioned from recessionary pressures in 2023–2024 to a recovery phase in 2025. The Centre for the Promotion of Private Enterprise's (CPPE) 2025/2026 national review highlighted strong improvement in investor sentiment, currency stability within the N1,440 - N1,500/$ range, and a sharp drop in inflation from 24.48% in January to 15.15% by December 2025.

Growth in 2025 was driven primarily by the services sector, which contributed over 53% of GDP, with telecommunications, financial services, and real estate leading expansion. Agriculture grew modestly at 3.79%, limited by insecurity and low productivity. Manufacturing recorded only 1.25% growth due to structural constraints such as power shortages and high logistics costs.

The Nigerian domestic economic environment in 2025 reflected a year of stabilisation and early recovery following two years of significant macroeconomic turbulence. Key achievements included lower inflation, FX stability, improved revenue mobilisation, and stronger service sector performance. However, structural challenges in security, manufacturing, fiscal space, and energy supply continued to moderate the speed of recovery.

The economic trajectory set in 2025 laid the groundwork for a more growth oriented 2026, with reforms expected to deepen and investor confidence projected to strengthen further.

Growth in 2025 was driven primarily by the services sector, which contributed over 53% of GDP with telecommunications, financial services, and real estate leading expansion.

PWC's Strategy & 2026 outlook projects further macro stability, with FX appreciation of 6.9% in 2025, stronger reserves, and a gradual easing of inflation. GDP growth is expected to strengthen towards 4.0 - 4.5% in 2026, supported by reforms and improved business confidence.

The Custodian and Allied Insurance Limited

In 2025, Custodian and Allied Insurance Limited demonstrated the strength of its integrated financial services structure, leveraging synergies across its insurance, pensions, trusteeship, and real estate businesses to drive operational efficiency and enhance competitiveness. Our commitment to prudent risk management, innovation, and customer centricity ensured that we navigated market volatility effectively while continuing to deepen our presence in key growth segments of the economy.

During the year, we intensified our efforts to improve operational excellence, optimize capital allocation, and invest in technology enabled solutions that support long term value. These initiatives, coupled with the unwavering dedication of our employees and the continued loyalty of our clients and shareholders, positioned the Custodian and Allied Insurance Limited for stronger performance and reinforced our reputation as one of Nigeria's leading insurance Custodian and Allied Insurance Limited.

Financial Result

Custodian and Allied Insurance Limited delivered a strong financial performance in 2025, demonstrating resilience across its diversified businesses despite macroeconomic pressures. Custodian and Allied Insurance Limited sustained momentum in revenue growth, improved profitability when foreign exchange impact is adjusted , and strengthened its balance sheet.

The Custodian and Allied Insurance Limited posted insurance revenue of N100billion representing 53% year on year growth. Profit before tax for the year was N26billion, an increase of 24% when compared with N33 billion achieved in 2024 which resulted from the absence of the material foreign exchange gains of N19 billion earned in the prior year after the devaluation of the Naira in 2024. Profit after tax also declined by 30% to N29billion. On the Statement of



Custodian and Allied Insurance Limited delivered a strong financial performance in 2025, demonstrating resilience across its diversified businesses despite macroeconomic pressures.

Financial Position, we achieved growth of 12% in total asset to N152.7trillion. Equity attributable to owners of the parent also appreciated by 10% to close the year at N66.77billion.

FY 2025 performance reflected solid revenue growth, prudent cost optimisation, and strengthened balance sheet fundamentals.

Board of Directors

In 2025, the Board continued to provide strong governance, strategic direction, and oversight in line with evolving regulatory requirements. The Board's composition reflects a balance of experience, diversity, and industry expertise, ensuring effective stewardship of the Company's long term vision and stakeholder interests.

During the year, the Board undertook evaluations, training sessions, and committee engagements to strengthen governance in alignment with best practices.

Dividend

Following the performance in 2025, the board proposes, subject to your approval the payment of 103kobo for every share of 50k held as final dividend per share in respect of the 2025 financial year, subject to appropriate withholding tax.

Corporate Social Responsibility (CSR)

Our CSR initiatives in 2025 were guided by our commitment to sustainable development and community impact. Key focus areas in 2025 included:

- Hosting of the Annual Custodian Mentors Conference
- Custodian Annual Blood Donation Exercise
- Handover of Custodian Accident and Emergency Centre, Epe
- Completion of a two-classroom block at Awesome Hope Academy, Gboko, Benue State

CSR remains a cornerstone of our identity, reinforcing our commitment to long term societal well being. While the aforementioned is a highlight of initiatives executed by the Foundation during the year, a detailed report of the work it did is contained in the Corporate Social Responsibility section of the Annual Report.

Outlook

As we look ahead to 2026 and the years beyond, Custodian and Allied Insurance Limited remain firmly positioned to deepen its role as a leading investment holding Company in Nigeria's financial services landscape. The evolving macroeconomic environment accelerated digital transitions, recapitalization drive and structural reforms within the financial services space present both challenges and compelling opportunities for the Company.

During the year, the Board undertook evaluations, training sessions, and committee engagements to strengthen governance in alignment with best practices.

The Company enters 2026 with cautious optimism. Both global and domestic indicators point toward gradual, though uneven, recovery.

- Globally, easing inflation and improved financial conditions support business expansion, though geopolitical risks persist.

- Domestically, Nigeria is projected to transition from stability to growth, aided by FX stability, declining inflation, and stronger non oil performance.

Despite global and domestic uncertainties, Custodian and Allied Insurance Limited enters 2026 from a position of strength - supported by a resilient balance sheet, diversified business model, disciplined leadership, and a clear strategic direction. We remain confident in our ability to deliver sustainable growth, enhance shareholder returns, and deepen our contributions to the Nigerian economy.

The Company will focus on deepeniexperience andration across key segments, enhancing operational efficiency through technology and process optimization, strengthening risk management and governance frameworks, expanding digital capabilities to improve customer experience, and driving sustainable growth in alignment with regulatory expectations.

With a robust strategy, a committed workforce, and disciplined execution, the Company is well positioned to harness emerging opportunities especially those resulting from the new Nigerian Insurance Industry Reform Act 2025 and the evolving digital disruptions.

The years ahead will be defined by innovation, operational excellence, and value creation. We will continue to execute our strategy with focus, agility, and unwavering commitment to our stakeholders.

Conclusion

On behalf of the Board, I extend my sincere appreciation to our shareholders, customers, employees, and partners for their unwavering trust and support throughout 2025.



Despite global and domestic uncertainties Custodian and Allied Insurance Limited enters 2026 from a position of strength.

Chairman's Statement Contd

Despite the complexities of the year, our collective resilience and strategic clarity ensured continued stability and progress.

We remain committed to delivering sustainable value and upholding the highest standards of corporate governance as we embark on a promising 2026.

God bless you and God bless Nigeria.



Mr. Ibrahim Dikko
Chairman



Board of Directors

Board of Directors



Mr. Ibrahim Dikko
(Chairman)



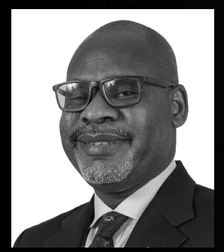
Mr. Edeki Isujeh
(Managing Director)



Mr. Ravi Sharma



Mr. Adeniyi Falade



Mr. Ademola Ajuwon



Mr. Kofo Majekodunmi



Mrs. Mimi Ade-Odiachi



Mr. Moses Ariyibi

- Executive Management Team
- Directors Report
- Corporate Governance
- Board Evaluation Report
- Auditors' Report
- Summary of Material Accounting Policies

Executive Management Team



Mr. Edeki Isujeh
Managing Director

Mr. Moses Ariyibi
ED, Technical Operations

Mr. Foluso Sowande
Chief Financial Officer

Mr. Olumide Awe
Head, Investment

Mr. Ayodele Iyun
Head, Technical Division

Mr. Dandy Ogiugo
Chief Technology Officer

Executive Management Team Contd



Mrs. Kate Ojih
Head, Northern Region

Mr. Ibrahim Lawal
Head, Internal Audit

Mr. Gboyega Oyesola
Head, Management Services

Mr. Femi Oloniyo
Technical Operations

Mr. Silas Aondona
Regional Manager

Report of The Directors
For the year ended 31 December, 2025

1 Accounts

The Directors submit their report on the affairs of Custodian and Allied Insurance Limited ("the Company") together with the Company's audited financial statements for the year ended 31 December 2025.

2 Commencement of business

The Company commenced business in 2007.

3 Legal form

The Company was incorporated on 16 March, 2007 as a private limited liability company called "Crusader General Insurance Limited". The Company's name was changed to Custodian and Allied Insurance Limited in March 2013 following the successful scheme of merger between Crusader Nigeria Plc and Custodian Investment Plc (formerly Custodian and Allied Plc).

The Company is a wholly owned subsidiary of Custodian Investment Plc (formerly Custodian and Allied Plc).

4 Principal activities and business review

The principal activities of the Company during the year were the provision and marketing of general and special risk services and products.

5 Directors and their shareholdings

The Directors of the Company and their interest in the share capital of the Company as at the year ended under review were:

Directors	2025	2024
Mr. Ibrahim Dikko	Nil	Nil
Mr. Edeki Isujeh	Nil	Nil
Mr. Ravi Sharma	Nil	Nil
Mr. Ademola Ajuwon	Nil	Nil
Mr. Moses Ariyibi	Nil	Nil
Mr Kofo Majekodunmi	Nil	Nil
Mrs. Mimi Ade-Odiachi	Nil	Nil
Mr. Adeniyi Falade	Nil	Nil

The Company is a fully owned subsidiary of Custodian Investment Plc.

6 Directors' interest in contracts

None of the Directors has notified the Company, for the purpose of Section 303 of the Companies and Allied Matters Act, 2020, of any declarable interest in contracts in which the Company was involved as at 31 December 2025.

7 **Major shareholders**

According to the Register of Members, the following Shareholder holds more than 5% of the issued ordinary share capital of the Company as at 31 December 2025:

Name	Units	%
Custodian Investment Plc	19,998,000	99.99

8 **Record of Directors' attendance**

In accordance with Section 284(2) of the Companies and Allied Matters Act, 2020 the record of the Directors' attendance at Directors' Meetings during 2025 is available for inspection at the Annual General Meeting.

9 **Analysis of shareholdings**

The range of shareholdings as at 31 December 2025 is as follows:

Range	Number of Holders	Holders %	Holders Cumulative	Units '000	Units %	Units Cumulative '000
1,000,000	1	50%	1	2,000	0.01	2,000
1,000,001 & ABOVE	1	50%	2	19,998,000	99.99	20,000,000

10. Results	2025 N'000	2024 N'000
Gross premium written	108,833,232	71,688,127
Insurance service revenue	100,893,786	66,250,057
Profit before income tax expense	26,167,205	33,112,912
Income tax expense	(5,490,928)	(3,397,880)
Profit for the year	20,676,277	29,715,032
Transfer to statutory contingency reserve	-	-
	20,676,277	29,715,032
Retained earnings brought forward	34,547,316	12,917,456
Transfer of fair value reserve of equity instruments designated at FVOCI (Note 19.2)	276,885	-
Transfer to statutory contigency reserve	(5,233,441)	(2,085,172)
	50,267,037	**40,547,316**
Final dividend	(15,000,000)	(6,000,000)
Interim dividend	-	-
Retained earnings as at 31 December	**35,267,037**	**34,547,316**

11 **Directors' responsibilities**

The Directors are responsible for the preparation of the financial statements that present fairly, in all material respects, the state of financial affairs of the Company at the end of each financial year, and of the profit or loss and other comprehensive income for that year, in line with the International Financial Reporting Standards (IFRS) and comply with the Companies and Allied Matters Act 2020, the provisions of the Nigerian Insurance Industry Reform Act 2025 and relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria (Amendment) Act 2023. In so doing, the Directors ensure that:

- Proper accounting records are maintained
- Adequate internal control procedures are established which, as far as is reasonably possible, safeguard the assets and prevent and detect fraud and other irregularities
- Applicable accounting standards are followed
- Suitable accounting policies are adopted and consistently applied
- Judgments and estimates made are reasonable and prudent, and
- The going-concern basis is used, unless it is inappropriate to presume that the Company shall continue in business.

12 **Corporate governance**

The Company maintains corporate policies and standards designed to encourage good and transparent corporate governance, avoid potential conflicts of interest and promote ethical business practices. The business of the Company is conducted with integrity which pays due regard to the legitimate interests of all our stakeholders.

13 **Personnel**

(a) **Employment of disabled persons**

No disabled person was employed by the Company during the period under review. It is however the Company's policy to consider disabled persons for employment if academically and mentally qualified.

Average number of persons including Directors employed by the Company during the year was:

	2025 Number	2024 Number
Management	12	12
Staff	112	119

(b) **Health, Safety and Welfare**

The Company provides subsidies to all employees for medical care and treatment. Employees are made aware of the safety regulations in force within the premises.

(c) **Employee involvement and training**

The Company is committed to keeping its employees fully informed as far as possible regarding the Company's performance and progress, and seeking their views, wherever practicable on matters which particularly affect them as employees. Professional, technical and management expertise are the Company's major assets. Therefore, continuous development thereof is keenly pursued by the Company in the form of regular training for employees.

14 **Auditors**

Deloitte and Touche has indicated their willingness to continue in office as auditors in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020 and Section 6(2) of the National Insurance Commission(NAICOM)'s 2021 Corporate Governance Guidelines for Insurance and Reinsurance Companies in Nigeria.

BY ORDER OF THE BOARD

CUSTODIAN TRUSTEES LTD
AUTHORISED

Adeyinka Jafojo
FRC/2013/PRO/NBA/00000002403
For: Custodian Trustees Limited
LAGOS, NIGERIA
COMPANY SECRETARY
27 February 2026

Statement of Directors Responsibilities

In Relation To The Preparation Of The Financial Statements for the year ended 31 December, 2025

The Companies and Allied Matters Act, 2020, requires the Directors to prepare financial statements for each financial year that presents 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. The responsibilities include ensuring that the Company:

a) 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;

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 annual 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 as issued by the International Accounting Standards Board(IASB), the provisions of the Companies and Allied Matters Act, 2020, the Nigerian Insurance Industry Reform Act 2025 and relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria (Amendment) Act 2023 .

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 of its profit and other comprehensive income. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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.

Mr Ibrahim Dikko
Chairman
FRC/2013/PRO/DIR/003/00000001718
27 February 2026

Edeki Isujeh
Managing Director
FRC/2020/PRO/DIR/003/00000022391
27 February 2026

Certification Pursuant

To Section 405 Of The Companies And Allied Matters Act, 2020 For The Year Ended 31 December, 2027

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

We have reviewed the audited financial statements and based on our knowledge:

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

ii. the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the periods covered by the audited financial statements ;

We: We:

i. are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to us by other officers of the Company, particularly during the period in which the audited financial statement report is being prepared,

ii. have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of the audited financial statements, and

iii. certify that the Company's internal controls are effective as of that date ;

We have disclosed the following to the Company's auditors and Board audit committee:We have disclosed the following to the Company's auditors and Board audit committee:

i. all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarise and report financial data, and has identified for the Company's auditors any material weaknesses in internal controls, and

ii. whether or not, there is any fraud that involves management or other employees who have a significant role in the Company's internal control ; and

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

Edeki Isujeh
FRC/2020/PRO/DIR/003/00000022391
Managing Director
27 February 2026

Foluso Sowande
FRC/2024/PRO/ICAN/001/878660
Chief Financial Officer
27 February 2026

Internal Control Over Financial Reporting (ICFR) Certification

For The Year Ended 31 December 2025

I, certify that:

1 I have reviewed this Financial Statements for the year ended 31st December 2025 of Custodian and Allied Insurance Limited

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

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

4 The company's other certifying officer and I:

i. are responsible for establishing and maintaining internal controls.

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

iii. have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

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

5 The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors: We:

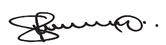
Internal Control Over Financial Reporting (ICFR) Certification Contd

I. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system

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

We have disclosed the following to the Company's auditors and Board audit committee:



Edeki Isujeh
FRC/2020/PRO/DIR/003/00000022391
Managing Director
27 February 2026

Internal Control Over Financial Reporting (ICFR) Certification

For The Year Ended 31 December 2025

I, certify that:

1 I have reviewed this Financial Statements for the year ended 31st December 2025 of Custodian and Allied Insurance Limited

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

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

4 The company's other certifying officer and I:

i. are responsible for establishing and maintaining internal controls.

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

iii. have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

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

5 The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors: We:

Internal Control Over Financial Reporting (ICFR) Certification Contd

i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system

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

We have disclosed the following to the Company's auditors and Board audit committee:



Foluso Sowande
FRC/2024/PRO/ICAN/001/878660
Chief Financial Officer
27 February 2026

Corporate Governance

The Board and Management of Custodian and Allied Insurance Limited ("the Company" / "Custodian") recognize the importance of upholding the confidence of shareholders who expect the highest standards of ethical behavior and sound governance practices. To this end, the Company maintains a strong compliance culture ensuring that all operations are conducted in accordance with the principles of probity, accountability, transparency, and fairness.

The Company places emphasis on regulatory compliance as an integral part of its corporate governance framework. As such, it consistently complies with the National Insurance Commission Corporate Governance Guidelines (the "Guidelines") as well as the Nigerian Code of Corporate Governance ("NCCG") 2018 issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council (FRC)of Nigeria respectively. In addition, the Company maintains a robust internal control system designed to ensure that the Board, Management, and employees uphold the required legal and ethical standards in the execution of their responsibilities.

We believe stakeholder input enhances the Company's competitiveness and long-term performance. As a result, the Company promotes teamwork and values the contributions of shareholders, employees, clients, creditors, and suppliers. Through its Corporate Governance framework, the Company ensures that stakeholder engagement is effectively managed and aligned with the achievement of its strategic goals.

Ethical Standards

The Company is committed to promoting a culture of integrity and expects all employees to uphold the highest ethical standards in the discharge of their responsibilities. In furtherance of these commitments, the Board has adopted the National Insurance Commission Corporate Governance Guidelines and the NCCG, which together provide the Corporate Governance best practice framework for the Company and incorporates certain applicable laws, rules, and regulatory requirements which the Company is obligated to comply with. Recognizing that the Company operates within a constantly evolving, dynamic, and versatile economic landscape, it is also expected to, amongst others, comply with the:

- Companies and Allied Matters Act, 2020
- National Insurance Commission Corporate Governance Guidelines
- Financial Reporting Council of Nigeria Act 2011
- Insurance Act 2003
- Audit Regulations, 2020
- Nigerian Code of Corporate Governance ("NCCG")
- International best practice
- The Company's Memorandum and Articles of Association.

The Company's Code of Conduct and Board Charter reinforce its commitment to conducting business in full compliance with all applicable laws and regulations, while adhering to the highest ethical standards. Custodian expects all Directors, officers, and employees, as well as those within its affiliates, to uphold both the spirit and the letter of these standards. This expectation is communicated to every new Director, officer, and employee, as well as to those already in office, upon the adoption of the Standards of Business Conduct.

Corporate Legal Structure

The Company is a limited liability company as defined under the Companies and Allied Matters Act [the Act]. Corporate powers reside in the Board of Directors and the Shareholders at the Annual General Meeting. The functions and powers of both bodies are stipulated by the Act and the Company's Memorandum and Articles of Association.

Annual General Meeting

Annual General Meetings are vital to the implementation of the Company's Corporate Governance framework and are duly convened in line with the Company's Articles of Association and existing statutory requirements. Attendance at Annual General Meetings is open to all Shareholders or their proxies while the principle of 'one share, one vote' applies.

The Board

The Board of Directors of Custodian and Allied Insurance Limited acts on behalf of the shareholders, provides overall oversight, and is responsible for overseeing and managing the Company's strategic business direction. It regularly evaluates and provides an informed, balanced, and comprehensive assessment of the Company's performance and future outlook. The Board is accountable for implementing appropriate measures to ensure effective risk management and control within the Company, as well as ensuring compliance with applicable statutory requirements and internal regulations. Additionally, it approves periodic financial statements (whether audited or unaudited), any significant changes in accounting policies or practices, and alterations to the Company's capital structure, along with the approval of the annual operating and capital expenditure budgets.

The Board ensures regular training of its members on issues pertaining to their oversight functions as well as Corporate Governance best practices. The Board or a Committee of the Board receives and reviews Management Reports to apprise itself with activities within the Company which are critical to its operations and sustainability.

The Board is accountable to Shareholders and ensures that the conduct of the Company's activities is within the applicable regulatory framework. The Board is also responsible for reviewing the Company's performance, setting objectives, and determining strategy. In so doing, the Board safeguards the Company's interests and aspires to achieve a long-term increase in the Company's values.

Delegation to Management

The Board has delegated the responsibility for the day-to-day operations of the Company to Management, ensuring that Management maintains a balance between fostering long-term growth and achieving short-term objectives. In carrying out its primary duties, the Board recognizes the importance of balancing adherence to governance principles with the need for strong economic performance.

Directors' Independence

Directors are expected to contribute views and judgment at Board deliberations that are independent of Management and free of any business or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgment, having regard to the best interests of the Company.

Meetings of the Board

In enhancing Board effectiveness and performance of its oversight functions and to adequately monitor Management's performance, the Board meets at least once every quarter. Periodic meetings of the Board are held at such times and places as determined by the Board, while special meetings are held at other times as the Board may consider expedient.

All Directors are provided with notices, agenda, and Board documents ahead of each meeting to enable them to prepare adequately for meetings. Directors are also provided with regular updates on developments in the regulatory and business environment.

Change in a Director's Occupation

The Board does not believe that Directors who retire or change the position they held when they became a member of the Board should necessarily leave the Board. However, promptly following such an event, the Director must notify the Board of such event, and the Board may take such event into consideration when determining whether to re-nominate such Director.

Appointment Process, Orientation and Training of Board Members

The Company's Board Succession Policy ensures that the Company is managed and overseen by icons who are knowledgeable, skilled in their respective fields, capable and trustworthy individuals. In making Board appointments, the Board recognizes knowledge, experience, and skill of prospective Directors as well as other qualities considered necessary for the role. The Board Risk Management and Governance Committee is responsible for Directors' succession planning and recommends new appointments to the Board.

Upon appointment to the Board, newly appointed Directors are given adequate orientation on the Company's business, Corporate Governance and reporting procedures and are updated on such matters on a continuing basis. Directors are briefed on policies and procedures applicable to the Board and Board Committees as well as on the rights and responsibilities of Directors. Various reports are sent to Directors in order to keep them informed of the Company's undertakings.

The Company attaches great importance to training its Directors and for this purpose, continuously offers training and education to its Directors, in order to enhance their performance on the Board and the various committees to which they belong.

Re-Election of Directors
In accordance with the Company's Articles of Association, one-third of all Non-Executive Directors are presented for re-election every year. In keeping with this requirement, Mr. Ibrahim Dikko and Mr. Adeniyi Falade will retire at this Annual General Meeting and being eligible will submit themselves for re-election. The Board confirms that following a formal evaluation, the Directors continue to demonstrate commitment to their duties and roles as Non-Executive Directors.

The Board is convinced that the Directors standing for re-election will continue to add value to the Company. The Board believes that they are required to maintain the balance of skill, knowledge, and experience on the Board.

The biographical details of the Director standing for re-election are set in the Annual Report.

Directors' Access to Management and Independent Advisers
The Board of the Company has the authority to retain, terminate and determine the fees and terms of engagement of consultants, legal counsel and other advisers to the Board as the Board may deem appropriate in its discretion. Directors receive operating and financial reports of the Company and have access to Senior Management.

Board Structure and Composition
The Company's Board comprises eight [8] Directors: two (2) Executive Directors and six (6) Non-Executive Directors who were appointed in accordance with the criteria laid down in the Code of Corporate Governance for the Insurance Industry and the provisions of the Companies and Allied Matters Act 2020.

The Board functions either as a full Board or through any of the under-listed three (3) Committees which are constituted as follows:

Audit and Compliance Committee
Mrs. Mimi Ade-Odiachi - Chairperson
Mr. Adeniyi Falade
Mr. Kofoworola Majekodunmi
Mr. Ravi Sharma
Mr. Ademola Ajuwon

Risk Management and Governance Committee
Mr. Ravi Sharma - Chairman
Mr. Adeniyi Falade
Mrs. Mimi Ade-Odiachi
Mr. Kofoworola Majekodunmi

Finance, Investment and General-Purpose Committee
Mr. Kofoworola Majekodunmi - Chairman
Mr. Ademola Ajuwon
Mr. Ravi Sharma
Mr. Adeniyi Falade
Mr. Edeki Isujeh

A record of attendance at Board of Directors meetings held in 2025 are provided below:

Directors	January 17, 2025	March 4, 2025	April 24, 2025	July 22, 2025	October 22, 2025
Mr. Ibrahim Dikko	✓	✓	✓	✓	✓
Mr. Edeki Isujeh	✓	✓	✓	✓	✓
Mr. Moses Ariyibi	✓	✓	✓	✓	✓
Mr. Adeniyi Falade	✓	✓	✓	✓	✓
Mr. Kofoworola Majekodunmi	✓	✓	✓	✓	✓
Mrs. Mimi Ade-Odiachi	✓	✓	✓	✓	✓
Mr. Ravi Sharma	✓	✓	✓	✓	✓
Mr. Ademola Ajuwon	✓	✓	✓	✓	✓

A record of the attendance at the Audit and Compliance Committee meetings held in 2025 is provided below:

Directors	March 3, 2025	April 17, 2025	July 16, 2025	October 16, 2025
Mrs. Mimi Ade-Odiachi	✓	✓	✓	✓
Mr. Adeniyi Falade	✓	✓	✓	✓
Mr. Kofoworola Majekodunmi	✓	✓	✓	Apology
Mr. Ademola Ajuwon	✓	✓	✓	✓
Mr. Ravi Sharma	✓	✓	✓	Apology

A record of the attendance at the Board Risk Management and Governance Committee meetings held in 2025 is provided below:

Directors	April 15, 2025	April 26, 2025	July 16, 2025	October 16, 2025
Mr. Ravi Sharma	✓	Apology	Apology	✓
Mr. Kofoworola Majekodunmi	✓	✓	✓	✓
Mrs. Mimi Ade-Odiachi	✓	✓	✓	✓
Mr. Adeniyi Falade	✓	✓	✓	✓

A record of attendance at Finance, Investment and General-Purpose Committee meetings held in 2025, is provided below:

Directors	February 28, 2025	April 20, 2025	July 17, 2025	October 20, 2025
Mr. Kofoworola Majekodunmi	✓	✓	✓	✓
Mr. Ravi Sharma	✓	✓	✓	✓
Mr. Ademola Ajuwon	✓	✓	✓	✓
Mr. Adeniyi Falade	✓	✓	✓	✓
Mr. Edeki Isujeh	✓	✓	✓	✓

Profile of Directors - Custodian & Allied Insurance Limited

Mr. Ibrahim Dikko
Mr. Ibrahim Dikko graduated with an LL.M [Corporate & Commercial Law] degree from Queen Mary & Westfield College, University of London, England after obtaining his LL. B from the University of Buckingham, England. He was called to the Nigerian Bar in 1990. He is a Fellow of the Society for Corporate Governance Nigeria. He has worked in several capacities and industries that span across banking, information technology and telecommunications.

He worked in Kenneth Michael & Co between 1991 and 1992 and was on the team responsible for setting up the first discount house in Nigeria. He served as the Chairman of First Securities Discount House Limited from 2002 – 2012 and worked as an Executive Director in Resourcery Plc from 2000 to 2007. He was also Vice President [Regulatory and Corporate Affairs] at Etisalat Nigeria from 2007 to 2017.

He currently sits as an Independent Director on the Boards of CSCS Plc and Baker Hughes Company Limited.

Mr. Edeki Femi Isujeh - Managing Director
Mr. Isujeh has over thirty years' experience in the insurance industry, having worked in different insurance companies in Insurance Operations, Sales/Business Development and General Management. At Custodian, he has, at various times, coordinated the Marketing and Technical Operations of the company. As a result of his commitment and hard work, he was appointed Executive Director of the Company in 2016.

He holds a Bachelor of Science degree in Insurance from the University of Lagos and is a member of the Chartered Insurance Institute, London. Aside from various technical courses attended in and outside Nigeria, he has over the years attended management courses preparing him for leadership roles. He is an Alumnus of the Lagos Business School as well as the prestigious Wharton Business School, USA where he attended Executive programmes.

Mr. Ravi Sharma- Non-Executive Director
Mr. Sharma is a Partner with Aureos Nigeria Advisers Limited with over 10 years' experience obtained in the fields of private banking, investment banking and private equity. He joined Aureos in 2001 as a consultant and was a key member of the local team that participated in the establishment of the Aureos West Africa Fund LLC (AWAF) in 2003; which included opening a new office for Aureos in Nigeria and subsequently the Aureos Africa Fund LLC (AAF) in 2008. Prior to joining Aureos Nigeria Advisers, Ravi worked for Aureos Ghana Advisers, where he was involved in 11 exits from Ghana Venture Capital Funds (GVCF) portfolio companies.

Since relocating to Nigeria, Ravi has been responsible for sourcing, structuring, monitoring and exiting investments across various sectors. He has been instrumental in the investment of over US$65 million of Aureos Funds in Nigeria. He was also responsible for the partial divestment from two of the AWAF portfolio companies in Nigeria. Ravi sits on the board of nine (9) Aureos portfolio companies. His previous experience was gained in private and investment banking with Barclays Private Bank (London) and TAIB Bank (London). Ravi holds an MBA from the University of Wales and has a B.Sc. in Economics & Accounting from the City University, London.

Mr. Ademola Ajuwon
Mr. Ajuwon is an accomplished executive with domestic and international experience in Financial Control, ERP Systems Integration, Project Management, Capital Sourcing, Treasury Management and Investment Appraisal. A 1984 graduate of Accounting from the University of Benin and winner of the prestigious CJ Buck's prize for excellent score in Management Accounting at the final examination of the Institute of Chartered

Accountants of Nigeria (May, 1986), 'Demola started his career with the firm of Akintola Williams & Co and qualified as a chartered accountant with Arthur Andersen & Co. (now KPMG Professional Services). He worked, at various times, as Head, Money Markets /Discountable Instruments Unit at Ecobank Nigeria PLC and pioneer Treasury Manager at Zenith International Bank PLC.

He has provided leading-edge consulting services on financial applications analysis and value-added technology deployment to world class organizations including the City of Atlanta, Yale University, the George Washington University, City of Detroit, AT&T, Dell Corporation, Lexmark Corporation, Severstal Steel and the American Red Cross.

He has attended several management and professional development courses at home and abroad. A fellow of the Institute of Chartered Accountants of Nigeria and a member of the American Institute of Certified Public Accountants, Demola is certified as a financial applications consultant by both Oracle Corporation and SAGE Corporation.

Mrs. Mimi Ade-Odiachi

Mrs. Ade-Odiachi is a seasoned professional and entrepreneur with over three decades' experience in Non-Bank Financial Services (Insurance), Hospitality Management and Landscape Architecture. She holds a Bachelor's Degree in Insurance from the University of Lagos. She is also a chartered Insurer. She is an Executive Director at Whispering Palms Hotels & Resort. She is also the Founder and Chief Executive Officer of
Omar Gardens Floral Company. She is currently serving as the Chairperson of Custodian Life Assurance Limited and Custodian Social Responsibility Foundation.

Mr. Kofoworola Majekodunmi

Mr. Majekodunmi is a Director on the Board of Custodian and Allied Insurance Limited. He is a Legal Practitioner and accomplished Investment/Corporate Banker and Capital Market Expert who brings to the Board over three decades' experience in deal origination and structuring. He is vastly experienced in treasury, corporate banking, corporate finance and syndication, operations and information technology as well as privatization advisory structures having been involved in a couple of landmark transactions in the financial services sector of the Nigerian economy.

Kofoworola is an alumnus of the Lagos Business School, Nigerian Law School, London School of Economics and Political Science, where he bagged his MBA, BL. and LL. B degrees respectively. He is a member of the Nigerian Economic Summit (active participation in the Committee for the improvement of the Nigerian Ports) and Institute of Directors (IoD). He also sits on the Boards of Custodian Life Assurance Limited, Leadway Pensure, St. Nicholas Hospitals, MBC Securities and he is the Group Managing Director of MBC Capital Limited.

Mr. Adeniyi Falade

Mr. Falade is a Chartered Accountant, Chartered Stockbroker and an Investment Banker. He had his professional accountancy training at PricewaterhouseCoopers, and Coopers & Lybrand Limited, Lagos. He holds a Master of Business Administration (MBA) from the University of Warwick, United Kingdom and a Bachelor of Science degree (Bsc), from the University of Ibadan.

Before his appointment as Executive Director of Custodian Investment PLC, he had served as Managing Director of CrusaderSterling Pensions Limited, Managing Director of Lead Capital and Head of Investment Banking Group of Ecobank Nigeria Plc and Lead Bank Plc. He had also, at various times, served as Head of Internal Control/ Chief Inspector and Head of Risk Management Department of Lead Bank Plc. He is also a member of the Board of Directors of Custodian Life Assurance Limited, Custodian Trustees Limited, UPDC PLC and Interstate Securities Limited.

Mr. Moses Ariyibi – Executive Director

Mr. Ariyibi's insurance career started with ACEN Insurance Plc, a specialist company in Construction/Engineering and Special Risks insurance underwriting where he served meritoriously in the underwriting department. He joined Custodian & Allied Insurance Limited in 1999 as Head, Fire/Accident & Special Risks Department and was later appointed as the Team Leader, Construction/Engineering, Oil & Energy Group. He also served as Head of Marketing before assuming his present role. Moses has two decades of experience in the insurance industry and has attended several Management and Technical courses in Advanced Construction / Engineering Underwriting and claims organized by MUNICH RE, one of the largest reinsurance companies in the world.

He holds a Higher National Diploma in Insurance from The Polytechnic, Ibadan and a Master of Business Administration (MBA) degree from Obafemi Awolowo University (OAU) Ile Ife. He is an Associate Member of the Chartered Insurance Institute of Nigeria and a graduate of the Senior Management Programme of the prestigious Lagos Business School.

Communication with Third Parties
The Directors are of the view that Management holds the primary responsibility for the Company's communications with third parties, including investors, the media and the general public. Accordingly, Directors only engage in such communications at the request of or after prior consultation with Management.

Performance Monitoring and Evaluation
As part of its ongoing commitment to best practices in corporate governance, the Board retained the services of an Independent Consultant, Society for Corporate Governance Nigeria, to carry out the annual Board evaluation for the 2025 financial year.

The Board believes that the use of an independent consultant enhances the integrity of the evaluation process by encouraging frank assessments from Directors, while ensuring objectivity and transparency.

The scope of the evaluation included a comprehensive review of the Board's composition, structure, duties, interactions, and processes, as well as the competencies, and roles of individual Directors in contributing to the overall performance of the Board. It also examined the Company's compliance with the requirements of the NCCG, and the Guidelines issued by the Financial Reporting Council of Nigeria and the National Insurance Commission (NAICOM). The result also indicated that the Board and its members continue to function at a high level of effectiveness and efficiency.

Roles of the Chairman and the Managing Director
In line with internationally accepted corporate governance standards, a clear separation of powers exists between the positions of Chairman and Managing Director. The Chairman focuses on leading the Board and promoting its effectiveness, while the Managing Director is responsible for the overall management and administration of the Company.

Skills, Knowledge, and Characteristics of the Board
The Board periodically assesses the profiles and qualifications of its members to ensure a diverse and complementary range of expertise, along with a balanced blend of skills and experience necessary for the effective execution of its duties and the evaluation of the Company's core and associated business activities.

Company Secretariat and Access to Independent Professional Advice
Custodian Trustees Limited acts as Company Secretary to the Company.

The Company Secretary works closely with the Chairman to facilitate effective flow of information between the Board, its Committees and Senior Management. The role also includes providing guidance and support to the Board on corporate governance matters. The appointment and removal of the Company Secretary are subject to the approval of the Board, and all Directors have unrestricted access to information and advice through the Company Secretary.

The Company Secretary ensures that Directors are kept informed of relevant statutory and regulatory requirements relating to Corporate Governance procedures and provide guidance on their duties and responsibilities where necessary. The Secretariat is responsible for maintaining the Company's statutory registers and records and serves as a link between the Board, Shareholders, and other Stakeholders.

In addition to the support provided by the Company Secretary, the Board retains the right to seek independent professional advice and assistance at the Company's expense, where it considers this necessary for the effective discharge of its responsibilities.

Anti-Bribery and Corruption & Anti-Fraud Policy

The Company is dedicated to promoting a culture of integrity and high ethical standards. The Anti-Bribery, Corruption & Anti-Fraud Policy prohibits the offering, giving or receiving of anything of value aimed at influencing or persuading an official or any person to misuse his position for the benefit of the Company or its employees. The Policy also prohibits receiving something valuable for the purpose of influencing an official action. Oversight for compliance with this policy is vested in the Company's Board of Directors and Senior Management.

Remuneration Policy

In line with the Company's policy, the remuneration of Directors is determined by the Risk Management and Governance Committee of the Board, which also has the responsibility of recommending all payments to the Board for approval.

Non-Executive Directors are remunerated in line with the Company's policy comprising fixed annual fees and sitting allowances for their services on the Board and Committees.

As part of its commitment to continuous improvement, the Company has implemented a Clawback Policy.

Employee Involvement and Training

The Company promotes involvement in decision-making on matters affecting their welfare through various platforms. In this regard, employees are provided with opportunities to discuss issues impacting both the Company and their interests, enabling them to contribute meaningfully in related decisions.

In line with the Company's commitment to continuous development, employees are regularly nominated for training programmes which are further supported by on-the-job training initiatives.

Sustainability/ Environmental, Social and Governance (ESG) Policy

Consistent with the Company's policy on Sustainability and ESG, the Company is committed to providing a safe and healthy work environment for its employees, promoting environmental awareness, and ensuring full compliance with all environmental legislations and regulations.

Shareholders' Rights

The Board treats all the Company's shareholders equally, regardless of the magnitude of their shareholdings and social conditions. The Company also ensures that all Shareholders receive notices of meetings and other relevant documents/information necessary for decision making.

External Auditors

Deloitte & Touché acted as the Company's External Auditors for the 2024 financial year. The firm ensures that its responsibilities to the Company are carried out in an independent manner.

Internal Controls

The Company's internal audit function ensures oversight of key compliance matters and provides guidance on strategies, policies, and practices for evaluating and managing risk across the Company. The Head of the Department is a competent professional Accountant with high integrity.

Accounting Principles, Disclosure and Reporting

The Company's accounting practices are fundamental to the information required by its investors, customers, regulators, and other stakeholders to facilitate objective evaluation of the Company and its prospects. The Company's accounting records are presented in a concise and transparent manner so that the Company's financial position at any given time is adequately disclosed.

Reporting and disclosure requirements are in accordance with International Financial Reporting Standards [IFRS]. The Company ensures prudent financial reporting and maximum disclosure in the Annual Reports & Accounts.

Diversity

The Company acknowledges that a diverse workforce is of significant social and commercial value and important to being an inclusive employer. The Company accepts the value that diversity can bring, which includes:

- Providing greater alignment to customers' needs.
- Improving creativity and innovation.
- Broadening the skills and experience of the labour pool from which the Company can draw and attract top talent to its businesses.

The Company is committed to fostering an inclusive work environment that embraces individuals irrespective of gender, age, race, disability, sexual orientation, cultural background, religion, family responsibilities or any other distinguishing characteristics. Diversity in all its forms is valued with particular emphasis on gender diversity.

Code of Ethics

The Company prioritizes high ethical standards and expects its Board, Executives and Employees to observe such standards in all their dealings. The Company's Code of Ethics Policy outlines the minimum standards of conduct expected in the management of its business. All stakeholders are expected to comply with these standards in the discharge of their duties.

Whistleblowing

The Company has a Whistleblowing Policy which allows reporting of suspected breaches of the Company's policies or other unethical practices. The policy also provides for protection against harassment or victimization of employees who report genuine concerns, malpractice or illegal acts or omissions by Directors and employees.

The Company's Whistleblowing Policy ensures that whistleblowing would assist in uncovering significant risks in line with best practices. Under the policy, a whistle blower who in good faith, reports suspected violations or attempted violation of the Policy or who reports a request or offers a corrupt payment is protected. A form for this purpose is available on the Company's website.

Statement of Compliance

The Company is a limited liability company and is required to comply with the provisions of the NCCG and the National Insurance Commission Corporate Governance Guidelines. The Board of Directors charged with the responsibility of ensuring compliance, has submitted that the Company complied with the provisions of the NCCG and the Guidelines in the 2025 financial year.

The Company also complied with all the relevant laws of the Federal Republic of Nigeria.

CUSTODIAN TRUSTEES LTD
AUTHORISED

ADEYINKA JAFOJO
FRC/2013/PRO/NBA/002/00000002403
Custodian Trustees Limited
Company Secretary
Dated this 31st day of March 2026

Board Evaluation Report

For the Board of Custodian And Allied Insurance Limited

SOCIETY FOR CORPORATE GOVERNANCE NIGERIA
Leadership And Integrity

Executive Summary

The Society for Corporate Governance Nigeria was engaged to conduct an independent evaluation/assessment of the performance of the Board of Custodian and Allied Insurance Limited for 2025 as part of stipulated regulatory requirement.

Scope

The scope of the evaluation covered the following areas:

- Composition, commitment, and alignment of the skills/qualifications of directors to business requirements and performance
- Composition/effectiveness of the committees
- Compliance with existing regulatory requirements
- Effectiveness of directors in the delivery of their fiduciary responsibilities
- Effective transparency and disclosure channels

Summary of Findings

Leadership: The Board Chairman exhibits a leadership style that promotes an environment encouraging active participation and contribution of Board members at meetings. The positions of Chairman and Managing Director are held by separate individuals, ensuring clear separation of powers. The Chairman is a Non-Executive Director and is not a member of any board committee, in line with regulatory requirements.

Board Meetings: The Board met five (5) times during the year with an aggregate attendance exceeding 80%. Meetings were constructive, aligned to the agenda, and directors made meaningful contributions. Board packs were circulated in advance to facilitate informed discussion. The Board adequately performed its oversight and other responsibilities during the period under review.

Board Composition & Capacity: The Board comprises a total of eight (8) directors: One (1) Female and Seven (7) Males. Composition includes Two (2) Executive Directors, Four (4) Non-Executive Directors, and Two (2) Independent Non-Executive Directors. The Board is diverse in skill and experience, aligning with the strategic needs of the Company.

Board Committees: The Board has three (3) committees: Board Audit and Compliance Committee, Finance, Investment and General-Purpose Committee, Risk Management and Governance Committee. All committees met regularly as required by regulators, with members in attendance. Each committee has an articulated charter or Terms of Reference. The Chairman of the Board is not a member of any Board Committee.

Board Oversight Functions: All policy documents were sighted and assessed for content and relevance. They were found to be detailed, comprehensive, and effective in guiding business processes and mitigating risk exposures.

Strategy & Planning: The Board continues to take strategic oversight seriously, setting strategic initiatives and direction for the Company to ensure alignment with long-term objectives.

Transparency and Accountability: The Board ensures timely disclosures to provide internal and external stakeholders with relevant and reliable information about the quality of the Company's governance practices. Company communications are clear, readable, and understandable. Dealings of the Company and Board are transparent and in the best interest of the Company. Stakeholders have an accurate picture of the Company's financial position, as reflected in the Annual Reports and published on the official website.

Director Appointment & Development: Directors actively engaged in professional development programs covering regulatory frameworks, solvency controls, tax law, and compliance (AML/CFT/CPF), ensuring preparedness for effective oversight and decision-making.

Risk Management & Compliance: The Board has established an adequate risk management framework for managing risk exposures and ensuring effective internal control systems. Processes are in place for assessing, monitoring, managing, and reporting regulatory compliance. An annual risk assessment evaluates all risk exposures of the Company. The risk management function is headed by a qualified management team reporting periodically to the Risk Management Committee of the Board.

Conclusion

Based on the analysis of results, the Board has demonstrated dedication and commitment to the growth and success of the Company, as evidenced by contributions, individual performance, attendance at Board and Committee meetings, and depth of discussions and resolutions. Directors' competencies align with the requirements and needs of the Company.

In line with the National Insurance Commission, Corporate Governance Guidelines, and the Nigerian Code of Corporate Governance (NCCG), Custodian and Allied Insurance Limited are, to a large extent, compliant with regulatory requirements and the recommended best practices for 2025.

Overall, the Board conducted its affairs in an acceptable and satisfactory manner during 2025.

FOR: SOCIETY FOR CORPORATE GOVERNANCE NIGERIA



Chioma Mordi (Mrs.)
Chief Executive Officer
FRC/2014/NIM/00000007899

Deloitte.

Independent Auditors' Report To The Shareholders Of Custodian Allied Insurrance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Custodian and Allied Insurance Limited set out on pages 70 to 351, which comprise the statements of financial position as at 31st December 2025, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, the notes to the financial statements, including material accounting policy information

In our opinion, the financial statements give a true and fair view of financial position of Custodian and Allied Insurance Limited as at 31st December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act, 2020, the Nigerian Insurance Industry Reform Act (NIIRA),2025, circulars and guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria (Amendment) Act 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and other independence requirements applicable to performing audits of financial statements of public interest entities in Nigeria. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Financial Statements in Nigeria.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Insurance Contracts Liabilities IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. In line with the standard, the Company has adjusted the carrying amount of the liability for the remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. While for other business lines, the company has elected not to discount the liability for the remaining coverage. In estimating the claims payment pattern for liability for incurred claims, the Company sets assumptions regarding the future timing of the claims settlement and determines the best estimate for claims development or payment. As disclosed in note 10 to the financial statements, the insurance contract liabilities for the Company amounted to N50.686 billion. This represents about 60% of the Company's total liabilities as at 31 December 2025.	**Our procedures included the following among others:** .Reviewed the product classification, IFRS 17 policy and methodology papers. .Reviewed the Actuarial models and IFRS 17 Subledgers for completeness and accuracy. .Considered the validity of management's onerous assessment testing which is a key test performed to check that the liabilities are adequate in the context of expected experience. Our work on the onerous assessment test included assessing the reasonableness of the projected cashflows and challenging the assumptions adopted in the context of company and industry norms and specific product features. .Involved our Internal actuarial specialist in the review of the key assumptions and judgements in line with general actuarial methods and industry standards and assessment of the adequacy of the insurance liabilities in line with the requirement of IFRS 17.

Key Audit Matter	How the matter was addressed in the audit
Estimating insurance contract liabilities under IFRS 17 involves high estimation uncertainties and requires management to apply significant judgment and assumptions over uncertain future outcomes. Provisions for insurance contracts primarily comprise unexpired coverage provision (liability for remaining coverage, LRC) and claims provisions (liability for incurred clams, LIC). The Company applied the IFRS 17 Premium Allocation Approach (PAA) for the measurement of groups of insurance contracts for its businesses. Accounting estimates in respect of provisions for insurance contracts is an experience-based estimate involving use of historic claims data and complex actuarial methods and models, which involve significant assumptions on the frequency and extent of insurance events relating to the insurance contracts. The determination of discount rates reflecting the characteristics of cash flows. Assumptions regarding the frequency and extent of insurance events and claims development patterns. The use of complex actuarial methods and models to estimate the Liability for Incurred Claims (LIC) and Liability for Remaining Coverage (LRC).	.Ensured the appropriateness of the journals posted, footed, and agreed the figures disclosed in the financial statements to the figures stated in the actuarial valuation after a thorough review of the basis and assumptions. .We reviewed the methodology and processes adopted by management for making reserves in the books of the company. .We tested entity's control around reserving process and maintenance of data for valuation of insurance contract liabilities. .We validated the data used in the valuation of the insurance contract liabilities. We found that the assumptions used by management were comparable with the market, accord with best practices, the key input data used in estimating the fair value of the insurance contracts liabilities were reasonable in the circumstances. We consider the insurance contract liabilities recognized in the company's books and the related disclosures in the financial statements to be adequate.

Key Audit Matter	How the matter was addressed in the audit
The level of complexity, the significant judgments and assumptions applied by management in estimating these insurance contract liabilities is of significance to our audit. The Company has an in-house actuary who assesses, on periodic quarterly basis, an estimate of the insurance liabilities for the various portfolio managed by the Company. At the end of each financial year, management employ the services of an external actuary in the determination of its insurance liabilities after considering the accuracy and integrity of data used in the valuation.	

Other Information
The directors are responsible for the other information. The other information comprises the information included in the document titled "Custodian and Allied Insurance Limited Annual Financial Statements for the year ended 31st December 2025, which includes Report of the Directors, Management Discussion and Analysis, Statement of Directors' Responsibilities in Relation to the Preparation of the Financial Statements, Certification of Financial Statements and Other National Disclosures as required by the Companies and Allied Matters Act, 2020, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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.

Responsibilities of the Directors for the Financial Statements
The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act, 2020, the Nigerian Insurance Industry Reform Act (NIIRA),2025, circulars and guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria (Amendment) Act 2023 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

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

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the 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 Fifth Schedule of Companies and Allied Matters Act we expressly state that:

I) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

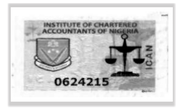
ii) The Company have kept proper books of account, so far as appears from our examination of those books.
iii) The Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

Financial Reporting Council of Nigeria (FRCN) Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement and reported on management's assessment of the Entity's internal control over financial reporting as of December 31, 2025. The work performed was done in accordance with FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on the procedures we have performed and the evidence obtained, we have issued an Unmodified conclusion in our report dated April 2026. That report is included on pages 31-33 of the financial statements.

Faturoti, Ayonike
FRC/2022/PRO/ICAN/004/611525

For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
15 April 2026



Deloitte.

Assurance Report of Independent Auditor

To the Shareholders of Custodian and Allied Insurance Limited Assurance Report on management's assessment of controls over financial reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of Custodian and Allied Insurance Limited as of 31 December, 2025, in accordance with the FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ("the ICFR framework"), and the FRC Guidance on Management Report on Internal Control Over Financial Reporting. Custodian and Allied Insurance Limited management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting, including the accompanying Management's Report on Internal Control Over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the company and our report dated April 2026 expressed an unmodified opinion.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the company did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on the FRC Guidance on Management Report on Internal Control Over Financial Reporting.

Definition of internal control over financial reporting

Internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel to provide

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

I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations

Our procedures included the examination of historical evidence of the design and implementation of the company's system of internal control over financial reporting for the year ended 31 December 2025. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Our limited assurance report is subject to these inherent limitations.

Directors' and Management's Responsibilities

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting.
Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with the International Financial Reporting Standards (IFRS) and the ICFR framework.

Assurance Report of Independent Auditor Contd

Section 7(2f) of the Financial Reporting (Amendment) Act 2023 further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

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

Auditor's Responsibility and Approach

Our responsibility is to express a limited assurance opinion on the company's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the company did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

Assurance Report of Independent Auditor Contd

That Guidance requires that we plan and perform the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the company established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Faturoti, Ayonike, FCA
FRC/2022/PRO/ICAN/004/611525
For: Deloitte & Touche
Chartered Accountants
Lagos.
15 April 2026



Summary of Material Accounting Policies

1 **Corporate information**

Custodian and Allied Insurance Limited ("the Company") commenced operations in 2007. The principal objective of the Company is to render qualitative insurance & risks management services. The company is principally engaged in General Insurance activities. It is a provider of non-life insurance services like auto Insurance, travel Insurance, special risks and other non-life insurance services for both corporate and individual customers.

The Company pays claims arising from insurance contract liabilities and invests policy holders' funds in line with the provisions of Insurance Act, CAP I17, LFN 2004 and NAICOM guidelines.

Custodian and Allied Insurance Limited (RC 685235) was incorporated on 16 March, 2007 as a private limited liability company called Crusader General Insurance Limited". The Company's name was changed to Custodian and Allied Insurance Limited in March 2013 following the successful scheme of merger between Crusader Nigeria Plc and Custodian Investment Plc (formerly Custodian and Allied Plc).
The Company is a wholly owned subsidiary of Custodian Investment Plc.

Custodian and Allied Insurance Limited is regulated by the National Insurance Commission of Nigeria.

2 **Summary of material accounting policies**

2.1 **Introduction to summary of material accounting policies**

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 periods presented, unless otherwise stated.

2.2 **Basis of presentation and compliance with IFRS**

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and IFRS Interpretation Committee (IFRIC) interpretations applicable to companies reporting under

IFRS and in the manner required by Companies and Allied Matters Act of Nigeria, the Insurance Act of Nigeria, the Financial Reporting Council of Nigeria(Amendment) Act 2023 and Nigerian Insurance Commission(NAICOM) guidelines and circulars. Additional information required by national regulations has been included where appropriate.

The preparation of these financial statements have been based on the historical cost basis except for investment properties and certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

In accordance with IFRS 17 Insurance Contracts, the Company has applied existing accounting policies for Non-life insurance contracts, modified as appropriate to comply with the IFRS framework.

The preparation of financial statements in conformity with IFRS requires the Company's Board of Directors to exercise its judgment in applying the Company's accounting policies. The areas involving a higher degree of judgments or complexity, or areas where assumptions or estimates are significant to the financial statements are as disclosed in Section 3 of the Summary of Material Accounting Policies).

The financial statements of Custodian and Allied Insurance Limited have been prepared on a going concern basis. The Directors of the Company have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.
The principal accounting policies are set out on the next pages.

2.3 **Changes in accounting policies and disclosures**

New and amended standards and interpretations

The company applied for the first time, certain standards and amendments which became effective for annual periods beginning on 1 January 2025. Their adoption has not had any material impact on the disclosures on the amounts reported in these financial statements.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

2.3 Changes in accounting policies and disclosures

New and amended standards and interpretations

i) Lack of exchangeability – Amendments to IAS 21

In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have any impact on the financial statements as the reporting currency and functional currency (the Nigerian Naira) is adequately exchangeable for any other currency, as at the date of this financial statements.

2.4 Presentation and functional currency

The financial statements are presented in Nigeria Naira ( ) and are rounded to the nearest thousand ('000) unless otherwise stated.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The Company is incorporated in Nigeria and has adopted Naira as its functional currency.

2.5 Foreign currencies

Transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary item or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on non-monetary is recognised on profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. These assets are readily convertible into known amounts of cash.

2.7 **Financial assets**

Initial recognition and measurement

Financial assets are classified, at initial recognition, as measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of premium receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies on Revenue from non-insurance contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.7 **Financial assets**

Business model assessment

There are three business models available under IFRS 9:

- Hold to collect Financial assets with objective to collect contractual cash flows.
- Hold to Collect and sell (Financial assets held with the objective of both collecting contractual cash flows and selling financial assets).
- Other Financial Assets held with trading intent or that do not meet the criteria of either "Hold to Collect" or "Hold to Collect and sell.

The Assessment of the business model requires judgment based on the facts and circumstances as at the date of the assessment. Custodian and Allied Insurance Limited has considered quantitative factors (e.g. expected frequency value, volume and timing of sales) and qualitative factors such as how the performance of the business model and financial assets held within the business model are evaluated and reported to management; the risk that affect the performance of the business, model and the financial assets held within the business model. In particular, the way in which those risks are managed; and how management received returns on the assets (i.e. whether the returns are based on fair value of the assets managed or on contractual cash flows collected).

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

Solely Payments of Principal and Interest (SPPI)
If a financial asset is held in either a Hold to Collect or Hold to Collect and Sell model, then an assessment is determined whether contractual cash flows are solely payments of principal and interest on principal amount outstanding at initial recognition is required to determine the classification.

Contractual cash flows that are SPPI on the principal amount outstanding are considered as basic lending arrangement with interest as consideration for the time value of money and the credit risk associated with the principal amount outstanding during the tenor of the agreed arrangement. Other basic lending risks like Liquidity risk and cost of administration associated with holding the financial asset for the specified tenor and the profit margin that is consistent with a basic lending arrangement.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.
The Company's financial assets at amortised cost includes debt instruments (bonds), loans to staff, fixed deposits with banks and other receivables.

Financial assets at fair value through OCI (debt instruments)
The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

During the year under consideration, the Company did not have any debt instruments at fair value through OCI.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Company elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category include listed equity investments which the Company had not irrevocably elected to classify at fair value through profit or loss. Dividends on listed equity investments are also recognised as other investment income in profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired
  Or
- The Company has transferred its rights 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.

  When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit

exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For debt instruments at amortised cost, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the credit rating of the debt instrument by international credit rating agencies like S&P, Moody's and Fitch as well as local ratings by Agusto and Co. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. Where the credit risk of any bond deteriorates, the Company will sell the bond and purchase bonds meeting the required investment grade.

The Company's debt instruments at amortised cost comprise solely of quoted bonds that are graded in the top investment category and the credit ratings are tracked by the finance and investment teams via publications by International Credit Rating Agencies and trading exchange platforms.

The Company's fixed income investment portfolio consists of Investment grade and high speculative bonds and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the International Credit Rating Agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant estimates Judgements and assumptions - Section 3 of Summary of Material Accounting Policies).
- Financial assets at amortised cost - Notes 1.3, 2.3 and 2 .4 to the financial statements
- Other receivables and prepayments - Note 4.7 to the financial statements

Write off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises its receivables for write off when a debtor fails to make contractual payments greater than 360 days past due. Where financial assets have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The gross carrying amount of an asset is written off (either fully or partially) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cashflows to repay the amount subject to write off. However, the financial assets that are subjected to write off could still be subject to enforcement activities in other to comply with the Company's procedures for recovery of amount due.

2.8.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised as the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.8.3 Compound instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

The company does not have any issued debt instrument as at the end of 2025 financial year(2024:nil)

2.8.4 Financial liabilities

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method. Once the convertible security is not convertible to fixed numbers of ordinary shares, it cannot be considered a compound instrument.

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss (FVTPL)' or 'other financial liabilities'.
The Company does not have any financial liability that is measured at fair value through profit or loss during the period under review.

2.8.4.1 Other financial liabilities

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.8.4.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are extinguished- i.e. when the obligation specified in the contract is discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

2.8.4.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.9 Receivables

2.9.1 Premium receivables

Trade receivables are recognized when due. The premium receivables arising from insurance contracts issued and include amounts due from agents, brokers and insurance contract holders. Premium receivables are those for which credit notes issued by brokers are within 30days, in conformity with the "NO PREMIUM NO COVER" NAICOM policy.

2.9.2 Other receivables and prepayments

These principally consists of prepayments, sundry debtors and staff loans (carried at amortised cost). Prepayment is not a financial asset. Thus, it is measured at amount initially paid less amortization to profit or loss.

2.10 Investment properties

Recognition and measurement

Investment property comprises investment in land and buildings held primarily to earn rentals or capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Fair values are determined based on an annual evaluation performed by an accredited independent external valuer applying a valuation model.

Derecognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are 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 asset) is included in profit or loss in the period in which the property is derecognised. The amount of consideration to be included in the gain or loss arising from derecognition of investment property is determined in accordance with the requirements for determining the transaction prices in IFRS 15.

Transfers

Transfers are made to or from investment property only when there is a change in use. If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

2.10 Investment properties

Transfers

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

2.11 **Intangible assets**

(a) **Software**

The amount initially recognised for intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.
Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of directly attributable overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Its estimated useful life typically varies between 3 and 5 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year–end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

(b) **Acquired Insurance Liabilities**

On acquisition of a portfolio of insurance contracts the difference between the fair value and the carrying value of the insurance liabilities measured under the Company's accounting policies is recognised as an intangible asset. This is amortized on a systematic basis over the estimated life of the acquired contracts which typically varies between 1 and 10 years. The carrying value is assessed at each reporting date and any reductions are recognised in profit or loss for the period in which they arise. The subsequent measurement of this asset is consistent with the measurement of the related insurance liability.

(c) **Impairment of intangible assets**

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.
The Company tests an intangible asset with an indefinite useful life for impairment by comparing its recoverable amount with its carrying amount:

(a) annually, and
(b) whenever there is an indication that the intangible asset may be impaired.

If there is any indication that an asset may be impaired, recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

Recoverable amount is the higher of fair value less cost of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.12 **Property, plant and equipment**

Property, plant and equipment are those owned and used by the Company, and are stated in the statement of financial position at cost, less any accumulated depreciation and accumulated impairment loss (if any).

Properties, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are available for their intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation is calculated at the following annual rates:

Asset Description	Years
Motor Vehicles	4
Furniture and Fittings	5
Computer and Office Equipment	4
Plant and Machinery	5

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment of property, plant and equipment and right of use (ROU) asset

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained declines in revenues or earnings and material adverse changes in the economic environment.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets.

A Cash Generating Unit (CGU) is the smallest identifiable unit of asset that generates cash inflows that are largely independent of the cash inflows from other assets or Company of assets. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Fair value less costs of disposal is determined by taking recent market transactions into accounts. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognised in profit or loss and are only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

2.13 **Leases**

Initial recognition and measurement

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The cost of a right-of-use asset at inception of the lease includes an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Company incurs the obligation for those costs at the commencement date or as a consequence of having used the underlying asset during a particular period.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (Real Estate 2 to 5 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section(s) Impairment of non-financial assets, Property plant and equipment- (Section 2.12 of the Summary of Material Accounting Policies).

The Company's lease arrangements are majorly real estate leases which include leases of office spaces. These lease arrangements do not contain an obligation to dismantle and remove the underlying asset, restore the site on which it is located or restore the underlying asset to a specified condition.

ii) **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not clearly stated in the lease contract. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The Company enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. if the head lease is a short-term lease that the entity, as a lessee, has accounted for applying paragraph 6, the sublease shall be classified as an operating lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in

the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. When a contract includes lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

Rent receivables

Rent receivables are recognised at their original invoiced value except where the time value of money is material, in which case rent receivables are recognised at fair value and subsequently measured at amortised cost. Refer to accounting policies on financial assets in this section 2.7 of the Summary of Material Accounting Policies).

Tenant deposits

Tenant deposits are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term. Refer also to accounting policies on financial liabilities in section. 2.8.4 of the Summary of Material Accounting Policies.

2.14 Statutory deposit

Statutory deposit represents a deposit of 10% of the regulatory minimum share capital (N3bn) for a non-life insurance business kept with the Central Bank of Nigeria. The cash amount held is considered to be a restricted cash balance.

2.15 Insurance and reinsurance contracts held

Insurance and reinsurance contract

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the

insured event did not occur. This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the Company considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

The Company determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Company to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract. This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the company considers all its substantive rights and obligations, whether they arise from contract, law or regulation. The company determines whether a contract contains significant insurance risk by assessing if an insured event could cause the company to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

The Company issues general insurance to individuals and corporate businesses. The Company Insurance contracts which are classified into various classes like Motor, Aviation, Accident, Marine, Oil and Gas, Engineering, Bond and Fire are accounted for in accordance with IFRS 17 Insurance Contracts. Products offered include Fire insurance, General accident, Motor insurance, Workmen compensation, Marine insurance, Aviation, Oil and Energy, Engineering all risk, Bond, Goods-in-transit, Terrorism etc. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's loss accident. Products sold by the Company are classified as insurance contracts when the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

The Company does not issue any contracts with direct participating features.

Recognition, measurement and presentation of insurance contracts

Separating components from insurance and reinsurance contracts

Some insurance contracts may contain one or more components that would be within the scope of another IFRS if they were separate contracts. Such components may be embedded derivatives, an investment component, or a component for services other than insurance contract services. When separated, those components are accounted for under the relevant IFRS instead of under IFRS 17. This makes these components more comparable to similar contracts that are issued by the Company and other entities as separate contracts and allows users of financial statements to better compare the risks undertaken by entities in different businesses or industries.
Therefore, the Company:

- Applies IFRS 9 to determine whether there is an embedded derivative to be bifurcated (i.e., be separated) and, if there is, account for that separate derivative.
- Separates from a host insurance contract an investment component if, and only if, that investment component is distinct and apply IFRS 9 to account for the separated component unless it is an investment contract with discretionary participation features and then.
- Separates from the host insurance contract any promise to transfer to a policyholder distinct goods or services other than insurance contract services by applying IFRS 15.

Embedded derivatives are not separated for accounting purposes if the non-derivative host is a financial asset within the scope of IFRS 9 i.e., the classification criteria of IFRS 9 are applied to the financial asset as a whole, otherwise, an embedded derivative will be separated from the host contract if and only if, all the criteria below are met:

2.15 **Insurance and reinsurance contracts held**

Recognition, measurement and presentation of insurance contracts

Separating components from insurance and reinsurance contracts

- The economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host;
- A separate instrument with the same terms as embedded derivative would meet the definition of a derivative; and
- The hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss.

An investment component is distinct if and only if, both of the following conditions are met;

- The investment component and the insurance components are highly interrelated
- a contract with equivalent terms is sold, or could be sold, separately in the same market or the same jurisdiction, either by entities that issue insurance contracts or by other parties. An investment component and an insurance component are highly interrelated if and only if; the company is unable to measure one component without considering the other or the policyholder is unable to benefit from one component unless the other is also present, for example the lapse and maturity of one component causes the lapse or maturity of the other.

The Company assesses its non-life insurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. Currently, the Company's products do not include any distinct components that require separation.

Some reinsurance contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contacts and are, therefore, non-distinct investment components which are not accounted for separately.

Combining a set or series of contracts

Sometimes, the Company enters into two or more contracts at the same time with the same or related counterparties to achieve an overall commercial effect. The Company accounts for such a set of contracts as a single insurance contract when this reflects the substance of the contracts. When making this assessment, the Company considers whether:

- The rights and obligations are different when looked at together compared to when looked at individually,
- The Company is unable to measure one contract without considering the other

Level of aggregation

The Company identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Company considers the similarity of risks rather than the specific labelling of product lines. The Company has determined that all contracts within each product line, as defined for management purposes, have similar risks. Therefore, when contracts are managed together, they represent a portfolio of contracts.

The Company may acquire insurance contracts as part of a business combination or a portfolio transfer. Unlike originally issued contracts, contracts acquired in a settlement phase transfer an insurance risk of adverse claims development. The Company considers such risk to be different from contracts it originally issues and aggregates such contracts in separate portfolios by product line.

At initial recognition, the Company segregates contracts based on when they were issued. A cohort contains all contracts that were issued within a 12-month period. Each cohort is then further disaggregated into three groups of contracts based on the initial assessment of the contracts and the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis and management judgment of whether the contracts are onerous on initial recognition, have no significant possibility of becoming onerous subsequently and remaining contracts

The Company manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts).

2.15 **Insurance and reinsurance contracts held**

Recognition, measurement and presentation of insurance contracts

Separating components from insurance and reinsurance contracts

The company determines the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios using the current lines of business framework with consideration for the reserving segmentation and product types within each line of business to support the definition of similar risk. These lines of business are Fire insurance, Accident, Motor, Marine insurance, Aviation, Oil and Energy, Engineering and Bond. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Company has elected to group together those contracts that would fall into different groups only in the event where the law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics. Currently, there is no law or regulation that constrained the Company's practical ability to set a different price or level of benefits for policyholder with different characteristics.

The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

The Company determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are onerous at initial recognition and whether the contracts not onerous at initial recognition have a significant possibility of becoming onerous subsequently. The Company applies significant judgement in determining at what level of granularity the Company has sufficient information to conclude that all contracts within a set will be in the same group. In the absence of such information, the Company assesses each contract individually.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. For contracts that are not onerous, the Company assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Historical loss ratio
- Pricing information
- Results of similar contracts it has recognised
- Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition.

Contract boundary

The measurement of a group of insurance contracts includes all future cash flows expected to arise within the boundary of each contract in the group. A contract is an arrangement that binds one or both of the parties involved. If both parties are bound equally, the boundary of the contract is generally clear. Similarly, if neither party is bound, no genuine contract exists.

- The outer limit of the existing contract is the point at which the Company is no longer required to provide coverage and the policyholder has no right of renewal. Beyond that outer limit, neither party is bound.
- The company is no longer bound by the existing contract at the point at which the contract confers on the company the practical ability to reassess the risk presented by a policyholder and, as a result, the right to set a price that fully reflects that risk.

2.15 Insurance and reinsurance contracts held

Recognition, measurement and presentation of insurance contracts

The measurement of a group of insurance contracts includes all the cash flows expected to result from the contracts in the group, reflecting estimates of policyholder behaviour. Thus, to identify the future cash flows that will arise as the Company fulfils its obligations, it is necessary to determine the contract boundary that distinguishes whether future premiums, and the resulting benefits and claims, arise from:

- Existing insurance contracts. If so, those future premiums, and the resulting benefits and claims, are included in the measurement of the group of insurance contracts,
  Or
- Future insurance contracts. If so, those future premiums, and the resulting benefits and claims, are not included in the measurement of the group of existing insurance contracts,

As such, the company does not recognize a liability or asset relating to expected premiums or expected claims outside the boundary as such amounts relates to future insurance contracts. However, the company recognizes an asset for acquisition cash flows paid before the related group of insurance contracts is recognized.

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

- The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks
  Or both of the following criteria are satisfied:

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

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

The Company have set contract boundaries for its portfolio of insurance contracts based on the duration of coverage as stated in the policy document for each class of business which is one (1) year for all classes of contracts.

Recognition

Initial recognition of insurance contracts

The Company recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
- For a group of onerous contracts, when the group becomes onerous, if facts and circumstances indicate that the group is onerous

The Company measures a group of contracts on initial recognition as the sum of the expected fulfilment cash flows within the contract boundary and the contractual service margin representing the unearned profit in the contracts relating to services that will be provided under the contracts

Initial recognition of reinsurance contracts held

The Company recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. (However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

2.15 **Insurance and reinsurance contracts held**

Recognition, measurement and presentation of insurance contracts

Initial recognition of reinsurance contracts held

And

- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

Initial recognition of reinsurance contracts held

The issue date of a contract is when the Company has a contractual obligation to accept risk. The issue date is typically before the beginning of coverage and due date for the initial premium. However, the Company only recognizes issued insurance contracts before these dates if facts and circumstances indicate that the contracts in the group to which the PAA applies are onerous. For instance, in the case where business has been intentionally sold as onerous, the inception date of the contract will be the issue date.

The recognition requirements for reinsurance contracts held that provide proportionate coverage are intended to simplify recognition for proportionate reinsurance contracts held. Circumstances in which the first underlying attaching contract is issued, shortly after the reinsurance contracts are written, will result in similar timing of recognition for proportionate and 'other-than-proportionate' reinsurance contracts. In other cases, there may be a greater difference in the timing of recognition.

If there is no contractual due date, the first payment from the policyholder is deemed to be due when it is received. The Company determines whether any contracts form a group of onerous contracts before the earlier of the first two dates above (i.e., before the earlier of the beginning of the coverage period and the date when the first payment from a policyholder in the group is due) if facts and circumstances indicate there is such a group.

Initial recognition of insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

The company allocates acquisition cost to policies based on applicable rate per policy, claims expenses are allocated based on number of claims on the policies and fixed, variable overhead cost and other maintenance cost are allocated based on apportionment basis.

The company recognises an asset for insurance acquisition cash flows paid (or insurance acquisition cash flows for which a liability has been recognised under another IFRS standard) before the related group of insurance contracts is recognised, unless it elects to expense those acquisition cash flows as incurred for premium allocation approach contracts. The Company recognise such an asset for each related group of insurance contracts and allocates insurance acquisition cash flows to an existing or future group of insurance contracts using a systematic and rational method.

The systematic and rational method of allocating insurance acquisition cash flows to groups of contracts is used to allocate;

- Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
  - To that group; and
  - To groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group
- Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to individual contracts or groups of contracts to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognized from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

2.15 Insurance and reinsurance contracts held

Recognition, measurement and presentation of insurance

Initial recognition of insurance acquisition cash flows

After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Company applies:

- An impairment test at the level of an existing or future group of insurance contracts and
- An additional impairment test specifically covering the insurance acquisition cashflows allocated to expected future contracts renewals

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Company recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

Measurement - Premium Allocation Approach

The company have adopted the following options and practical expedients available in IFRS 17 as detailed below:

Alternatives	IFRS 17 Options	Adopted approach
Premium Allocation Approach (PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model	Coverage period for the non life business portfolios especially property insurance and liability reinsurance) are one year or less and so qualifies automatically for PAA. Though policies under Engineer class of business which include erection and contractor all risk insurance may have coverage period greater than one year. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.	For all business, insurance acquisition cash flows are allocated to related groups of insurance contracts and amortised over the coverage period of the related group.

Alternatives	IFRS 17 Options	Adopted approach
Liability for Remaining Coverage (LFRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LFRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LFRC.	For all non life insurance contracts, no allowance is made for accretion of interest on the LFRC as the premiums are received within first thirty days of the year of the coverage period.
Liability for Incurred Claims, (LFIC) adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	For all Non-life insurance policies, the incurred claims are expected to be paid out in less than one year. Hence, no adjustment for time value of money is expected to be made for the time value of money. However for some claims in some classed especially oil and gas policies, settlement of incurred claims may linger for over a year and on this grounds, the related LFIC is adjusted for the time value of money.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present this in OCI.	For all Non Life Insurance business, the change in LFIC as a result of changes in discount rates are captured within profit or loss.

Insurance contract – Initial measurement

The premium allocation approach is an optional simplified form of measuring an eligible group of insurance contracts issued or reinsurance contracts held. The eligibility is assessed for each group of insurance contracts and the election is made for each eligible group. However, the ability to use the premium allocation approach for reinsurance contracts held must be assessed separately from the use of the premium allocation approach for the related underlying insurance contracts covered by reinsurance.

The premium allocation approach compared to the general model, results in a simpler accounting method:

- The premium allocation approach does not require separate identification of the elements (i.e., the four building blocks) of the general model until a claim is incurred. Only a total amount for a liability for remaining coverage on initial recognition is determined
- Subsequently, the liability for remaining coverage is recognised by the company over the coverage period on a pro rata basis (the basis of passage of time) unless the expected pattern of release from risk differs significantly from the passage of time, in which case, it is recognised based on the expected timing of incurred claims and benefits
- The company need only assess whether a group of insurance contracts is onerous if facts and circumstances indicate that the group is onerous. The general model effectively requires an assessment of whether a group of contracts is onerous at each reporting date after the initial recognition of a group
- The company also has certain elections available once it applies the premium allocation approach for a group of insurance contracts. This includes:
- The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:
- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary

Or

2.15 Insurance and reinsurance contracts held

Insurance contract – Initial measurement

- For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

All the company's' product is measured using the PAA approach because the coverage period of each contract it issues is for a period of One (1) year except for the All-risk contracts under engineering and some Marine cargo portfolio which could be issued for a period of more than one year, for this product, the company will perform the PAA eligibility test as required by the second criteria stated above and has set materiality level for difference in the liability for remaining coverage at plus or minus 5%.

The company interprets "reasonably expects" to means the liability for remaining coverage under the premium allocation approach (PAA) and general measurement model (GMM) under all probable scenarios is Immaterial. Hence the company has defined probable scenario for both economic and non-economic assumptions which includes interest rate sensitivity of +/- 1%, expected combined ratio of +/-10%, lapse at +/-10%.

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

- The extent of future cash flows related to any derivatives embedded in the contracts
- The length of the coverage period of the group of contracts

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed,
- Plus, or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

For All-risk contracts under engineering, Marine cargo contracts, the liability for remaining coverage (LFRC) is not discounted to reflect the time value of money and the effect of financial risk as the premiums are received for one year and the liability is limited to one year coverage period.

Where claims are to be paid within a year the company would not discount the liability for incurred claims (LFIC) for the time value of money, however where claims are settled after a year period, the company would consider the impact of the time value of money on its liability for incurred claims (LFIC)

The company assumes that all contracts measured using the premium allocation approach (PAA) are profitable unless there has been approval through an official process to implement commercial actions such as promotional discounts on premium rate, selling loss leaders to gain market shares or no claims discount on renewal of policies that would results in a group of contracts being onerous.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognized.

In assessing the profitability of the contracts, the company has used "all reasonable and supportable information available at reporting date without undue cost or effort", hence the company has used the combined ratio for this assessment. The combined ratio represents the total costs and losses divided by the earned premium and a combined ratio of below 100% indicates that the business is profitable. The company assesses whether a group of contracts will be deemed onerous subsequently if there has been combined ratio over 100% in two (2) subsequent annual reporting.

2.15 Insurance and reinsurance contracts held

Insurance contract – Initial measurement

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers insurance risk, lapse risk and expense risk. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid AAA-rated sovereign securities in the currency of the life insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates, including sovereign debt, corporate debt and market swap rates.

The Company has estimated the risk adjustment using a confidence level (value at risk) approach in which a full IFRS 17 liability distribution is generated across all non-financial risks and risk adjustment is calculated as the difference between the best estimate liability and the liability value at the chosen confidence level.

Reinsurance contracts held – initial measurement.
The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.
The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

Insurance contracts – subsequent measurement
The Company measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus, premiums received in the period
- Minus insurance acquisition cash flows, with the exception of insurance product line for which the Company chooses to expense insurance acquisition cash flows as they occur
- Plus, any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group
- Plus, any adjustment to the financing component, where applicable

- Minus the amount recognised as insurance revenue for the services provided in the period
- Minus any investment component paid or transferred to the liability for incurred claims

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company and include an explicit adjustment for non-financial risk (the risk adjustment). The Company does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

2.15 Insurance and reinsurance contracts held

Subsequent measurement – Liability for incurred claims
The liability for incurred claims for a group of insurance contracts subject to the premium allocation approach (which should usually be nil on initial recognition) is measured in the same way as the liability for incurred claims using the general model (i.e., a discounted estimate of future cash flows with a risk adjustment for non-financial risk).

However, when applying the premium allocation method to the liability for incurred claims, the company is not required to adjust future cash flows for the time value of money and the effect of financial risk if those cash flows (for that group of insurance contracts) are expected to be paid or received in one year or less from the date the claims are incurred. This is a separate election from the choice not to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk at initial recognition.

When the entire insurance finance income or expenses is included in profit or loss, the company discounts the incurred claims at current rates (i.e., the rate at the reporting date). When insurance finance income or expenses is disaggregated between profit or loss and other comprehensive income the amount of insurance finance income or expenses included in profit or loss is determined using the discount rate at the date of the incurred claim.

Reinsurance contracts held – subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held.

Where the Company has established a loss-recovery component, the Company subsequently reduces the loss- recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

Insurance contracts – modification and derecognition

An insurance contract may be modified, either by agreement between the parties or as result of regulation. If the terms are modified, the Company derecognises the original insurance contract and recognise the modified contract as a new contract, if and only if, any of the conditions listed below are satisfied.

- If the modified terms were included at contract inception:
- The modified contract would have been excluded from the scope of IFRS 17.
- The Company would have separated different components from the host insurance contract resulting in a different insurance contract to which IFRS 17 would have applied.

- The modified contract would have had a substantially different contract boundary
- The modified contract would have been included in a different group of contracts at initial recognition (e.g., the contracts would have been onerous at initial recognition rather than having no significant possibility of being onerous subsequently)
- The original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets that definition or vice versa.
- The Company applied the premium allocation approach to the original contract, but the modifications mean that the contract no longer meets the eligibility criteria for that approach.

In summary, any contract modification that changes the accounting model or the applicable standard for measuring the components of the insurance contract, is likely to result in derecognition.

If a contract modification meets none of the conditions above for derecognition, the Company would treat any changes in cash flows caused by the modification as changes in the estimates of the fulfilment cash flows.
The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)
Or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

The Company treats the derecognition of a contract three different ways, depending on the circumstances.

2.15 Insurance and reinsurance contracts held

Insurance contract -Derecognition resulting from extinguishment

When the Company derecognises an insurance contract because it transfers the contract to a third party, the Company:

- Adjusts the fulfilment cash flows allocated to the group for the rights and obligations that have been derecognised
- Adjusts the contractual service margin of the group from which the contract has been derecognised for the difference between the change in the contractual cash flows resulting from derecognition and the premium charged by the third party (unless the decrease in fulfilment cash flows is allocated to the loss component of the liability for remaining coverage).

If there is no contractual service margin to be adjusted, then the difference between the fulfilment cash flows derecognised and the premium charged by the third party is recognised in profit or loss.

Derecognition resulting from modification

When the Company derecognises an insurance contract and recognises a new insurance contract as a result of a modification described above, the Company:

- Adjusts the fulfilment cash flows allocated to the group relating to the rights and obligations that have been derecognised, as discussed above
- Adjusts the contractual service margin of the group, from which the contract has been derecognised for the difference between the change in the contractual cash flows resulting from derecognition and the hypothetical premium the Company would have charged, had it entered into a contract with terms equivalent to the new contract at the date of the contract modification, less any additional premium charged for the modification (unless the decrease in fulfilment cash flows is allocated to the loss component of the liability for remaining coverage)

And

- Measures the new contract recognised assuming the Company received the hypothetical premium that it would have charged, had it entered into the modified contract at the date of the contract modification.

Presentation

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

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Company disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.
The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

2.17 Profit or loss presentation for insurance and reinsurance contract held

Insurance contract revenue

The insurance contract revenue for the period is the amount of expected premium receipts allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time (Pro rata basis). But if the expected

pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

Loss components

The Company assumes that no contract is onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

2.15 Insurance and reinsurance contracts held

Profit or loss presentation for insurance and reinsurance contract held

Loss-recovery components

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss as they are incurred. This comprise the following items.

- Incurred claims (excluding investment components): The company allocates claims expenses based on number of claims on the policies.
- Other incurred insurance service expenses: This consists of cash flows arising from the costs of maintaining an existing group of insurance contracts as well as directly attributable expenses (fixed and variable overheads). The company allocates maintenance cost to policies based on actual expense on each policy. Fixed and variable overhead cost are allocated based on apportionment basis. Apportionment between other incurred insurance service expenses and other operating expenses in profit or loss is based on space occupied, number of employees, asset allocated, etc. between the core business facing staff and the back office staff.
- Amortization of insurance acquisition cash flows: The company amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
- Changes that relate to past service, i.e. changes in fulfilment cash flows relating to the liability for incurred claims; and
- Changes that relate to future service, i.e. losses on onerous groups of contracts and reversals of such losses.

Insurance finance income and expense

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

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

Net income or expense from reinsurance contracts held

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

investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

2.16 Payables

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

2.17 Other technical liabilities

Other technical liabilities represents premium advance deposit i.e. premium paid in advance into the Company's bank account by insurance intermediaries(insurance agent, brokers and companies) for policies that relates to future periods i.e. they do not fall within the insurance contract boundary. for cashflow purpose, premium deposit received.

The company recognises premium inflows for policies with future start dates as cashflows outside of the insurance contract boundary and are reported as other technical liabilities which become part of the insurance contract liability measurement once the insurance contract is recognised on the earlier of when the premium is due, the start date of the insurance policy or when the insurance contract is onerous.

2.18 Provisions and other payables

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

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

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

Other payables are initially recognised at fair value, fair value represents transaction price and subsequently measured at amortised cost.

2.19 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.19.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.
The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The current taxes include: Company Income Tax at 30% of taxable profit; Education Tax at 2% of assessable profit; Capital Gain Tax at 10% of chargeable gains; and Information Technology Development Levy at 1% of accounting profit. Minimum tax may be computed based on Company Income Tax Act(CITA).

2.19.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is provided and accounted for using liability method. Deferred tax assets are generally recognised for all deductible temporary difference, unutilised tax loss and unutilised tax credits.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.19.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company offsets deferred tax assets and deferred tax liabilities if, and only if:

(a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

(i) the same taxable entity; or
(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

2.20 Employee benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

This is done in line with the Pension Reform Act 2014, whereby the minimum rate of Pension Contribution is 18% of monthly emolument, where 8% will be contributed by employee and 10% by the employer.

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

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.21 Share capital and share premium

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity. Incremental external costs that are directly attributable to the issue of these shares are recognised in equity, net of tax.

2.22 Retained earnings

This reserve represents amount set aside out of the profits of the Company which shall at the discretion of the Directors be applicable for meeting contingencies, repairs or maintenance of any works connected with the business of the Company, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Company may lawfully be applied.

2.23 Reserves

2.23.1 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of the equity instruments designated at fair value through other comprehensive income until the assets are derecognised or impaired. This amount cannot be recycled to profit or loss in subsequent period even if the instruments are derecognized.

2.23.2 Statutory contingency reserve

The Company maintains Statutory contingency reserve in accordance with the provision of Section 21(2) of the Insurance Act CAP I17, LFN 2004 to cover fluctuations in securities and variations in statistical estimates at a rate equal to greater of 3% of gross premium or 20% of net profits until the accumulated amount reaches the greater of the minimum paid-up capital or 50% of the net premium.

2.24 Dividends

Interim dividend paid to the shareholders of the Company is recognised in the period in which the interim dividend approved by the Board of Directors or a second interim dividend approved by the Company's shareholders at the Company's annual general meeting is paid.

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the shareholders at the Annual General Meeting and the insurance industry regulator (NAICOM)

2.25 Investment income

Investment income consists of dividend, interest and rental income on investment properties, realized gains and losses, and unrealized gains and losses on fair value assets.

Interest income

Interest income comprises amount calculated using effective interest method.
The Company calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss as it accrues and is calculated by using the effective interest method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognised as an adjustment to the effective interest rate of the instrument.

The effective interest rate method

If expectations of fixed rate financial asset's cash flows are revised for reasons other than credit risk, the changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the statement of financial position with a corresponding increase or decrease in interest income.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

When a financial asset becomes credit-impaired and is therefore regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the net amortised cost of the financial asset. If the financial assets cures (and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established. Dividends are received from financial assets measured at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI). Dividend income is recognised in profit or even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

Rental income

Rental income is recognised on an accrual basis.

Realized gains and losses

Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and carrying amount and are recorded in profit or loss on occurrence of the sale transaction.

Unrealised gains and losses

Unrealized gains or losses represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognised unrealised gains and losses in respect of disposals during the year.

2.26 Other operating expenses

All other operating expenses are recognised directly in profit or loss when incurred.

2.27 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 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 and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

3 **Critical accounting judgments and key sources of estimation uncertainty**

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

Critical judgments in applying the Company's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company disaggregates information to disclose major product lines namely, marine, property, personal accident insurance and liability reinsurance issued. This disaggregation has been determined based on how the Company is managed

Going Concern

The financial statements have been prepared on the going concern basis and there is no intention to curtail business operations. Capital adequacy, profitability and liquidity ratios are continuously reviewed and appropriate action taken to ensure that there are no going concern threats to the operation of the Company.

The Directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern in the next 12 months ahead.

Insurance and reinsurance contracts

The Company applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4.

However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

Assessment of significance of insurance risk

The Company applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk. A contract transfers significant insurance risk only if an insured event could cause the Company to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely. The assessment of whether additional amounts payable on the occurrence of an insured event are significant and whether there is any scenario with commercial substance in which the issuer has a possibility of a loss on a present value basis involves significant judgement and is performed at initial recognition on a contract-by-contract basis. The type of contracts where this judgement is required are those that transfer financial and insurance risk and result in the latter being the smaller benefit provided. The application of judgement in this area is aided by the Company's processes to filter contracts where the additional amounts referred to above are more than 5% but less than 10% of the amounts paid if the insured event does not occur. Additional amounts that are less than 5% are considered by the Group as insignificant. A underwriting unit working alongside with the Actuaries conducts all these judgemental classifications under IFRS 17 to maintain consistency across the Company. This assessment is performed after separation of non-insurance related components and all promises to transfer distinct goods and non-insurance services.

Separation of non-insurance components from insurance contracts

The Company issues some insurance contracts that have several elements in addition to the provision of the insurance coverage service, such as a deposit component, and tracking service, and other goods or services. Some of these elements need to be separated and accounted for by applying other Standards, while other elements remain within the insurance measurement model. In assessing whether components meet the separation criteria and should be separated, the Company applies significant judgement

Separation of insurance components of an insurance contract

The Company issues some insurance contracts that combine protection for the policyholder against different types of insurance risks in a single contract. IFRS 17 does not require or permit separating insurance components of an insurance contract unless the legal form of a single contract does not reflect the substance of its contractual rights and obligations. In such cases, separate insurance elements must be recognised. Overriding the 'single contract' unit of account presumption involves significant judgement and is not an accounting policy choice. When determining whether a legal contract reflects its substance or not, the Company considers the interdependency between different risks covered, the ability of all components to lapse independently, and the ability to price and sell the components separately

Determination of the contract boundary

The measurement of a group of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, from applicable law, regulation and customary business practices. Cash flows are considered to be outside of the contract boundary if the Company has the practical ability to reprice existing contracts to reflect their reassessed risks, and if the contract's pricing for coverage up to the date of reassessment only considers the risks until the next reassessment date. The Company applies its judgement in assessing whether it has the practical ability to set a price that fully reflects all the risks in the contract or portfolio. The Company considers contractual, legal and regulatory restrictions when making its assessment and applies judgement to decide whether these restrictions have commercial substance

Level of aggregation

The Company applies judgement when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts

Assessment of directly attributable cash flows
The Company uses judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a group of insurance contracts only if they are directly attributable to the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. When estimating fulfilment cash flows, the Company also allocates fixed and variable overheads fulfilment cash flows directly attributable to the fulfilment of insurance contracts.

Assessment of eligibility for PAA
For quota share home and motor reinsurance contracts with a coverage period extending beyond one year, the Company elects to apply the PAA if at the inception of the group, the Company reasonably expects that it will provide a liability for remaining coverage that would not differ materially from the General Model. The Company exercises judgement in determining whether the PAA eligibility criteria are met at initial recognition.

Assessment of significance of modification
As explained in accounting policies on insurance contract held, the Company derecognises the original contracts and recognises the modified contract as a new contract, if the derecognition criteria are met. The Company applies judgement to assess whether the modified terms of the contract would result in the original contract meeting the criteria for derecognition

IFRS 17 establishes a principle for determining coverage units, not a set of detailed requirements or methods. The selection of the appropriate method for determining the amount of coverage units is not an accounting policy choice. It involves the exercise of significant judgement and development of estimates considering individual facts and circumstances. The Company selects the appropriate method on a portfolio-by-portfolio basis. In determining the appropriate method, the company considers the likelihood of insured events occurring to the extent that they affect expected period of coverage in the group, different levels of service across the period and the quantity of benefits expected to be received by the policyholder

Liability for remaining coverage

Insurance acquisition cash flows
In all non-life insurance product line, the Company is eligible and chooses to recognise insurance acquisition cash flows as an expense immediately as incurred. This is because all insurance contracts issued within that product line have a coverage period of one year or less.

Where groups are not eligible to recognise an expense immediately, insurance acquisition cash flows are allocated to related groups of insurance contracts recognised in the statement of financial position (including those groups that will include insurance contracts expected to arise from renewals). An asset for insurance acquisition cash flows is recognised for acquisition cash flows incurred before the related group of insurance contracts has been recognized

The effect of electing to recognise insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.
The company uses the following key assumption for its liability for remaining coverage. Earnings pattern for LRC (Liability for Remaining coverage) includes two (2) options under the PAA, they are

- Pro rata temporis (passage of time)
- Risk based curve

For insurance contracts which automatically qualify for PAA (i.e., with coverage period not exceeding 1 year), the passage of time or pro-rata temporis pattern will be used. This approach is almost identical to the 365th method that is currently used for determining IFRS 4 unearned premium reserves (UPR). However, contracts which automatically qualify for PAA does not necessarily imply that the uniform earnings curve will be

appropriate. For example, seasonality of claim incidence under certain class of policy would normally require calibration of the earnings curve. But the default curve will be uniform unless facts and circumstances indicate otherwise, i.e., there is sufficient credible data and grounds that the incidence of risk may not be linear.

Liability for remaining coverage

Insurance acquisition cash flows

For contracts with coverage period exceeding 1-year, actuarial investigations will be conducted by deriving the claims incidence pattern using historical claims data. Actual observed claims incidence curve is tested for goodness of fit by applying standard statistical techniques. In the absence of credible claims data, an equivalent risk incidence curve will be sourced from our international reinsurers. If external risk curve is not available, then by default a uniform earnings curve will apply.

The selected earnings curve will be applied to both insurance and reinsurance contract.

Claims payment pattern for liability for incurred claims

In estimating the claims payment pattern for liability for incurred claims, the company sets:

- An assumption regarding the future timing of claim settlement is required as the IFRS 17 requires the determination of probability weighted future cash flows. Weighted future cash flows will include expected claim payment, expected cost of settling the claims, unallocated claim expenses that are integral to the claim cost but due to system limitations they cannot be allocated to individual claims (e.g. cost of pool of contract cars), legal costs incurred or expected to be incurred for litigated claims, motor recoveries from third party insurers, salvage and subrogation and directly attributable maintenance expenses. For reinsurers' LIC, same cashflows shall apply as described above but the cashflows are apportioned according to reinsurance arrangement.

- Run off triangles are used to project future claims payment generated by direct insurance contracts and claim recovered from reinsurance contracts. Actual claims paid and outstanding claim reserves are grouped by accident year cohorts.

- Methodology used for claims reserving is defined by the Company's Reserving Policy and Reserving Guidance, and it relies on the Basic Chain Ladder as well as the Bornhuetter-Ferguson method. Same methodology is applied to claims generated by direct contracts and claim recovered from reinsurance contracts.

- The best estimate for claims development or payment to ultimate is determined by the link ratio estimator for each period of development. This is achieved by selecting the weighted averages or simple averages of link ratios for each period of claims development until the ultimate period when the claims development is deemed to be fully run off. For each reserving class that best estimate claim payment pattern is derived separately on a gross basis Insurance contracts and reinsurers' share (claim recovered from reinsurance contracts). The process of selecting link ratios often involves identifying outliers and excluding them. Analysis of Actual versus Expected claim reserves is carried out to assess adequacy of best estimate payment pattern estimated in prior year/period. Where significant deviations are noted, further investigations are carried out to ascertain whether this is indicative of a new trend in the underlying claim development process or whether this is caused by the occurrence of abnormally large claims that tend to distort the latest link ratios or whether it was caused by certain specific events impacting the claims process that are not expected to recur in the future (e.g. restructuring of claims department, or installing a new admin system or claim backlog). If the cause of the deviation is driven by changes in the claims development process which is expected to be recurring or be permanent in the future (e.g. application of new case reserving practice), then judgement is applied in choosing the link ratio for the most recent accident year cohort.

- Consideration is also given on the need to allow for a tail factor for projecting claims payment beyond the available data horizon.

- Claim payment pattern will be derived for each reserving class or portfolio (portfolio if there is only one reserving class).

- Basically, the payment pattern provides probabilities to project the settlement of claims in future time periods

- For a given portfolio or reserving class, same payment pattern will be applied to project the payment of OCR (outstanding claim reserve), IBNR reserve and Risk Adjustment estimates over future time periods.

- Existing reserving models (primarily the Basic Chain Ladder) will be used to derive the payment probabilities from the link ratios obtained from paid triangles

- Pattern will be derived once a year, that is, at the year-end valuation. It is expected that same payment pattern will be used in the LIC cashflow modelling for interim valuation periods and roll forward.

- However, for reserving class or portfolios which exhibit significant volatility, payment pattern might be reviewed and revised more frequently and also pattern used in LIC model will need to be updated. A change in payment pattern will lead to a change in fulfilment cashflows arising from non-financial assumption change. This change or delta in fulfilment cashflow will be accounted for as an insurance service expense.

- Changes of payment pattern during a financial year will only be considered if justified by facts and circumstances. Examples of facts and circumstances could be as follows:

- major changes in claim reporting and settlement processes that would invalidate existing payment pattern (e.g. non-life claims backlog can be quite common arising from dispute in settlement amount or change in policy administration system.

- occurrence of major external systemic events such as a pandemic related lockdown will impact the development factors- hence invalidate existing payment pattern

- It is to be noted that, for consistency, the same payment pattern as used for claim projection will be applied in the projection of Risk Adjustment estimates. The same approach would be used to derive the payment pattern for modelling the LIC cashflows for a portfolio of reinsurance contracts.

- Moreover, it is required to allocate the projected OCR, IBNR and RA to issue year cohorts /underwriting year cohorts. This will necessitate the application of an allocation driver. Projected IBNR, OCR and RA cashflows will be allocated to underwriting year by making use of weights. Weights, as a proxy for coverage, for each underwriting year will be derived from earned premium /revenue (as computed for the LRC). For internal reporting needs, further allocation of IBNR, OCR and RA (risk adjustment) down to more granular levels (issue year cohorts/distribution channels/ cover-section/ client types) will be required. Earned premium weights, as described above, will also be used for a more granular allocation of projected OCR, IBNR and RA.

Insurance acquisition cash flows

For the company's PAA eligible contracts, the company is eligible to recognize insurance acquisition cashflows as an expense immediately as incurred or amortize it over the coverage period. The company will make this choice on a portfolio basis. Where the company has not recognized an expense immediately, the company allocates insurance acquisition cash flows to related groups of insurance contracts recognised in the statement of financial position (including those groups that will include insurance contracts expected to arise from renewals). An asset for insurance acquisition cash flows is recognised for acquisition cash flows incurred before the related group of insurance contracts has been recognised.

The effect of electing to recognise insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.

Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognised on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

Time value of money on liability for remaining coverage
For engineering contract and oil and gas contract, the Company would adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. While for other business lines, the company has elected not to discount the liability for remaining coverage.

Discount rates
In determining discount rates for different products, the Company uses the bottom-up approach. Applying this approach, Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid high grade rated sovereign securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates or as published by the Nigerian Actuarial Society (NAS).

Risk adjustment for non-financial risk
The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Company has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Company has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles

Determining the lease term of contracts with renewal and termination options – Company as lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of office spaces and plant and machinery with shorter non-cancellable period (i.e., three to five years) where this is expressly stated in the lease contract or enforceable at law per the lease contract. The Company typically exercises its option to renew for these leases because there will be a significant negative effect on its operation if a replacement asset is not readily available. The renewal periods for leases of office spaces are not included as part of the lease term as these are not reasonably certain to be exercised.

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Company as lessor
The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Estimates are made for both the expected ultimate cost of claims reported and claims incurred but not reported (IBNR) at the reporting date. The estimate of IBNR is generally subject to a greater degree of uncertainty than that for reported claims. The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as the Chain Ladder, Stochastic reserving (Bootstrap) and Bornheutter-Ferguson methods.

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 analysed by accident years, but can also be further analysed 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.

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.

The carrying amount of financial assets fair valued using valuation techniques as at the report date are N7.32 billion (31 December 2024: N5.80 billion) for financial asset designated at fair value through OCI and N4.19 billion (31 December 2024: N2.79 billion) for financial assets fair valued through profit or loss .

Revaluation of property, plant and equipment and investment properties

The Company carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. For investment properties, a valuation methodology based on a market comparable or discounted cash flow (DCF) model was used where there is a lack of comparable market data because of the nature of the properties. The Company engaged an independent valuation specialist to assess fair values as at 31 December 2025 and 2024 for the investment properties. The key assumptions used to determine the fair value of the properties and sensitivity analyses are provided in Notes 5 to the financial statements

Impairment under IFRS 9

The impairment requirements of IFRS 9 apply to all debt instruments that are measured at amortised cost.

The determination of impairment loss and allowance moves from the incurred credit loss model whereby credit losses are recognised when a defined loss event occurs under IAS 39, to expected credit loss model under IFRS 9, where expected credit losses are recognised upon initial recognition of the financial asset based on expectation of potential credit losses at the time of initial recognition.

Staged Approach to the Determination of Expected Credit Losses

IFRS 9 outlines a three-stage model for impairment based on changes in credit quality since initial recognition. These stages are as outlined below:

Stage 1:
The Company recognises a credit loss allowance at an amount equal to the 12 month expected credit losses. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, assuming that credit risk has not increased significantly after the initial recognition.

Stage 2
The Company recognises a credit loss allowance at an amount equal to the lifetime expected credit losses (LTECL) for those financial assets that are considered to have experienced a significant increase in credit risk since initial recognition. This requires the computation of ECL based on Lifetime probabilities of default that represents the probability of a default occurring over the remaining lifetime of the financial assets. Allowance for credit losses is higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to 12 months in stage 1.

Stage 3
The Company recognises a loss allowance at an amount equal to life-time expected credit losses, reflecting a probability of default (PD) of 100% via the recoverable cash flows for the asset. For those financial assets that are credit impaired. The Company's definition of default is aligned with the regulatory definition. The treatment of the loans and other receivables in stage 3 remains substantially the same as the treatment of impaired financial assets under IAS 39 except for the portfolios of assets purchased or originated as credit impaired

The Company does not originate or purchase credit impaired loans or receivables.

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 portfolios by the Company's ECL model for homogenous portfolios.

Assessment and calculation of ECL
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 judgements 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.

The level of estimation uncertainty has increased since 31 December 2019 as a result of the economic disruption and consequential impact of the Covid-19 pandemic. This includes significant judgements relating to:

- The selection and weighting of macro-economic scenarios;
- The effect of government and other support measures put in place to mitigate the negative economic impact;
- The uncertainty over the duration and severity of the effect of the pandemic as well as the timing and duration of the recovery;
- Determination of the impact of the macro-economic scenarios on ECL and whether the required parameters can be modelled given the unavailability of historical information for a similar event;
- Identification and assessment of significant increases in credit risk and impairment especially for counterparties who have received support under the various government and bank support schemes and the inherent limitations in data availability to facilitate a reliable segmentation

Impact on modelled ECL allowance

The Company's models have been constructed and calibrated using historical trends and correlations as well as forward looking economic scenarios. The severity of the current macro-economic projections and the added complexity caused by the various support schemes and regulatory guidance affecting different counterparties in the Company's investment and treasury operations could not be reliably modelled for the time being. As a consequence, the existing models may generate results that are either overly conservative or overly optimistic depending on the specific portfolio/segment. As a result, post-model adjustments are needed. Given model changes take a significant amount of time to develop and test and the data limitation issues noted above, the Company expects that post model adjustments which results from the use of the most recent crises adjusted probability of default as published by Moody's for emerging markets will be applied for the foreseeable future.

Expected lifetime:

The expected life time of a financial asset is a key factor in determining 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.

Standards issued but not yet effective

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

Amendments to IFRS 10 and IAS 28 —Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments is yet to be set by the International Accounting Standards Board (IASB); however, earlier application of the amendments is permitted. The application of these amendments does not have a material impact on the financial statements of the company since it has no associates or joint venture arrangements.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB released IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) which includes presentation and disclosure requirements for all entities applying IFRS Accounting Standards. When effective, IFRS 18 supersedes IAS 1 Presentation of Financial Statements. Entities will continue to apply IAS 7 Statement of Cash Flows, although there are certain limited amendments to IAS 7 as a result of IFRS 18.

Entities will be required to classify income and expenses in the categories (operating, investing, financing, income taxes and discontinued operations. Enhanced principles on the aggregation and disaggregation of information have been included in IFRS 18. Supporting application guidance will assist in determining whether information about transactions should be included in the primary financial statements or note.

Most entities report alternative performance measures. IFRS 18 defines management-defined performance measures (MPMs). Entities are required to present MPMs in a single note to the financial statements and disclose reconciliations between the MPMs and totals or subtotals required by IFRS 18 or other IFRS Accounting Standards. The requirements will be applied retrospectively. The standard is applicable for period beginning on or after 1 January 2027. Earlier application is permitted. Having aligned the presentation and disclosure in the financial statements with IFRS 17 requirements, the company assessment of the impact of this standard on the financial statements are detailed below:

- A more structured income statement with clearly distinct new categories (operating, investing and financing),
- A newly defined "operating profit" subtotal, and an analysis of operating expenses on the face on the income statement;
- Disclosure of "management-defined performance measure" (MPMs), how these are calculated and why these provide useful information; reconciled to the IFRS reporting; and
- Greater disaggregation of information.

Category	Item	Expected Change
Primary Financial Statements	Statement of Financial Position (balance sheet)	Minimal
	Statement of Profit or Loss (income statement)	Major
	Statement presenting comprehensive income	Minimal
	Statement of changes in equity	Minimal
	Statement of cash flows (cash flow statement)	Medium
Notes	Notes to the financial statements	Major

iv) **IFRS 19 - Subsidiaries without Public Accountability: Disclosures**

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance

An entity may elect to apply IFRS 19 if at the end of the reporting period:

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

An entity has public accountability if Its debt or equity instruments are traded in a public market, or it is in the process of issuing such instruments for trading in a public market; or It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (i.e., not for reasons incidental to its primary business). The disclosure requirements in IFRS 19 are organised into subheadings per IFRS accounting standards and where disclosure requirements in other IFRS Accounting Standards remain applicable, these are specified under the subheading of each IFRS accounting standard. IFRS 19 disclosures exclude IFRS 8 Operating Segments, IFRS 17 Insurance Contracts and IAS 33 Earnings per Share.

Therefore, if an entity that applies IFRS 19 is required to apply IFRS 17 or elects to apply IFRS 8 and/or IAS 33, that entity would be required to apply all the relevant disclosure requirements in those standards.

IFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the

standard, to align the disclosures in the comparative period with the disclosures included in the current period under IFRS 19, unless IFRS 19 or another IFRS accounting standard permits or requires otherwise. The Company is publicly accountable and so will not be materially impacted by the new standard.

v) **Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7**

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

Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met

Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features

Clarifies the treatment of non-recourse assets and contractually linked instruments

Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments. The amendment is not expected to have any material impact on the Company's financial statements.

vi) **IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information**

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The Group is currently assessing the impact of the standards which will be effective from 1 January 2028 in order to ascertain the significance of impact to have on its financial statements in providing adequate disclosure on this in line with the requirements.

vii) **IFRS S2 Climate-related Disclosures**

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The Group is currently assessing this in order to ascertain the significance of impact to have on its financial statements in providing adequate disclosure on this in line with the requirements

viii) **Contracts Referencing Nature - dependent Electricity (Power Purchase Agreements) – Amendments to IFRS 9 and IFRS 7**

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. The Company is still assessing the impact of the amendments.

ix) **Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21**

In November 2025, the Board issued Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21. The amendments require translation from a nonhyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

If an entity's functional currency is the currency of a nonhyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

If an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and it translates the results and financial position of foreign operations whose functional currency is that of a nonhyperinflationary economy, then it is required to apply the amendments from the beginning of the annual reporting period in which it first applies the amendments. In addition, it restates the comparative amounts of its foreign operations included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures in accordance with paragraph 34 of IAS 29.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. The ammendement is not expected to have material impact of the financial statements of the company as its is domiciled in a country whos economy have not been declared hyperinflationary.

x) **Annual Improvements to IFRS Accounting Standards — Volume II**

On 18 July 2024, the IASB published nine narrow scoped amendments as part of its annual improvements process that deals with non-urgent, but necessary, clarifications and amendments to IFRS Accounting Standards. The Group is currently assessing the impact of the amendments which are applicable for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The following is a summary of the amendments from the Annual Improvements to IFRS Accounting Standards—Volume 11:

- **IFRS 1 First-time Adoption of International Financial Reporting Standards**

  Hedge Accounting by a First-time Adopter

  Paragraphs B5 and B6 of IFRS 1 have been amended to include cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of IFRS 9. These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

- **IFRS 7 Financial Instruments: Disclosures**

  Gain or Loss on Derecognition

  The amendments update the language on unobservable inputs in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.

- **Guidance on implementing IFRS 7 Financial Instruments: Disclosures**

  Introduction

  The amendments to paragraph IG1 of the Guidance on implementing IFRS 7 clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.

  Disclosure of Deferred Difference between Fair Value and Transaction Price

  Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

  Credit Risk Disclosures

  Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

Summary of Material Accounting Policies Contd

- **IFRS 9 Financial Instruments**

  Lessee Derecognition of Lease Liabilities

  Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9.

  Transaction Price

  Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term 'transaction price' in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.

- **IFRS 10 Consolidated Financial Statements**

  Paragraph B74 of IFRS 10 has been amended to clarify that the relationship described in paragraph B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor. The amendments are intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents. The amendments is applicable for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

- **IAS 7 Statement of Cash Flows**

  Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.



Statement of Financial Position

As at 31 December, 2025

Assets	Notes	2025 ₦'000	2024 ₦'000
Cash and cash equivalents	1	29,957,783	20,646,170
Financial assets	2	83,744,665	95,008,524
Premium receivables	3	290,146	270,207
Reinsurance contract assets	10	13,505,031	10,426,226
Other receivables and prepayments	4	1,241,370	3,826,595
Investment properties	5	22,682,000	5,495,500
Property, plant and equipment	6	939,802	183,369
Right of use assets	7	333	4,333
Intangible assets	8	50,794	76,204
Statutory deposits	9	300,000	300,000
Total assets		**152,711,924**	**136,237,128**
Liabilities			
Insurance contract liabilities	10	50,686,122	36,886,613
Other technical liabilities	12	14,509,756	25,126,168
Provisions and other payables	13	6,438,668	5,164,715
Deferred rental income	14	42,000	35,000
Current income tax payable	15	10,300,169	1,983,227
Deferred tax liabilities	16	3,961,597	6,774,066
Total liabilities		**85,938,312**	**75,969,789**
Equity			
Share capital			
Share premium	17.2	10,000,000	10,000,000
Statutory contingency reserve	17.2	84,607	84,607
Retained earnings	18.1	17,318,613	12,085,172
Fair value reserve	18.2	35,267,037	34,547,316
Total equity attributable to Owners	18.3	4,103,355	3,550,244
		66,773,612	**60,267,339**
Total liabilities and equity		**152,711,924**	**136,237,128**

These financial statements were approved by the Board of Directors and authorized for issue on 27 February 2026 and signed on its behalf by:

Mr. Ibrahim Dikko
Chairman
FRC/2013/PRO/DIR/003/00000001718

Edeki Isujeh
Managing Director
FRC/2020/PRO/DIR/003/00000022391

Foluso Sowande
Chief Financial Officer
FRC/2024/PRO/ICAN/001/878660

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

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December, 2025

	Notes	2025 ₦'000	2024 ₦'000
Insurance contract revenue	19	100,893,786	66,250,057
Insurance service expenses	20	(33,366,069)	(29,585,585)
Net expense from reinsurance contracts held	21	(49,776,353)	(33,966,149)
Insurance service result		**17,751,364**	**2,698,323**
Interest revenue calculated using effective interest rate method	24	11,881,691	10,251,060
Other investment income	25	684,751	199,437
Net realised gain	26	132,266	195,790
Unrealised fair value gains	27	3,872,836	3,292,562
Unrealised foreign exchange (loss)/gains	28	(2,170,794)	19,484,987
Impairment loss charge	29	(343,372)	(657,531)
Net Investment income		**14,057,378**	**32,766,305**
Finance (expense)/income from insurance contract issued	22	(1,333,577)	1,376,788
Finance income/ (expense) from reinsurance contract held	23	374,211	(129,048)
Net insurance financial result		**(959,366)**	**1,247,740**
Other operating income	25.1	191,103	119,098
Other operating expenses	30.3	(4,873,274)	(3,718,554)
Profit before income tax expense		**26,167,205**	**33,112,912**
Income tax expense	15.1	(5,490,928)	(3,397,880)
Profit for the year		**20,676,277**	**29,715,032**
Other Comprehensive Income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Net gain on equity instruments designated at fair value through other comprehensive income (net of tax)	31	829,995	1,884,575
Other comprehensive profit for the year, net of tax		829,995	1,884,575
Total comprehensive income for the year, net of tax		**21,506,273**	**31,599,607**
Earnings per share:			
Basic & Diluted (kobo)	33	103	149
Diluted (kobo)	33	103	149

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

Statement of Changes In Equity

For the period ended 31 December, 2025

	Attributable to equity holders					
	Issued and paid -up share capital ₦'000	Share Premium ₦'000	Statutory Contingency Reserve ₦'000	Retained Earnings ₦'000	Fair value reserve ₦'000	Total Equity ₦'000
At 1 January 2025	10,000,000	84,607	12,085,172	34,547,316	3,550,244	60,267,339
Profit for the year	-	-	-	20,676,277	-	20,676,277
Other comprehensive income, net of tax (Note 31)	-	-	-	-	829,995	829,995
Total Comprehensive income	-	-	-	20,676,277	829,995	21,506,273
Dividend for last financial result (2024) (Note 34)	-	-	-	(15,000,000)	-	(15,000,000)
Transfer of fair value reserve of equity instruments designated at FVOCI (Note 19.2)	-	-	-	276,885	(276,885)	-
Transfer between reserves (Note 18)			5,233,441	(5,233,441)	-	-
At 31 December 2025	**10,000,000**	**84,607**	**17,318,613**	**35,267,037**	**4,103,355**	**66,773,612**
For the year ended 31 December 2024						
At 1 January 2024	10,000,000	84,607	10,000,000	12,917,456	1,665,669	34,667,732
Profit for the year	-	-	-	29,715,032	-	29,715,032
Other comprehensive income, net of tax (Note 31)	-	-	-	-	1,884,575	1,884,575
Total Comprehensive income	-	-	-	29,715,032	1,884,575	31,599,607
Dividend for last financial result (2023) (Note 34)	-	-	-	(6,000,000)	-	(6,000,000)
Transfer between reserves (Note 18)			2,085,172	(2,085,172)	-	-
At December 31 2024	**10,000,000**	**84,607**	**12,085,172**	**34,547,316**	**3,550,244**	**60,267,339**

Statement of Cash Flows

For the year ended 31 December, 2025

	Notes	2025 ₦'000	2024 ₦'000
Cash flows from operating activities			
Premiums received for insurance contracts	3.1	83,687,125	57,113,949
Premiums received in respect of future policies	12	14,509,756	25,126,168
Reinsurance premium paid during the year	11	(61,004,744)	(42,811,024)
cash payments to and on behalf of employees	30.2	(1,477,416)	(996,961)
Other cashflow from/(to) providers of services		1,930,819	2,197,121
Claims paid on behalf of reinsurance brokers	4.2	(2,106,716)	(886,138)
Recovery from reinsurance brokers during the year	4.2	1,767,668	1,543,503
Minimum deposit on premium paid	4.3	(130,251)	(161,911)
Acquisition cashflows received	10.2	4,280,491	3,096,876
Acquisition cashflows paid	10.2	(12,077,184)	(7,960,859)
Claims and directly attributable expenses paid	10.2	(16,762,394)	(12,880,928)
Recoveries from reinsurance	10.2	4,354,185	2,393,294
Cash flows generated from operating activities		16,971,338	25,786,723
Income tax paid	15.2	(1,073,759)	(405,677)
Net cash provided by operating activities	**36**	**15,897,579**	**25,381,046**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(930,181)	(96,396)
Purchase of intangible software	8	-	(23,289)
Deposit for shares	4	3,000,000	(3,073,024)
Deposit for asset acquisition	4.4.3	(95,000)	(80,000)
Addition to investment properties	5	(14,600,000)	-
Proceeds on disposal of investment property	5	600,000	-
Proceeds on disposal of property, plant and equipment		49,044	1,302
Staff loan disbursed during the year	4.1	(13,000)	(11,550)
Staff loan repayment during the period	4.1	30,066	25,183
Interest income received		10,459,385	9,084,578
Rental income received	14	84,000	70,000
Dividend income received	25	607,751	129,437
Proceeds on disposal of investments	2.5	27,813,322	2,700,753
Purchase of investments	2.5	(30,088,748)	(23,060,974)
Proceed from redemption of financial assets measured at amortised costs	2.5	11,365,130	3,997,733
Net cash (used in) / provided by investing activities		**8,281,769**	**(10,349,880)**

Statement of Cash Flows Contd

For the year ended 31 December, 2025

Cash flows from financing activities	Notes	2025 ₦'000	2024 ₦'000
Dividends paid to shareholders		(15,000,000)	(6,000,000)
Net cash used in financing activities		**(15,000,000)**	**(6,000,000)**
Net (decrease)/ increase in cash and cash equivalents		**9,179,348**	**9,031,166**
Net foreign exchange difference	26	132,266	195,790
Cash and cash equivalents at 1 January		20,646,170	11,419,213
Cash and cash equivalents at 31 December	1	**29,957,784**	**20,646,170**

Notes To The Financial Statements

		Notes	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
1	**Cash and cash equivalents**			
	Cash and bank balances	1.1	4,327,591	11,105,068
	Short-term deposits	1.2	26,598,182	9,920,084
			30,925,773	21,025,152
	Less: Allowance for credit losses	1.3	(967,990)	(378,982)
	Cash and cash equivalents(per statement of cash flows)		**29,957,783**	**20,646,170**
1.1	Cash and banks is made up of the following:			
	Cash on hand		54	56
	Balances held with local banks		3,871,210	827,494
	Balances held in domiciliary accounts		456,327	10,277,518
		1.3	4,327,591	11,105,068
	Less: Allowance for credit losses	1.3	(137,232)	(197,575)
	Total Cash and banks		4,190,359	10,907,493

Interest income on bank accounts held with banks amounted to N9.55m (2024: N1.5m). See note 24 to the financial statements.

	Notes	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
1.2 **Short term deposit is made up of:**			
Call deposits	1.3	55,595	1,504,040
Term deposits	1.3	26,542,587	8,416,044
		26,598,182	9,920,084
Less: Allowance for credit losses		(830,758)	(181,407)
		25,767,424	9,738,677

Interest income on calls and term deposits with banks amounted to N2.28 billion (2024: N1.55 billion). See note 24 to the financial statements.

Cash and cash equivalents comprise cash and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts(if any). The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the reporting position as shown above. Short–term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company. All deposits are subject to an average variable interest rate of 13.44% per annum (2024:11%).

1.3 **Impairment loss on cash and cash equivalents**
An analysis of the gross carrying amount and corresponding ECLs is as follows:

	31-Dec-25			
Gross carrying amount	Stage 1 Individual ₦'000	Stage 2 Individual ₦'000	Stage 3 Individual ₦'000	Total ₦'000
Cash on hand	54	-	-	54
Balances held with local banks and domiciliary accounts (Note 1.1)	4,327,537	-	-	4,327,537
Call deposits (Note 1.2)	55,595	-	-	55,595
Term deposits (Note 1.2)	26,542,587	-	-	26,542,587
	30,925,773	-	-	30,925,773
Expected credit losses				
Cash on hand	-	-	-	-
Balances held with local banks and domiciliary accounts (Note 1.1)	137,232	-	-	137,232
Call deposits (Note 1.2)	1,681	-	-	1,681
Term deposits (Note 1.2)	829,077	-	-	829,077
	967,990	-	-	967,990

Cash and cash equivalents - continued

1.3 **Impairment loss on cash and cash equivalents - continued**

An analysis of the gross carrying amount and corresponding ECLs is as follows:

	31-Dec-24			
Gross carrying amount	**Stage 1 Individual ₦'000**	**Stage 2 Individual ₦'000**	**Stage 3 Individual ₦'000**	**Total ₦'000**
Cash on hand	56	-	-	56
Balances held with local banks and domiciliary accounts (Note 1.1)	11,105,012	-	-	11,105,012
Call deposits (Note 1.2)	1,504,040	-	-	1,504,040
Term deposits (Note 1.2)	8,416,044	-	-	8,416,044
	21,025,152	-	-	21,025,152
Expected credit losses				
Cash on hand	-	-	-	-
Balances held with local banks and domiciliary accounts (Note 1.1)	197,575	-	-	197,575
Call deposits (Note 1.2)	26,721	-	-	26,721
Term deposits (Note 1.2)	154,686	-	-	154,686
	378,982	-	-	378,982

1.3a **Analysis of impairment allowance on cash and cash equivalents**

Gross carrying amount	**Notes**	**31-Dec-25 ₦'000**	**31-Dec-24 ₦'000**
At 1 January		378,982	350,938
Charged for the year	29	614,055	59,429
Foreign exchange adjustments	28	(25,047)	(31,385)
At 31 December		967,990	378,982

Foreign exchange adjustments relating to impairment allowance on cash and cash equivalents above are reported in net unrealised loss on foreign bank balances and deposits in Note 29

1.3b **An analysis of changes in the gross carrying amount and corresponding ECLs is as follows:**

	2025							
	Stage 1		Stage 2		Stage 3		Total	
Cash and cash equivalents	Gross carrying amount ₦'000	ECL ₦'000	Gross carrying amount ₦'000	ECL ₦'000	Gross carrying amount ₦'000	ECL ₦'000	Gross carrying amount ₦'000	ECL ₦'000
As at 1 January 2025	21,025,152	378,982	-	-	-	-	21,025,152	378,982
New assets purchased	155,532,476	2,803,500	-	-	-	-	155,532,476	2,803,500
Liquidation of managed funds(FVTPL) to cash and cash equivalents (Note 2.5)	-	-					-	-
Assets derecognised or matured (excluding write-offs)	(144,242,278)	(2,599,992)	-	-	-	-	(144,242,278)	(2,599,992)
Amounts written off	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	410,548	-	-	-	-	-	410,548
Unrealised foreign exchange adjustments	(1,389,577)	(25,047)	-	-	-	-	(1,389,577)	(25,047)
At 31 December 2025 (Note 1)	30,925,773	967,990	-	-	-	-	30,925,773	967,990
	2024							
As at 1 January 2024	11,770,151	350,938	-	-	-	-	11,770,151	350,938
New assets purchased	11,148,007	322,737	-	-	-	-	11,148,007	322,737
Liquidation of managed funds(FVTPL) to cash and cash equivalents (Note 2.5)	323,679	9,651					323,679	9,651
Assets derecognised or matured (excluding write-offs)	(3,269,297)	87,826	-	-	-	-	(3,269,297)	87,826
Amounts written off	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	(185,133)	-	-	-	-	-	(185,133)
Unrealised foreign exchange adjustments	1,052,612	(31,385)	-	-	-	-	1,052,612	(31,385)
At 31 December 2024 (Note 1)	21,025,152	378,982	-	-	-	-	21,025,152	378,982

During the year, there were no transfers between stages (2024: nil). The total Income Statement (writeback)/charge for the allowance for ECL on cash and cash equivalents for the year was N626.05 million (2024: N28.04 million). Related foreign exchange adjustments are reported as part of net unrealised (loss)/gain on foreign exchange in note 29.

2. **Financial Assets**

Below is an analysis of the Company's financial assets	Notes	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Equity : Fair Value through profit or loss (FVTPL)	2.1	4,193,797	2,791,610
Equity : Fair Value through OCI (FVTOCI)	2.2	7,315,949	5,802,819
Debt instruments measured at amortised cost:			
Treasury bills		3,786,654	7,890,313
Federal government bonds		43,538,819	35,205,099
State government bonds		510,724	485,542
Corporate bonds		22,357,160	43,689,218
Other debt securities - term deposits		4,206,252	1,689,017
Impairment losses on financial assets measured at amortised cost	2.4	(2,164,690)	(2,545,094)
Total debt instruments measured at amortised cost (Note 2.3)	2.3	72,234,919	86,414,095
		83,744,665	**95,008,524**

2.1 **Equity : Fair Value through Profit or Loss (FVTPL)**

The Company's fair value through profit or loss (FVTPL) financial assets consist of investment in quoted equities of entities whose stock are actively traded on the stock exchange. The investments are held primarily for trading purposes and are fair valued frequently. The Fair values of these equities are determined by reference to published price quotations in an active market. The resulting fair value adjustments are recorded in the profit or loss.

2.1 **Equity : Fair Value through Profit or Loss (FVTPL) contd**

Listed Equities		31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Aradel Holdings Plc		2,144,000	1,913,600
Dangote Cement Plc		76,125	59,850
Dangote Sugar Refinery Plc		12,000	6,500
GTCO Plc		498,850	47,410
Wema Bank Plc		2,069	924
Presco Plc		29,000	-
African Prudential Registrars Plc		12	
Tourist Company of Nigeria Plc.		-	7,911
UAC OF Nigeria		2,108	729
United Bank for Africa Plc		20,825	-
Union Homes Savings and Loans Plc.		-	48
Zenith Bank Plc		556,200	138,576
		3,341,189	2,175,548
Managed Funds			
ARM Aggressive Fund		70,348	46,458
ARM Discovery Fund		27,496	20,466
Coral Growth Fund		233,542	155,149
FBN Heritage Fund		319,496	219,344
Stanbic IBTC Bond Fund		129,620	129,455
Zenith Equity Fund		72,106	45,190
		852,608	**616,062**
Total FVTPL Financial assets	Note 2.5	**4,193,797**	**2,791,610**

The reconciliation of movement in financial assets above is contained in Note 2.5.

2.1a **Analysis of fair value gains on FVTPL financial assets**

	Notes	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Unrealised gain on equities at FVTPL	27	686,336	1,847,062
Net realised gain on equities at FVTPL	26	-	-
		686,336	1,847,062

The Company received dividends of N184.74million on equity holdings reported as fair valued through profit or loss during the year(2024: N13.80 million). See note 2.7.

2.2 **Equity : Fair Value through Other Comprehensive Income (FVTOCI)**

Equity I nstruments designated at fair value through other comprehensive income include investments in equity shares of non listed companies and other OTC traded equities. The Company holds non controlling interest (between 2% and 9%) in these companies. These investments were irrevocably designated at fair value through OCI as the Company considers these investments to be strategic in nature.

The fair values of the non listed equities are determined using either income or market approach (See Note 43.1- Valuation bases) while fair value of OTC listed equities are determined by reference to the published price quotation in the active market. The resulting fair value adjustments of all equities designated at fair value through other comprehensive income(FVTOCI) are recorded in other comprehensive income.

2.2

		31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
ARM Properties Plc.		350	10,750
Friesland Wamco Nig. Plc.		4,442	1,919
ARM Hospitality Fund		-	165,895
African Reinsurance Corporation		818,348	806,405
Energy and Allied Insurance Pool of Nigeria		409,185	986,222
African Oil and Energy Pool		2,078,712	-
Interswitch Limited		2,297,216	3,076,500
FBS Re Limited		1,613,850	695,812
WSTC Financial Services Limited		93,846	59,316
Total FVTOCI Financial assets	Note 2.5	**7,315,949**	**5,802,819**

The reconciliation of movement in financial assets above is contained in Note 2.5.

2.2a **Analysis of fair value gains on FVTOCI financial assets**

		31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Fair value gains recorded in OCI	Note 31	1,941,824	2,093,973
Net realised gain on equities at FVTOCI	Note 18.3a	-	-
		1,941,824	2,093,973

The Company received dividends of N423million on equity shares designated as FVTOCI during the year(2024: N115.7million). See note 2.7.

2.3 **Debt instruments at amortised cost**

	Credit Rating	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Federal Government Debt Securities			
Treasury bills	B3/Moody's	3,786,654	7,890,313
Impairment allowance of treasury bills		(5,486)	(5,066)
a		3,781,168	7,885,247
FGN Naira Bonds			
FGN Bond 12.5% 22 Jan 2026	B3/Moody's	598,127	599,298
FGN Bond 13.98% 23 Feb 2028	B3/Moody's	2,275,273	2,304,149
FGN Bond 19.30% 17 April 2029	B3/Moody's	1,658,224	-
FGN Bond 18.50% 21 Feb 2031	B3/Moody's	511,449	-
FGN Bond 19.75% SUKUK SERIES VII 21 Feb 2032	B3/Moody's	25,435	-
FGN Bond 12.75% 27 April 2033	B3/Moody's	990,976	1,904,388
FGN Bond 12.75% 21 June 2033	B3/Moody's	914,236	-
FGN Bond 12.15% 18 July 2034	B3/Moody's	222,916	223,736
FGN Bond 22.6% 29 Jan 2035	B3/Moody's	713,974	-
FGN Bond 12.5% 27 March 2035	B3/Moody's	389,261	388,574
Impairment allowance of FGN NGN Bonds		(15,956)	(7,651)
b		8,283,915	5,412,495
FGN Eurobonds			
NIGERIA 8.375% 21-Mar-2029	B3/Moody's	-	-
NIGERIA 7.143% 23-Feb-2030	B3/Moody's	4,414,774	4,702,572
NIGERIA 8.747% 23-Feb-2031	B3/Moody's	23,570,596	25,082,381
NIGERIA 10.37% 9-Dec-2034	B3/Moody's	7,253,579	-
Impairment allowance on FGN Euro Bonds		(1,481,435)	(1,208,533)
c		33,757,514	28,576,420
Total Federal government debt securities		45,822,598	41,874,163

2.3 **Debt instruments at amortised cost**

	Credit Rating	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
State Government Debt Securities			
ONDO 13% 30-JAN-2027	A-/ Agusto	155,731	244,580
LAGOS IIA 16.00% 20 NOV-2030	A+/Augusto	135,065	-
LAGOS IIA 13.00% 20 DEC-2031		219,928	240,962
Impairment on State Bonds		(2,024)	(1,134)
d		508,700	484,408
Corporate Debt Securities	B2/Moody's		
PRIMERO BRT-SPV 17.00%15-MAY-2026	Bbb-/Agusto	272,351	272,373
FLOURMILLS IIIB 11.10% 27-FEB-2025	A/Agusto	-	259,849
NOVAMBL SPV I 12.00% 23-JUL-2027	Bbb-/Agusto	37,037	37,038
LAPO MFB II 13.00% 30-MAR-2025	Bbb+/ Agusto	-	310,010
VETIVA ELECTRON BOND 22% 7-JULY-2040	A/Agusto	94,044	-
MTN 2020 TRANCH B 14.50% 30-SEPT-2032	AAA/GCR	234,306	234,329
Impairment on Corporate Bonds		(13,042)	(14,095)
e		624,696	1,099,504
Corporate Eurobonds			
FBNL 8.625% 27-OCT-2025	B2/Moody's	-	6,575,272
SEPLAT 9.25% 01- OCT-2026	B2/Moody's	-	7,603,759
ECOTRA 8.75 17 JUNE 2031	B3/Moody's	11,119,539	11,925,547
ACCESS 9.125% PERPETUAL BOND	B2/Moody's	10,599,883	16,471,041
Impairment on Corporate Euro Bonds		(539,420)	(1,267,648)
f		21,180,003	41,307,971

2.3

	Credit Rating	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Commercial papers			
Dangote Sugar Plc Cp14	AA+/GCR	95,331	-
Stanbic IBTC Cp2	A1+(NG)/GCR	455,833	-
FCMB CP	BBB+/GCR	114,274	-
Dangote Cement Cp21	A+/GCR	350,625	-
Dangote Sugar Cp12	AA+/GCR	389,508	-
Champion Breweries Cp2	BBB+/GCR	467,491	-
Dangote Sugar Plc Cp15	AA+/GCR	615,196	-
Impairment on Commercial papers		(50,811)	-
g		2,437,446	-
Other debt securities - term deposits			
Meristem Wealth Management Limited	BBB/Datapro	1,385,368	1,377,178
WSTC Financial Services Limited	BBB-/ GCR	254,611	255,692
Capital Bancorp Securities Limited	Not rated	51,607	51,587
Accrued interest on CBN deposit		26,408	4,560
Impairment on other debt securities		(56,517)	(40,968)
h		1,661,477	1,648,049
Total Amortised Cost Financial assets(a+b+c+d+e+f+g+h)		72,234,919	86,414,095

The reconciliation of movement in the financial assets above is contained in Note 2.5.

2.4 An analysis of changes in the gross carrying amount and corresponding ECLs is as follows:

	2025							
	Stage 1		Stage 2		Stage 3		Total	
Amortised cost	Gross carrying amount ₦'000	ECL ₦'000	Gross carrying amount ₦'000	ECL ₦'000	Gross carrying amount ₦'000	ECL ₦'000	Gross carrying amount ₦'000	ECL ₦'000
As at 1 January 2025	88,959,189	2,545,094	-	-	-	-	88,959,189	2,545,094
New assets purchased	29,445,921	842,438	-	-	-	-	29,445,921	842,438
Assets derecognised or matured (excluding write-offs)	(38,749,758)	(1,108,618)	-	-	-	-	(38,749,758)	(1,108,618)
Amounts written off	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	36,141	-	-	-	-	-	36,141
Unrealised foreign exchange adjustments	(5,255,743)	(150,365)	-	-	-	-	(5,255,743)	(150,365)
At 31 December 2025	74,399,609	2,164,690	-	-	-	-	74,399,609	2,164,690
	2024							
As at 1 January 2024	54,236,816	1,263,468	-	-	-	-	54,236,816	1,263,468
New assets purchased	22,180,254	516,698	-	-	-	-	22,180,254	516,698
Assets derecognised or matured (excluding write-offs)	(6,698,486)	(156,044)	-	-	-	-	(6,698,486)	(156,044)
Amounts written off	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	472,755	-	-	-	-	-	472,755
Unrealised foreign exchange adjustments	19,240,605	448,217	-	-	-	-	19,240,605	448,217
At 31 December 2024	88,959,189	2,545,094	-	-	-	-	88,959,189	2,545,094

2.5 **Analysis of movement in financial assets**

	Fair value through OCI ₦'000	Fair value through profit or loss ₦'000	Amortised Cost ₦'000	Total ₦'000
At 1 January 2024	3,130,296	966,058	52,973,348	57,069,702
Additions	578,551	302,169	22,180,254	23,060,974
Liquidation of managed funds (FVTOCI) to cash and cash equivalents(Note 1.3b)	-	(323,679)	-	(323,679)
Maturities and redemptions	-	-	(3,997,733)	(3,997,733)
Proceeds on disposals	-	-	(2,700,753)	(2,700,753)
Realised fair value gains recorded in profit or loss (Note 26)	-	-	-	-
Fair value gains recorded in OCI (Note 31)	2,093,972	-	-	2,093,972
Unrealised fair value gains taken to profit or loss (Note 27)	-	1,847,062	-	1,847,062
Impairment charge during the year (Note 29)	-	-	(833,409)	(833,409)
Unrealised foreign exchange adjustments (Note 28)	-	-	19,240,605	19,240,605
Unrealised foreign exchange adjustments on ECL relating to Amortised cost financial assets (Note 28)	-	-	(448,217)	(448,217)
At 31 December 2024	**5,802,819**	**2,791,610**	**86,414,095**	**95,008,524**
Additions	-	642,827	29,445,921	30,088,748
Liquidation of managed funds (FVTOCI) to cash and cash equivalents(Note 1.3b)	-	-	-	-
Maturities and redemptions	-	-	(11,365,130)	(11,365,130)
Proceeds on disposals	(428,694)	-	(27,384,628)	(27,813,322)
Reclassification from deposit for shares (Note 4.6)	-	73,024	-	73,024
Realised fair value gains recorded in profit or loss (Note 26)	-	-	-	-
Fair value gains recorded in OCI (Note 31)	1,941,824	-	-	1,941,824
Unrealised fair value gains taken to profit or loss (Note 27)	-	686,336	-	686,336
Impairment writeback during the year (Note 29)	-	-	230,039	230,039
Unrealised foreign exchange adjustments (Note 28)	-	-	(5,255,743)	(5,255,743)
Unrealised foreign exchange adjustments on ECL relating to Amortised cost financial assets (Note 28)	-	-	150,365	150,365
At 31 December 2025	**7,315,949**	**4,193,797**	**72,234,919**	**83,744,665**

2.6 **Maturity profile of debt instruments at amortised cost (gross):**

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Within one year	8,750,571	16,678,429
More than one year	63,484,348	69,735,666
	72,234,919	**86,414,095**

The Company's "debt instrument measured at amortised costs" under IFRS 9 consist of investment in bonds and other securities that the Company holds within a business model of collecting the contractual cashflow till maturity. These investments are carried at their amortised cost and interest income is recognised using the effective interest rate.

The financial assets with the exception of those carried at fair value through profit or loss (FVTPL) and fair value through OCI (FVTOCI) are monitored and tested for impairment when applicable. Additional information and breakdown are listed above.

2.7 **Investment Income from Financial Assets**

Financial Assets	Notes	Carrying amount ₦'000	Income type	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Equity: Fair value through Profit or loss	2.1	4,193,797	Dividends	184,744	13,759
Equity: Fair value through Other Comprehenive Income	2.2	7,315,949	Dividends	423,007	115,678
Total dividend received	25			607,751	129,437
Debt instruments measured at amortised cost:					
Federal government Bond	2.3	42,041,428	Interest	4,397,658	3,816,187
State government bonds	2.3	508,700	Interest	48,897	66,834
Corporate bonds	2.3	21,804,699	Interest	3,764,920	3,493,514
Treasury bills	2.3	3,781,168	Interest	750,672	1,115,160
Commercial papers		2,437,446	Interest	348,616	164,066
				8962,148	8,491,695
Other debt securities- Term deposits	2.3	1,661,477	Interest	548,012	171,346
Total interest received/receivables		83,744,665		9,510,160	8,663,041

3. Premium receivables	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Due from brokers	290,146	270,207
Due from insurers	-	-
	290,146	**270,207**

3.1 Analysis of movement in premium received for cashflow purpose		
Premium received 30days after previous year end	270,207	316,646
Premium received in respect of Gross written premium(GWP)	108,833,232	71,688,127
Exclude premium deposit	(25,126,168)	(14,620,617)
Premium received from insurance contracts in the year	(83,687,125)	(57,113,949)
	290,146	**270,207**

3.2 Aging analysis of trade receivables:	No of Policies	Amount ₦'000	No of Policies	Amount ₦'000
Within 14 days	66	53,005	115	45,184
Within 15-30 days	256	237,141	390	225,023
Within 31-90 days	-	-	-	-
Within 91-180 days	-	-	-	-
Above 180days	-	-	-	-
	322	**290,146**	**482**	**270,207**

All insurance receivables are designated as premium receivables and their carrying values approximate fair value at the reporting date. The total amount oustanding was received as at 31 January 2026 (2024: N270.2m).

4 Other receivables and prepayments	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Staff loans (Note 4.1)	90,728	104,973
Prepayments and sundry debtors (Note 4.4)	531,311	428,325
Due from reinsurance brokers (Note 4.2)	645,568	306,520
Minimum deposit on premiums paid (Note 4.3)	91,500	72,134
Deposit for shares (Note 4.6)	-	3,073,024
	1,359,107	3,984,976
*Allowance for impairment on Other receivables (Note 4.8)	(117,737)	(158,381)
	1,241,370	**3,826,595**

*Individual impairment of items were carried out to arrive at this value.

4.1 Staff loans		
At 1 January	104,973	115,195
Addition during the period	13,000	11,550
Interest on staff loan (Note 24)	2,821	3,411
Repayment during the period	(30,066)	(25,183)
	90,728	104,973
ECL impairment provision	(37,919)	(38,475)
At 31 December	**52,809**	**66,498**

As at the end of the year, outstanding balance in respect of staff loans granted to key management staff was nil (2024: N1.4m). See note 38.3

4.2 Due from reinsurance brokers

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
At 1 January	306,520	963,885
Claims paid on behalf of reinsurance brokers	2,106,716	886,138
Recovery from reinsurance brokers during the year	(1,767,668)	(1,543,503)
	645,568	306,520
Allowance for impairment	-	-
At 31 December	645,568	**306,520**

Amounts due from reinsurance brokers represent amounts outstanding in respect of claims paid on behalf of reinsurers. They are valued after an allowance for their recoverability, and the carrying amount is a reasonable approximation of fair value. Based on our aged analysis of amounts due from reinsurance brokers as at year end, there was no outstanding amount due from any of the brokers above 90 days (2024 : Nil).

4.3 Minimum deposit on premiums paid to reinsurance brokers

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
At 1 January	72,134	52,990
Addition	130,251	161,911
Expensed during the year	(110,885)	(142,767)
At 31 December	**91,500**	**72,134**

This relates to minimum deposits made to Reinsurance brokers as reinsurance intermediaries. M&D premium paid during the year in the sum of N130.25 million(2024: N161.91m) are reported separately in the statement of cashflow.

4.4 Prepayment and sundry debtors

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Sundry debtors (Note 4.4.1)	54,657	54,826
Prepaid others (Note 4.4.2)	201,317	145,499
Deposit for assets acquisition (Note 4.4.3)	120,337	105,337
	128,331	72,809
Prepaid insurance on owned assets	26,669	49,854
	531,311	**428,325**

4.4.1 Sundry debtors represents deposit for various services not yet received and recoverable from suppliers and service providers.

4.4.2 Prepaid others

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Prepaid NSITF contribution	20,410	14,239
Prepaid IT subscriptions	149,758	87,281
Prepaid service charge	1,013	8,685
Prepaid HMO	3,789	3,799
Prepaid staff expenses	26,347	31,495
Prepaid rent	**201,317**	**145,499**

4.4.3 Deposit for asset acquisition	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Motor Vehicles (Note 4.4.3.1)	95,000	80,000
Software (Note 4.4.3.2)	25,337	25,337
	120,337	105,337

4.4.3.1 This represents payments for vehichles yet to be delivered as at the end of the year. This amount will capitalised as additions to motor vehicles when delivered. The vehicle amounting to N80 million was received and capitalised during the 2025 financial year.

4.4.3.2 This relates to payments made in advance in respect of a property development for which an initial deposit of N36.8million was made. The property development stalled and the developer had so far refunded the sum of N11.4million whilst the balance of N25.4million was fully impaired.

4.5 Withholding tax credit notes	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Balance as at 1 Jan	-	7,777
Additional credit notes received (Note 25.1)	24,524	122,796
Utilised credit notes (Note 15.2)	(24,524)	(130,573)
Balance as at 31 Dec	-	-

4.6 **Deposit for shares**

Deposit for shares are in respect of shares yet to be allotted by some Nigerian companies. The balance for 2024 includes Zenith bank Right issues (N73 million) and Evercorp Industries Limited (N3billion). During the year, Zenith bank right issues was allotted while payments made to Evercorp Industries Limited was returned in cash

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Balance as at 1 Jan	3,073,024	-
Deposits paid during the year	-	3,073,024
Reclassified to equities upon allocation	(73,024)	
Refund from Evercorp Industries Limited	(3,000,000)	-
Balance as at 31 Dec	-	3,073,024

4.7 Impairment loss on other receivables

These items are not rated.	2025 Stage 1 Gross carrying amount ₦'000	2025 Stage 1 ECL ₦'000	2025 Stage 2 Gross carrying amount ₦'000	2025 Stage 2 ECL ₦'000	2025 Stage 3 Gross carrying amount ₦'000	2025 Stage 3 ECL ₦'000	2025 Total Gross carrying amount ₦'000	2025 Total ECL ₦'000
As at 1 January 2025	3,875,408	48,813	-	-	109,568	109,568	3,984,976	158,381
New assets purchased	764,389	30,380	-	-	-	-	764,389	30,380
Assets derecognised or matured (excluding write-offs)	(3,390,258)	(134,744)	-	-	-	-	(3,390,258)	(134,744)
Amounts written off	-		-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	63,720	-	-	-	-	-	63,720
Unrealised foreign exchange adjustments	-	-	-	-	-	-	-	-
At 31 December 2025	1,249,539	8,169	-	-	109,568	109,568	1,359,107	117,737

	2024 Stage 1 Gross carrying amount ₦'000	2024 Stage 1 ECL ₦'000	2024 Stage 2 Gross carrying amount ₦'000	2024 Stage 2 ECL ₦'000	2024 Stage 3 Gross carrying amount ₦'000	2024 Stage 3 ECL ₦'000	2024 Total Gross carrying amount ₦'000	2024 Total ECL ₦'000
As at 1 January 2024	1,634,331	284,119	-	-	109,568	109,568	1,743,899	393,687
New assets purchased	3,077,061	694,650	-	-	-	-	3,077,061	694,650
Assets derecognised or matured (excluding write-offs)	(835,984)	(188,724)	-	-	-	-	(835,984)	(188,724)
Amounts written off	-		-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	(741,232)	-	-	-	-	-	(741,232)
Unrealised foreign exchange adjustments	-	-	-	-	-	-	-	-
At 31 December 2024	3,875,408	48,813	-	-	109,568	109,568	3,984,976	158,381

Analysis of impact of impairment 2025	Asset Gross carrying amount as at 31 December ₦'000	Impairment Balance as at 1 January ₦'000	Impairment Increase/ (Write-back) during the year ₦'000	Impairment Balance as at 31 December ₦'000	Asset Carrying amount as at 31 December ₦'000
Staff loans	90,728	38,475	(556)	37,919	52,809
Prepayments	356,317	-	-	-	356,317
Sundry debtors	54,657	47,089	14	47,103	7,554
Due from reinsurance brokers	645,568	-	-	-	645,568
Minimum deposit on premiums paid	91,500	-	-	-	91,500
Deposit for assets acquisition	120,337	25,337	7,378	32,715	87,622
Withholding tax credit notes	-	-	-	-	-
Deposit for shares	-	47,481	(47,481)	-	-
Total	1,359,107	158,381	(40,644)	117,737	1,241,370
Analysis of impact of impairment 2024					
Staff loans	104,973	38,451	24	38,475	66,498
Prepayments	268,162	-	-	-	268,162
Sundry debtors	54,826	56,865	(9,778)	47,089	7,737
Due from reinsurance brokers	306,520	273,034	(273,034)	-	306,520
Minimum deposit on premiums paid	72,134	-	-	-	72,134
Deposit for assets acquisition	105,337	25,337	-	25,337	80,000
Withholding tax credit notes	-	-	-	-	-
Deposit for shares	3,073,024	-	47,481	47,481	3,025,543
Total	3,984,976	393,687	(235,307)	158,381	3,826,595

5 Investment properties	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
At 1 January	5,495,500	4,050,000
Additions during the year	14,600,000	-
Disposals during the year	(600,000)	-
Net gain on fair value adjustments (Note 27)	3,186,500	1,445,500
At 31 December	22,682,000	5,495,500

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

5.1 Description of properties and movement	1-Jan-2025 ₦'000	Additions during the year ₦'000	Disposals during the year ₦'000	Fair value adjustments recognised in profit or loss ₦'000	31- Dec 2025 ₦'000
88, Adetokunbo Ademola Street, Victoria Island, Lagos	460,000	-	(600,000)	140,000	-
3, Aja Nwachukwu Close, Off Bourdillon Road, Ikoyi, Lagos*	4,000,000	-	-	2,500,000	6,500,000
156 Awolowo Road, Ikoyi, Lagos	540,000	-	-	304,000	844,000
Plot 3243, Block 71, Peace Prayer Estate, Amuwo Odofin, Lagos	75,000	-	-	50,000	125,000
Plot 676 Cadastral Zone, Abuja	250,000	-	-	100,000	350,000
39 Alfred Rewane (Old Kingsway rd.) Ikoyi Lagos	-	14,600,000	-	-	14,600,000
5 Chapel Street, Yaba	170,500	-	-	92,500	263,000
	5,495,500	**14,600,000**	**(600,000)**	**3,186,500**	**22,682,000**

The Company acquired a new investment property (2024:Nil) and disposed off the property located at 88 Ademola adetokunbo street Vistoria Island during the year(2024:Nil).

*The Investment property located at 3, Aja Nwachukwu Close, Off Bourdillon Road, Ikoyi, Lagos is jointly owned by Policyholders and Shareholders. A fixed portion of N1,513m is owned by policyholders while shareholder own any excess above the same value(i.e. N4,987m as at year end, 2024: N2,487m). Shareholders bear the full exposure to the related risk (Fair valuation gains and losses on the property) while rental income on the property is shared proportionally based on holdings.

5.1 Description of properties and movement	1-Jan-2024 ₦'000	Additions during the year ₦'000	Disposals during the year ₦'000	Fair value adjustments recognised in profit or loss ₦'000	31- Dec 2024 ₦'000
88, Adetokunbo Ademola Street, Victoria Island, Lagos	245,000	-	-	215,000	460,000
3, Aja Nwachukwu Close, Off Bourdillon Road, Ikoyi, Lagos*	3,140,000	-	-	860,000	4,000,000
156 Awolowo Road, Ikoyi, Lagos	440,000	-	-	100,000	540,000
Plot 3243, Block 71, Peace Prayer Estate, Amuwo Odofin, Lagos	45,000	-	-	30,000	75,000
Plot 676 Cadastral Zone, Abuja	70,000	-	-	180,000	250,000
5 Chapel Street, Yaba	110,000	-	-	60,500	170,500
	4,050,000	**-**	**-**	**1,445,500**	**5,495,500**

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 Barin Epega & Company (a registered estate surveyor & valuer) as at 31 December 2025 and 31 December 2024 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. The rental income arising from these properties during the year is included in other investment and sundry income.

Details of the Valuer

The investment properties were independently valued as at 31 December 2025 and 31 December 2024 by Barin Epega & Co(an estate surveyor & chartered valuer firm) duly registered with the Financial Reporting Council of Nigeria with number FRC/2020/00000013769, with office located at No. 98, Norman Williams Street Ikoyi, Lagos. The valuation report was signed by Sir Obarinsola Epega KJW who is a qualified member of the Nigerian Institution of Estate Surveyors and Valuers with FRC No. FRC/2012/PRO/NIESV/004/00000000597.

The rental income arising during the year amounted to N77million (2024: N70million) which is included in other investment and operating income. Direct operating expenses arising in respect of such properties during the year are included within management expenses.

5. Investment properties contd

	2025 ₦'000	2024 ₦'000
Rental income derived from investment properties (Note 25)	77,000	70,000
Direct operating expenses in generating rental income (Note 30.4)	(4,621)	(11,808)
Profit from investment properties carried at fair value	72,379	58,192

There are no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal. The Company has no contractual obligations to purchase, construct or develop investment property or for repairs or enhancement.

Valuation techniques used for fair valuation of investment properties - 31 December 2025

Location of Investment properties	Status of Title	Valuation technique	Significant unobservable inputs
3, Aja Nwachukwu Close, Off Bourdillon Road, Ikoyi, Lagos	Title is covered by the Lagos State Land certificate Title No LO8707 which was registered and perfected on 7 September 2011.	Income approach (DCF Method)	- Estimated unit rental per annum N40,000,000 – N50,000,000 per flat - Rent growth p.a 10% - Long-term vacancy rate less 10% - Discount rate 5%
156 Awolowo Road, Ikoyi, Lagos	Title is covered by the Lagos State Land certificate Title No LO5032 which was registered and perfected on 29 June 1994.	Income approach (DCF Method).	- Estimated rental per annum N125,000/m2 - Rent growth p.a 5% - Annual outgoings - 10% - Long-term vacancy rate 2% - Discount rate 5%
Plot 3243, Block 71, Peace Prayer Estate, Amuwo Odofin, Lagos	Title is evidenced by the D160Deed of Assignment dated 1995. Title perfection is ongoing with the Lagos State Government since April 2017.	Market comparison approach.	- Estimated price per square metre - N125,000

Valuation techniques used for fair valuation of investment properties - 31 December 2025 contd

Location of Investment properties	Status of Title	Valuation technique	Significant unobservable inputs
No 39B, Alfred Rewane Rd. (Former Kingsway road Ikoyi)	Title is evidenced by the Deed of Assignment dated 30 October 2025 and registered as No 70 page 70 in volume 171 at the Federal Land Registry Ikoyi Lagos.	Market comparison approach.	- Estimated price per square metre N3,000,000
Plot 676 Cadastral Zone, Abuja	Title is evidenced by the Federal Government Certificate of Occupancy No 149123 and registered as No 11488 in Volume 58 of the Certificate of Occupancy register in Land registry office Abuja. Title was perfected and obtained on 1 September 2011.	Market comparison approach.	- Estimated price per square meter N125,000
5 Chapel Street, Yaba, Lagos	Title perfection is ongoing with the Lagos State Government since acquisition in September 2019.	Depreciated replacement cost approach was adopted in arriving at the market value.	-Construction cost per square meter:N600,000 - Land cost/M2: N350,000/m2 Depreciation rate of building) - 7%

Valuation techniques used for fair valuation of investment properties - 31 December 2025 contd

Location of Investment properties	Status of Title	Valuation technique	Significant unobservable inputs
88, Adetokunbo Ademola Street, Victoria Island, Lagos	Title is covered by the Lagos State Land certificate Title No LO8556 which was registered and perfected on 1 September 2011	Depreciated replacement cost approach.	-Construction cost/M2 : N15,015,000 for Main Building of 300.3m2, N1,516,800 for Domestic Staff Quarters of 47.4m2 and N130,000 for Gate house of 8.48m2 Depreciation rate of 70% Unit Land price (N275,000 - N33000/m2)
3, Aja Nwachukwu Close, Off Bourdillon Road, Ikoyi, Lagos	Title is covered by the Lagos State Land certificate Title No LO8707 which was registered and perfected on 7 September 2011.	Income approach (DCF Method)	- Estimated unit rental per annum N25,000,000 - N30,000,000 per flat - Rent growth p.a 5% - Long-term vacancy rate less 10% - Discount rate 10%
156 Awolowo Road, Ikoyi, Lagos	Title is covered by the Lagos State Land certificate Title No LO5032 which was registered and perfected on 29 June 1994.	Income approach (DCF Method).	- Estimated rental per annum N80,000/m2 - Rent growth p.a 5% - Annual outgoings - 10% - Long-term vacancy rate 2% - Discount rate - 10%

Valuation techniques used for fair valuation of investment properties - 31 December 2025 contd

Location of Investment properties	Status of Title	Valuation technique	Significant unobservable inputs
Plot 3243, Block 71, Peace Prayer Estate, Amuwo Odofin, Lagos	Title is evidenced by the D160Deed of Assignment dated 1995. Title perfection is ongoing with the Lagos State Government since April 2017.	Market comparison approach.	- Estimated price per square metre N75,000
Plot 676 Cadastral Zone, Abuja	Title is evidenced by the Federal Government Certificate of Occupancy No 149123 and registered as No 11488 in Volume 58 of the Certificate of Occupancy register in Land registry office Abuja. Title was perfected and obtained on 1 September 2011.	Market comparison approach.	- Estimated price per square meter N90,000
5 Chapel Street, Yaba, Lagos	Title perfection is ongoing with the Lagos State Government since acquisition in September 2019.	Depreciated replacement cost approach was adopted in arriving at the market value.	-Construction cost per square meter : N350,000 - N500,000, - Land cost/M2: N150,000 - N200,000/m2 Depreciation rate of building) - Nil

Investment Properties carried at fair value
All Investment properties are carried at fair value as determined by an independent valuer. Valuation under the market approach is based on open market capital valuation using the market comparison approach through analysis of recent transactions of sale of comparable properties in the neighbourhood to arrive at the value of the property. The income approach using discounted cashflows method is also used in arriving at the fair value of income yielding investment properties. The Depreciated replacement cost approach was used in arriving at the fair value of dilapidated structures due to the specialised nature of the property. Investment properties are categorised as Level 3 assets based on the methodology adopted in determining the fair value.

Investment Properties carried at fair value using income approach
Using the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower)/fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/(higher) fair value. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long term vacancy rate.

Investment Properties carried at fair value using market approach
Market comparable method is used when there exist a good volume of transactions involving comparable properties in the area during the year. Under the market comparable approach, a property's fair value is estimated based on comparable transactions. This approach is based on the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. The unit of comparism applied by the Company is the price per square meter(sqm). The valuations have been performed by the valuer and are based on proprietary databases of prices of transactions for properties of similar nature, location and condition.

Investment Properties carried at depreciated replacement cost approach
Depreciated replacement cost (DRC) method of valuation is used where there is no active market for the asset being valued – that is, where there is no useful or relevant evidence of recent sales transactions due to the specialised nature of the asset. The cost of a modern equivalent asset is estimated and then adjusted to reflect the subject asset's physical condition and utility together with obsolescence and relative disabilities affecting the actual asset.

	Fair value hierarchy of Investment Properties			
	Level 1 ₦'000	Level 2 ₦'000	Level 3 ₦'000	Total ₦'000
At 31 December 2025				
Investment properties	-	-	22,682,000	22,682,000
At 31 December 2024				
Investment properties	-	-	5,495,500	5,495,500

6 Property, plant and equipment

Cost	Motor Vehicles ₦'000	Furniture and Fittings ₦'000	Computer and Office Equipment ₦'000	Plant and Machinery ₦'000	Total ₦'000
At 1 January 2024	534,814	83,498	236,604	20,835	875,751
Additions	37,050	963	58,382	-	96,396
Disposals	(55,718)	-	-	-	(55,718)
At 31 December 2024	516,146	84,461	294,986	20,835	916,429
Additions	904,000	1,649	24,532	-	930,181
Transfer from deposit for assets	80,000	-	-	-	80,000
Disposals	(152,600)	-	-	-	(152,600)
At 31 December 2025	1,347,546	86,110	319,518	20,835	1,774,010
Accumulated depreciation:					
At 1 January 2024	384,736	80,641	196,746	14,415	676,538
Charge for the year	77,290	1,163	26,094	2,693	107,240
Disposals	(50,718)	-	-	-	(50,718)
At 31 December 2024	411,308	81,804	222,840	17,108	733,060
Charge for the year	172,024	1,206	31,793	2,188	207,211
Disposals	(106,063)	-	-	-	(106,063)
At 31 December 2025	477,269	83,010	254,633	19,296	834,208
Carrying Amount					
At 31 December 2025	**870,277**	**3,100**	**64,885**	**1,539**	**939,802**
At 31 December 2024	**104,838**	**2,657**	**72,146**	**3,727**	**183,369**

6.1 The Company had no capital commitment as at the end of the period (2024: Nil)
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6.2 Impairment assessment was carried out during the period and there was no indication of impairment of any of the assets in use by the Company, hence no impairment test was performed during the period.

6.3 None of the property, plant and equipment of the Company has been pledged as security for borrowings or otherwise, as at the end of the year (2024: Nil).

7 Right of use assets

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
At 1 January	4,333	8,333
Additions during the year	-	-
Depreciation expense	(4,000)	(4,000)
At 31 December	**333**	**4,333**

The Company leases buildings used as office premises and land spaces used for storing accidented vehicles. The total lease term for the office spaces are 12 month or less which are treated as short term lease (See prepaid rent in note 4.4). In many of the lease contracts, there are no extension options and where there exist in other contracts, the company is not reasonably certain that extension options will be exercised and termination options are exercisable by both leasee and lessor without penalty.

In 2020, the Company leased a vacant land for storing its salvage vehicles. The 3 year lease term for the land space which ended in February 2023 and was subsequent renewed for another 3 year term for the sum of N12 million. There are no lease liabilities relating to the lease as at the end of the year.

8. **Intangible assets**

Cost:	Software costs ₦'000	Total ₦'000
At 1 January 2024	128,542	128,542
Additions	23,289	23,289
Transfer from deposit for Assets (IFRS 17 software solution)- Note 4.4.3	78,297	78,297
At 31 December 2024	230,128	230,128
Additions	-	-
At 31 December 2025	230,128	230,128
Accumulated amortisation:		
At 1 January 2024	128,419	128,419
Charge for the year	25,505	25,505
At 31 December 2024	153,924	153,924
Charge for the year	25,410	25,410
At 31 December 2025	179,334	179,334
Carrying amount:		
At 31 December 2025	**50,794**	**50,794**
At 31 December 2024	**76,204**	**76,204**

9. **Statutory deposits**

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Deposits with CBN	**300,000**	**300,000**

The statutory deposit requirements outlined in Section 16(3) of the Nigerian Insurance Industry Reform Act (NIIRA) 2025 mandates that all existing insurers must deposit 10% of their minimum share capital (N15 billion for non life insurence company) with the Central Bank of Nigeria (CBN). In line with the guidelines on Minimum Capital Requirement(MCR) for Insurance and Reinsurance companies in Nigeria,the short fall of N1.2 billion will be made to the CBN from existing cash and bank balances before 30th May 2026.

10. **Insurance contract liabilities issued / Reinsurance contracts held**

10.1 **Carrying amount of Insurance contract issued and Reinsurance contract held**

		31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
a	**Insurance contracts issued**		
	Insurance contract Liabilities		
	Insurance contract liabilities (excluding insurance acquisition cashflows assets and other pre-recognition cashflows)	53,580,927	38,757,789
	Insurance acquisition cashflows	(2,894,805)	(1,871,175)
	Other pre-recognition cashflows	-	-
	Insurance contract Liabilities	50,686,122	36,886,613
b	**Insurance contract Assets**		
	Insurance contract liabilities (excluding insurance acquisition cashflows assets and other pre-recognition cashflows)	-	-
	Insurance acquisition cashflows	-	-
	Other pre-recognition cashflows	-	-
		-	-
c	**Reinsurance contract Assets**		
	Reinsurance contract assets (excluding reinsurance deferred acquisition income cashflows assets and other pre-recognition cashflows and reinsurance payables)	26,463,936	19,146,394
	Reinsurance deferred acquisition income cashflows assets	(1,298,569)	(811,036)
	Other pre-recognition cashflows	-	-
	Reinsurance payables	(11,660,336)	(7,909,132)
		13,505,031	10,426,226

10. Insurance contract liabilities issued / Reinsurance contracts held

10.1 Carrying amount of Insurance contract issued and Reinsurance contract held

		31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
d	**Reinsurance contract liabilities**		
	Reinsurance contract liabilities (excluding reinsurance deferred acquisition income cashflows assets and other pre - recognition cashflows and reinsurance payables)	-	-
	Reinsurance deferred acquisition income cashflows assets	-	-
	Other prerecognition cashflows	-	-
	Reinsurance payables	-	-
		-	-
e	**Liabilities for remaining coverage:**		
	Excluding loss component	21,850,725	14,934,909
	loss component	2,140.00	-
		21,852,865	14,934,909
	Liabilities for incurred claims:		
	Estimates of present value of future cash flows	26,259,797	19,992,444
	Risk adjustment for non financial risk	2,573,460	1,959,260
		28,833,257	21,951,704
		50,686,122	36,886,613
f	**Reinsurance contract Assets**		
	Assets for remaining coverage:		
	Excluding loss recovery component	(2,606,647)	2,155,501
	Loss recovery component	-	-
		(2,606,647)	2,155,501
	Assets for incurred claims:		
	Estimates of present value of future cash flows	(8,718,709)	6,616,580
	Risk adjustment for non financial risk	(2,179,674)	1,654,145
		(10,898,383)	8,270,725
		(13,505,030)	**10,426,226**

g	**Movement in Deferred acquisition cost(DAC)**	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
	At 1 January	1,871,175	1,133,672
	Insurance acquisition cashflows(commissions) paid during the year	12,007,184	7,960,859
	Insurance acquisition cashflows(commissions) amortised during the year	(11,053,552)	(7,223,356)
	At 31 December	2,824,807	1,871,175
	Transferred to/netted off insurance contract liabilities	(2,824,807)	(1,871,175)
		-	-

10. Insurance contract liabilities issued / Reinsurance contracts held

10.2 Portfolios of Insurance and Reinsurance contract assets liabilities held

31 December 2025	Motor	Accident	Bond	Marine	Aviation	Fire	Engineering	Oil & Energy	Total
Insurance contract liabilities	6,262,544	6,181,187	175,953	3,136,883	1,040,587	11,633,555	4,637,349	17,618,065	50,686,122
Reinsurance contract assets	212,411	1,593,142	10,317	1,504,161	588	2,958,100	1,814,200	5,412,114	13,505,031
31 December 2024									
Insurance contracts liabilities	4,328,731	4,268,313	35,699	1,418,898	546,113	10,778,511	3,441,580	12,068,768	36,886,613
Reinsurance contracts assets	147,825	1,484,182	3,118	554,107	1,860	2,988,478	2,053,887	3,192,769	10,426,226

a. **Insurance contracts issued**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach Insurance contracts issued**

		31 December 2025				
		Liabilities for Remaining Coverage		Liability for incurred claims		
	Notes	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets		-		-	-	-
Opening insurance contract liabilities		14,934,907	-	19,992,440	1,959,266	36,886,613
Net Opening balance		14,934,907	-	19,992,440	1,959,266	36,886,613
Changes in the statement of profit or loss and OCI						
Insurance revenue						
Insurance revenue	19	(100,893,787)	-	-	-	(100,893,787)
		(100,893,787)	-	-	-	(100,893,787)
Insurance service expenses						
Incurred claims		-	-	5,048,739	(250,842)	4,797,897
Other incurred insurance service expense		-	-	4,203,227	-	4,203,227
Acquisition expenses		11,053,552	-	-	-	11,053,552
Changes that relate to future services: Losses on onerous groups of contracts and reversals		-	2,140	-	-	2,140
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)		-	-	12,414,369	894,884	13,309,253
	20	11,053,552	2,140	21,666,335	644,042	33,366,069
Insurance finance expenses						
Insurance finance expenses		-	-	1,363,416	(29,846)	1,333,570
	22	-	-	1,363,416	(29,846)	1,333,570
Total changes in the statement of profit or loss and OCI		**(89,840,235)**	**2,140**	**23,029,751**	**614,196**	**(66,194,148)**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	10,234,339	-	12,430,145	1,417,041	24,081,525
Net Opening balance	10,234,339	-	12,430,145	1,417,041	24,081,525
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(66,250,056)	-	-	-	(66,250,056)
	(66,250,056)	-	-	-	(66,250,056)
Insurance service expenses					
Incurred claims	-	-	9,356,807	(500,070)	8,856,737
Other incurred insurance service expense	-	-	-	-	-
Acquisition expenses	7,223,356	-	-	-	7,223,356
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	12,243,851	1,261,641	13,505,492
	7,223,356	-	21,600,658	761,571	29,585,585
Insurance finance expenses					
Insurance finance expenses	-	-	(1,157,435)	(219,346)	(1,376,781)
	-	-	(1,157,435)	(219,346)	(1,376,781)
Total changes in the statement of profit or loss and OCI	**(59,026,700)**	**-**	**20,443,223**	**542,225**	**(38,041,252)**

a. **Insurance contracts issued**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach Insurance contracts issued**

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	83,687,125	-	-	-	83,687,125
Claims paid	-	-	(12,559,174)	-	(12,559,174)
Directly attributables expenses paid	-	-	(4,203,220)	-	(4,203,220)
Acquisition cash flows paid	(12,077,184)	-	-	-	(12,077,184)
	71,609,941	-	(16,762,394)	-	54,847,547
Non- cashflow Items					
Premiums on new insurance contract(premium received in previous year(2)	25,126,162	-	-	-	25,126,162
Premiums on new insurance contract(adjustment to premium receivables during the year)	19,950	-	-	-	19,950
	25,146,112	-	-	-	25,146,112
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	21,850,725	2,140	26,259,797	2,573,460	50,686,122
Net closing balance	**21,850,725**	**2,140**	**26,259,797**	**2,573,460**	**50,686,122**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
	57,113,949	-	-	-	57,113,949
	-	-	(9,992,674)	-	(9,992,674)
	-	-	(2,888,254)	-	(2,888,254)
	(7,960,859)	-	-	-	(7,960,859)
	49,153,090	-	(12,880,928)	-	36,272,162
	14,620,616	-	-	-	14,620,616
	(46,438)	-	-	-	(46,438)
	14,574,178	-	-	-	14,574,178
	-	-	-	-	-
	14,934,907	-	19,992,440	1,959,266	36,886,613
	14,934,907	**-**	**19,992,440**	**1,959,266**	**36,886,613**

10. Insurance contract liabilities issued/ Reinsurance contracts held

b. Reinsurance contracts held

(i). Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

		31 December 2025				
		Assets for Remaining Coverage		Asset for incurred claims		
Reinsurance contracts held	Notes	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets		2,155,498	-	6,616,583	1,654,145	10,426,226
Opening reinsurance contract liabilities		-	-	-	-	-
Net Opening balance		2,155,498	-	6,616,583	1,654,145	10,426,226
Changes in the statement of profit or loss and OCI						
Insurance revenue						
Reinsurance expenses		(60,175,069)	-	-	-	(60,175,069)
		(60,175,069)	-	-	-	(60,175,069)
Net income (expenses) from reinsurance contracts held						
Reinsurance service expenses						
Incurred claims recovery		-	-	2,998,143	(369,694)	2,628,449
Acquisition income amortised		3,791,081	-	-	-	3,791,081
Changes that relate to future services: Losses on onerous groups of contracts and reversals		-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)		-	-	3,054,153	925,031	3,979,184
		3,791,081	-	6,052,296	555,337	10,398,714
Reinsurance service result	21	(56,383,988)	-	6,052,296	555,337	(49,776,355)
Insurance finance expenses/income from reinsurance contracts held						
Reinsurance finance expenses/income		-	-	404,015	(29,808)	374,207
	23	-		404,015	(29,808)	374,207
Total changes in the statement of profit or loss and OCI		**(56,383,988)**	**-**	**6,456,311**	**525,529**	**(49,402,148)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
Reinsurance contracts held	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(1,488,198)	-	(4,430,868)	(1,138,732)	(7,057,798)
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	(1,488,198)	-	(4,430,868)	(1,138,732)	(7,057,798)
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Reinsurance expenses	42,096,153	-	-	-	42,096,153
	42,096,153	-	-	-	42,096,153
Net income (expenses) from reinsurance contracts held					
Reinsurance service expenses					
Incurred claims recovery	-	-	(2,774,496)	445,108	(2,329,388)
Acquisition income amortised	(2,906,537)	-	-	-	(2,906,537)
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	(1,837,295)	(1,056,786)	(2,894,081)
	(2,906,537)	-	(4,611,791)	(611,678)	(8,130,006)
Reinsurance service result	39,189,616	-	(4,611,791)	(611,678)	33,966,147
Insurance finance expenses/income from reinsurance contracts held					
Reinsurance finance expenses/income	-	-	32,783	96,265	129,048
	-		32,783	96,265	129,048
Total changes in the statement of profit or loss and OCI	**39,189,616**	**-**	**(4,579,008)**	**(515,413)**	**34,095,195**

10. Insurance contract liabilities issued/ Reinsurance contracts held

b. Reinsurance contracts held

(i). Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cashflow	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid on new contracts - reinsurance premium paid during the year-1	61,004,744	-	-	-	61,004,744
Recoveries from reinsurance	-	-	(4,354,185)	-	(4,354,185)
Acquisition cash flows for ceding commissions	(4,280,491)	-	-	-	(4,280,491)
	56,724,253	-	(4,354,185)	-	52,370,068
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	110,884	-	-	-	110,884
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	110,884	-	-	-	110,884
Closing reinsurance contract assets	2,606,647	-	8,718,709	2,179,674	13,505,031
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**2,606,647**	**-**	**8,718,709**	**2,179,674**	**13,505,031**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
Cashflow	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid on new contracts - reinsurance premium paid during the year-1	(42,811,024)	-	-	-	(42,811,024)
Recoveries from reinsurance	-	-	2,393,294	-	2,393,294
Acquisition cash flows for ceding commissions	3,096,876	-	-	-	3,096,876
	(39,714,148)	-	2,393,294	-	(37,320,854)
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	(142,767)	-	-	-	(142,767)
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	(142,767)	-	-	-	(142,767)
Closing reinsurance contract assets	(2,155,501)	-	(6,616,580)	(1,654,145)	(10,426,226)
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**(2,155,501)**	**-**	**(6,616,580)**	**(1,654,145)**	**(10,426,226)**

10. Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.1 Motor
a. Motor - Insurance contracts issued
i. Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	2,139,598	-	1,993,746	195,387	4,328,731
Net Opening balance	2,139,598	-	1,993,746	195,387	4,328,731
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(15,313,400)	-	-	-	(15,313,400)
	(15,313,400)	-	-	-	(15,313,400)
Insurance service expenses					
Incurred claims	-	-	967,615	11,825	979,440
Other incurred insurance service expense	-	-	775,248	-	775,248
Acquisition expenses	1,700,592	-	-	-	1,700,592
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	242	-	-	242
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	4,465,088	146,812	4,611,900
	1,700,592	242	6,207,951	158,637	8,067,422
Insurance finance expenses					
Insurance finance expenses	-	-	109,082	(3,405)	105,677
	-	-	109,082	(3,405)	105,677
Total changes in the statement of profit or loss and OCI	**(13,612,808)**	**242**	**6,317,033**	**155,232**	**(7,140,301)**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	1,668,235	-	1,255,946	143,177	3,067,358
Net Opening balance	1,668,235	-	1,255,946	143,177	3,067,358
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(9,966,116)	-	-	-	(9,966,116)
	(9,966,116)	-	-	-	(9,966,116)
Insurance service expenses					
Incurred claims	-	-	985,068	(5,970)	979,098
Other incurred insurance service expense	-	-	415,008	-	415,008
Acquisition expenses	1,101,356	-	-	-	1,101,356
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	2,797,818	65,814	2,863,632
	1,101,356	-	4,197,894	59,844	5,359,094
Insurance finance expenses					
Insurance finance expenses	-	-	7,373	(7,634)	(261)
	-	-	7,373	(7,634)	(261)
Total changes in the statement of profit or loss and OCI	**(8,864,760)**	**-**	**4,205,267**	**52,210**	**(4,607,283)**

10.2.1 Motor

a. Motor - Insurance contracts issued

i. Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Cash flows					
Premiums received- premium from insurance contract (1)	11,930,987	-	-	-	11,930,987
Claims paid	-	-	(3,957,434)	-	(3,957,434)
Directly attributables expenses paid	-	-	(775,603)	-	(775,603)
Acquisition cash flows paid	(1,708,830)	-	-	-	(1,708,830)
	10,222,157	-	(4,733,037)	-	5,489,120
Non- cashflow Items					
Premiums on new insurance contract(premium received in previous year(2)	3,779,775	-	-	-	3,779,775
Premiums on new insurance contract(adjustment to premium receivables during the year)	(194,781)		-	-	194,781
	3,584,994	-	-	-	3,584,994
Closing insurance contract assets	-				-
Closing insurance contract liabilities	2,333,941	242	3,577,742	350,619	6,262,544
Net closing balance	**2,333,941**	**242**	**3,577,742**	**350,619**	**6,262,544**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Cash flows					
Premiums received- premium from insurance contract (1)	8,253,400	-	-	-	8,253,400
Claims paid	-	-	(2,787,033)	-	(2,787,033)
Directly attributables expenses paid	-	-	(680,434)	-	(680,434)
Acquisition cash flows paid	(1,142,428)	-	-	-	(1,142,428)
	7,110,972	-	(3,467,467)	-	3,643,505
Non- cashflow Items					
Premiums on new insurance contract(premium received in previous year(2)	2,199,406	-	-	-	2,199,406
Premiums on new insurance contract(adjustment to premium receivables during the year)	25,746	-	-	-	25,746
	2,225,152	-	-	-	2,225,152
Closing insurance contract assets	-		-	-	-
Closing insurance contract liabilities	2,139,598	-	1,993,746	195,387	4,328,731
Net closing balance	**2,139,598**	**-**	**1,993,746**	**195,387**	**4,328,731**

b. **Motor - reinsurance contracts held**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Motor - Reinsurance contracts held	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	19,326	-	102,800	25,699	147,825
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	19,326		102,800	25,699	147,825
Changes in the statement of profit or loss and OCI					
Reinsurance expenses	(307,810)	-	-	-	(307,810)
	(307,810)	-	-	-	(307,810)
Reinsurance service expenses					
Incurred claims recovery	-	-	58,398	(3,504)	54,894
Acquisition income amortised	31,966	-	-	-	31,966
Changes that relate to future services: loss on onerous contracts and reversals	-		-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	175,652	20,643	196,295
	31,966	-	234,050	17,139	283,155
Reinsurance finance expenses/income	-	-	5,366	(655)	4,711
	-	-	5,366	(655)	4,711
Total changes in the statement of profit or loss and OCI	**(275,844)**	**-**	**239,416**	**16,484**	**(19,944)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
Motor - Reinsurance contracts held	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(8,018)	-	(245,808)	(63,173)	(316,999)
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	(8,018)		(245,808)	(63,173)	(316,999)
Changes in the statement of profit or loss and OCI					
Reinsurance expenses	202,815	-	-	-	202,815
	202,815	-	-	-	202,815
Reinsurance service expenses					
Incurred claims recovery	-	-	(31,989)	55,176	23,187
Acquisition income amortised	(20,635)	-	-	-	(20,635)
Changes that relate to future services: loss on onerous contracts and reversals	-		-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	65,219	(19,433)	45,786
	(20,635)	-	33,230	35,743	48,338
Reinsurance finance expenses/income	-	-	(7,645)	1,731	(5,914)
	-	-	(7,645)	1,731	(5,914)
Total changes in the statement of profit or loss and OCI	182,180	-	25,585	37,474	245,239

b. Motor - reinsurance contracts held

i. Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

Motor - Reinsurance contracts held

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid on new contracts - reinsurance premium paid during the year-1	277,837	-	-	-	277,837
Recoveries from reinsurance	-	-	(173,478)	-	(173,478)
Acquisition cash flows for ceding commissions	(20,356)	-	-	-	(20,356)
	257,481	-	(173,478)	-	84,003
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	527	-	-	-	527
Reinsurance Premiums on new contracts (adjustmnet to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	527	-	-	-	527
Closing reinsurance contract assets	1,490	-	168,738	42,183	212,411
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**1,490**	**-**	**168,738**	**42,183**	**212,411**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid on new contracts - reinsurance premium paid during the year-1	210,350	-	-	-	210,350
Recoveries from reinsurance	-	-	117,423	-	117,423
Acquisition cash flows for ceding commissions	22,652	-	-	-	22,652
	233,002	-	117,423	-	350,425
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	(426,491)	-	-	-	(426,491)
Reinsurance Premiums on new contracts (adjustmnet to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	(426,491)	-	-	-	(426,491)
Closing reinsurance contract assets	(19,326)	-	(102,800)	(25,699)	(147,825)
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**(19,326)**	**-**	**(102,800)**	**(25,699)**	**(147,825)**

10. Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.2 Accident
(a) Accident - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	1,469,003		2,549,463	249,847	4,268,313
Net Opening balance	1,469,003	-	2,549,463	249,847	4,268,313
Changes in the statement of profit or loss and OCI Insurance revenue					
Insurance revenue	(9,390,864)	-	-	-	(9,390,864)
	(9,390,864)	-	-	-	(9,390,864)
Insurance service expenses					
Incurred claims	-	-	1,484,171	63,682	1,547,853
Other incurred insurance service expense	-	-	384,553	-	384,553
Acquisition expenses	790,034	-	-	-	790,034
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	281	-	-	281
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	1,872,582	82,797	1,955,379
	790,034	281	3,726,733	146,479	4,663,527
Insurance finance expenses					
Insurance finance expenses	-	-	206,288	(2,126)	204,162
	-	-	206,288	(2,126)	204,162
Total changes in the statement of profit or loss and OCI	**(8,600,830)**	**-**	**3,933,021**	**144,353**	**(4,523,175)**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	867,994		1,717,392	195,783	2,781,169
Net Opening balance	867,994	-	1,717,392	195,783	2,781,169
Changes in the statement of profit or loss and OCI Insurance revenue					
Insurance revenue	(7,060,109)	-	-	-	(7,060,109)
	(7,060,109)	-	-	-	(7,060,109)
Insurance service expenses					
Incurred claims	-	-	905,446	(75,632)	829,814
Other incurred insurance service expense	-	-	320,586	-	320,586
Acquisition expenses	991,272	-	-	-	991,272
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	2,279,843	167,764	2,447,607
	991,272	-	3,505,875	92,132	4,589,279
Insurance finance expenses					
Insurance finance expenses	-	-	(242,711)	(38,068)	(280,779)
	-	-	(242,711)	(38,068)	(280,779)
Total changes in the statement of profit or loss and OCI	**(6,068,837)**	**-**	**3,263,164**	**54,064**	**(2,751,609)**

10. Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.2 Accident
(a) Accident - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	7,483,854	-		-	7,483,854
Claims paid	-	-	2075482	-	(2,075,482)
Directly attributable expenses paid			(384,553)		(384,553)
Acquisition cash flows paid	(836,500)	-	-	-	(836,500)
	6,647,354	-	(2,460,035)	-	4,187,319
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	2,677,635	-	-	-	2,677,635
Premiums on new insurance contract(adjustment to premium receivables during the year)	(428,905)				428,905
	2,248,730	-	-	-	2,248,730
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	1,764,257	281	4,022,449	394,200	6,181,187
Net closing balance	**1,764,257**	**281**	**4,022,449**	**394,200**	**6,181,187**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	6,186,320	-	-	-	6,186,320
Claims paid	-	-	(2,159,817)	-	(2,159,817)
Directly attributable expenses paid	-	-	(271,276)	-	(271,276)
Acquisition cash flows paid	(1,061,933)	-	-	-	(1,061,933)
	5,124,387	-	(2,431,093)	-	2,693,294
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	1,558,084	-	-	-	1,558,084
Premiums on new insurance contract(adjustment to premium receivables during the year)	(12,625)			-	(-12,625)
	1,545,459	-	-	-	1,545,459
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	1,469,003	-	2,549,463	249,847	4,268,313
Net closing balance	**1,469,003**	**-**	**2,549,463**	**249,847**	**4,268,313**

b. **Accident - reinsurance contracts held**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	748,639	-	588,434	147,109	1,484,182
Opening reinsurance contract liabilities					
Net Opening balance	748,639	-	588,434	147,109	1,484,182
Changes in the statement of profit or loss and OCI					
Reinsurance expenses	(5,792,283)	-	-	-	(5,792,283)
	(5,792,283)	-	-	-	(5,792,283)
Reinsurance service expenses					
Incurred claims recovery	-	-	462,820	45,427	508,247
Acquisition income amortised	336,594	-	-	-	336,594
Changes that relate to future services: loss on onerous contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	34,480	74,549	109,029
	336,594	-	497,300	119,976	953,870
Reinsurance finance expenses/income	-	-	38,063	(3,600)	34,463
	-	-	38,063	(3,600)	34,463
Total changes in the statement of profit or loss and OCI	**(5,455,689)**	**-**	**535,363**	**116,376**	**(4,803,950)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(527,427)	-	(68,050)	(17,490)	(612,967)
Opening reinsurance contract liabilities					
Net Opening balance	(527,427)	-	(68,050)	(17,490)	(612,967)
Changes in the statement of profit or loss and OCI					
Reinsurance expenses	4,010,651	-	-	-	4,010,651
	4,010,651	-	-	-	4,010,651
Reinsurance service expenses					
Incurred claims recovery	-	-	(565,998)	(124,010)	(690,008)
Acquisition income amortised	(354,843)	-	-	-	(354,843)
Changes that relate to future services: loss on onerous contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	(10,693)	(5,991)	(16,684)
	(354,843)	-	(576,691)	(130,001)	(1,061,535)
Reinsurance finance expenses/income	-	-	(6,530)	382	(6,148)
	-	-	(6,530)	382	(6,148)
Total changes in the statement of profit or loss and OCI	3,655,808	-	(583,221)	(129,619)	2,942,968

b. **Accident - reinsurance contracts held**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	5,365,712	-	-	-	5,365,712
Recoveries from reinsurance	-	-	(69,857)	-	(69,857)
Acquisition cash flows for ceding commissions	(393,129)	-	-	-	(393,129)
	4,972,583	-	(69,857)	-	4,902,726
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	10,184	-	-	-	10,184
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	10,184	-	-	-	10,184
Closing reinsurance contract assets	275,717	-	1,053,940	263,485	1,593,142
Closing reinsurance contract liabilities		-			
Net closing balance	**275,717**	-	**1,053,940**	**263,485**	**1,593,142**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	(4,285,792)	-	-	-	(4,285,792)
Recoveries from reinsurance	-	-	62,839	-	62,839
Acquisition cash flows for ceding commissions	423,985	-	-	-	423,985
	(3,861,807)	-	62,839	-	(3,798,968)
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	(15,214)	-	-	-	(15,214)
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	(15,214)	-	-	-	(15,214)
Closing reinsurance contract assets	(748,641)	-	(588,432)	(147,109)	(1,484,182)
Closing reinsurance contract liabilities		-			
Net closing balance	(748,641)	-	(588,432)	(147,109)	(1,484,182)

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.3 Bond
(a) Bond - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Bond - Insurance contracts issued	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	29,502		5,643	554	35,699
Net Opening balance	29,502	-	5,643	554	35,699
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(590,649)	-	-	-	(590,649)
	(590,649)	-	-	-	(590,649)
Insurance service expenses					
Incurred claims	-	-	-	9	9
Other incurred insurance service expense	-	-	5,738		5,738
Acquisition expenses	108,478	-	-	-	108,478
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	20,267	298	20,565
	108,478	-	26,005	307	134,790
Insurance finance expenses					
Insurance finance expenses	-	-	308	(4)	304
	-	-	308	(4)	304
Total changes in the statement of profit or loss and OCI	**(482,171)**	**-**	**26,313**	303	

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Bond - Insurance contracts issued	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	4,990		2,765	316	8,071
Net Opening balance	4,990	-	2,765	316	8,071
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(44,800)	-	-	-	(44,800)
	(44,800)	-	-	-	(44,800)
Insurance service expenses					
Incurred claims	-	-	289	9	298
Other incurred insurance service expense	-	-	3,021	-	3,021
Acquisition expenses	7,319	-	-	-	7,319
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	1,780	243	2,023
	7,319	-	5,090	252	12,661
Insurance finance expenses					
Insurance finance expenses	-	-	21	(14)	7
	-	-	21	(14)	7
Total changes in the statement of profit or loss and OCI	**(37,481)**	-	**5,111**	**238**	

10.3. **Bond**

a. **Bond - Insurance contracts issued**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Cash flows					
Premiums received- premium from insurance contract (1)	585,086	-	-	-	585,086
Claims paid	-	-	-	-	-
Directly attributable expenses paid	-	-	(23,230)	-	(23,230)
Acquisition cash flows paid	(141,854)	-	-	-	(141,854)
	443,232	-	(23,230)	-	420,002
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	16,991	-	-	-	16,991
Premiums on new insurance contract(adjustment to premium receivables during the year)	158,815	-	-	-	158,815.00
	175,806	-	-	-	175,806
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	166,370	-	8,726	857	175,953
Net closing balance	**166,370**	**-**	**8,726**	**857**	**175,953**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Cash flows					
Premiums received- premium from insurance contract (1)	65,762	-	-	-	65,762
Claims paid	-	-	-	-	-
Directly attributable expenses paid	-	-	(2,233)	-	(2,233)
Acquisition cash flows paid	(13,656)	-	-	-	(13,656)
	52,106	-	(2,233)	-	49,873
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	9,887	-	-	-	9,887
Premiums on new insurance contract(adjustment to premium receivables during the year)	-	-	-	-	-
	9,887	-	-	-	9,887
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	29,502	-	5,643	554	35,699
Net closing balance	**29,502**	**-**	**5,643**	**554**	**35,699**

b. **Bond - reinsurance contracts held**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	2,583	-	428	107	3,118
Opening reinsurance contract liabilities		-			
Net Opening balance	2,583		428	107	3,118
Changes in the statement of profit or loss and OCI					
Reinsurance expenses	(64,891)	-	-	-	(64,891)
	(64,891)	-	-	-	(64,891)
Reinsurance service expenses					
Incurred claims recovery	-	-	805	178	983
Acquisition income amortised	16,984	-	-	-	16,984
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	212	87	299
	16,984	-	1,017	265	18,266
Reinsurance finance expenses/income	-	-	35	(2)	33
	-	-	35	(2)	33
Total changes in the statement of profit or loss and OCI	**(47,907)**	**-**	**1,052**	**263**	**(46,592)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(1,183)	-	(1,309)	(336)	(2,828)
Opening reinsurance contract liabilities		-			
Net Opening balance	(1,183)		(1,309)	(336)	(2,828)
Changes in the statement of profit or loss and OCI					
Reinsurance expenses	8,339	-	-	-	8,339
	8,339	-	-	-	8,339
Reinsurance service expenses					
Incurred claims recovery	-	-	(172)	293	121
Acquisition income amortised	(2,085)	-	-	-	(2,085)
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	705	(99)	606
	(2,085)	-	533	194	(1,358)
Reinsurance finance expenses/income	-	-	61	35	96
	-	-	61	35	96
Total changes in the statement of profit or loss and OCI	**6,254**	**-**	**594**	**229**	**7,077**

b. **Bond - reinsurance contracts held**

i. **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid-reinsurance premium on reinsurance contract-1	58,017		-	-	58,017
Recoveries from reinsurance	-	-	-	-	-
Acquisition cash flows for ceding commissions	(4,339)	-	-	-	(4,339)
	53,678	-	-	-	53,678
Non- cash flow Items					
Reinsurance Premiums payable-Amortisation of M&D premium paid in previous period-(2)	112	-	-	-	112
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year-(3)	-	-	-	-	-
Commission receivable-commission on reinsurance contract	-	-	-	-	-
	112	-	-	-	112
Closing reinsurance contract assets	8,467		1,480	370	10,317
Closing reinsurance contract liabilities		-			
Net closing balance	**8,467**	**-**	**1,480**	**370**	**10,317**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid-reinsurance premium on reinsurance contract-1	(11,226)		-	-	(11,226)
Recoveries from reinsurance	-	-	287	-	287
Acquisition cash flows for ceding commissions	3,668	-	-	-	3,668
	(7,558)	-	287	-	(7,271)
Reinsurance Premiums payable-Amortisation of M&D premium paid in previous period-(2)	(97)	-	-	-	(97)
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year-(3)	-	-	-	-	-
Commission receivable-commission on reinsurance contract	-	-	-	-	-
	(97)	-	-	-	(97)
Closing reinsurance contract assets	(2,583)		(428)	(107)	(3,118)
Closing reinsurance contract liabilities		-		-	
Net closing balance	**(2,583)**	**-**	**(428)**	**(107)**	**(3,118)**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2Portfolios of insurance and reinsurance contract assets and liabilities
10.2.4Marine
(a)Marine - Insurance contracts issued
(i)Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	344,094	-	978,874	95,930	1,418,898
Net Opening balance	344,094	-	978,874	95,930	1,418,898
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(6,859,750)	-	-	-	(6,859,750)
	(6,859,750)	-	-	-	(6,859,750)
Insurance service expenses					
Incurred claims	-	-	1,231,812	75,113	1,306,925
Other incurred insurance service expense	-	-	282,143	-	282,143
Acquisition expenses	1,228,648	-	-	-	1,228,648
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	1,250	-		1,250
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)			1,088,124	62,128	1,150,252
	1,228,648	1,250	2,583,917	137,241	3,951,056
Insurance finance expenses					
Insurance finance expenses	-	-	55,769	(1,788)	53,981
	-	-	55,769	(1,788)	53,981
Total changes in the statement of profit or loss and OCI	**(5,631,102)**	**1,250**	**2,639,686**	**135,453**	**(2,854,713)**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	251,529	-	497,844	56,754	806,127
Net Opening balance	251,529	-	497,844	56,754	806,127
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(4,299,723)	-	-	-	(4,299,723)
	(4,299,723)	-	-	-	(4,299,723)
Insurance service expenses					
Incurred claims	-	-	286,773	(11,086)	275,687
Other incurred insurance service expense	-	-	179,229	-	179,229
Acquisition expenses	774,928	-	-	-	774,928
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	742,284	56,474	798,758
	774,928	-	1,208,286	45,388	2,028,602
Insurance finance expenses					
Insurance finance expenses	-	-	(22,996)	(6,212)	(29,208)
	-	-	(22,996)	(6,212)	(29,208)
Total changes in the statement of profit or loss and OCI	**(3,524,795)**	**-**	**1,185,290**	**39,176**	**(2,300,329)**

10.4. Marine

a. Marine - Insurance contracts issued

i. Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	5,459,862	-	-	-	5,459,862
Claims paid	-	-	(975,362)	-	(975,362)
Directly attributable expenses paid	-	-	(282,151)	-	(282,151)
Acquisition cash flows paid	(1,270,219)	-	-	-	(1,270,219)
	4,189,643	-	(1,257,513)	-	2,932,130
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	1,630,724	-	-	-	1,630,724
Premiums on new insurance contract(adjustment to premium receivables during the year)	11,094	-	-		11,094
	1,641,818	-	-	-	1,641,818
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	544,453	-	2,361,047	231,383	3,136,883
Net closing balance	**544,453**	**-**	**2,361,047**	**231,383**	**3,136,883**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	3,440,242	-	-	-	3,440,242
Claims paid	-	-	(522,025)	-	(522,025)
Directly attributable expenses paid	-	-	(182,235)	-	(182,235)
Acquisition cash flows paid	(809,095)	-	-	-	(809,095)
	2,631,147	-	(704,260)	-	1,926,887
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	948,899	-	-	-	948,899
Premiums on new insurance contract(adjustment to premium receivables during the year)	37,314	-	-	-	37,314
	986,213	-	-	-	986,213
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	344,094	-	978,874	95,930	1,418,898
Net closing balance	**344,094**	**-**	**978,874**	**95,930**	**1,418,898**

(b) Portfolios of insurance and reinsurance contract assets and liabilities - reinsurance contracts held
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach
Marine - Reinsurance contracts held

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	18,395	-	428,569	107,143	554,107
Opening reinsurance contract liabilities	18,395	-			
Net Opening balance			428,569	107,143	554,107
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(2,935,108)	-	-	-	(2,935,108)
	(2,935,108)	-	-	-	(2,935,108)
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	822,546	139,850	962,396
Acquisition income amortised	382,872	-	-	-	382,872
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	405,713	39,303	445,016
	382,872	-	1,228,259	179,153	1,790,284
Reinsurance finance expenses/income	-	-	28,871	(1,595)	27,276
	-	-	28,871	(1,595)	27,276
Total changes in the statement of profit or loss and OCI	**(2,552,236)**	**-**	**1,257,130**	**177,558**	**(1,117,548)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(159,386)	-	(374,456)	(96,235)	(630,077)
Opening reinsurance contract liabilities		-			
Net Opening balance	(159,386)		(374,456)	(96,235)	(630,077)
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	1,983,618	-	-	-	1,983,618
	1,983,618	-	-	-	1,983,618
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	(249,221)	33,930	(215,291)
Acquisition income amortised	(214,655)	-	-	-	(214,655)
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	(65,751)	(50,091)	(115,842)
	(214,655)	-	(314,972)	(16,161)	(545,788)
Reinsurance finance expenses/income	-	-	(5,112)	5,253	141
	-	-	(5,112)	5,253	141
Total changes in the statement of profit or loss and OCI	**1,768,963**	**-**	**(320,084)**	**(10,908)**	**1,437,971**

(b) Portfolios of insurance and reinsurance contract assets and liabilities - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach
Marine - Reinsurance contracts held

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	2,815,433		-	-	2,815,433
Recoveries from reinsurance	-	-	(546,897)	-	(546,897)
Acquisition cash flows for ceding commissions	(206,278)	-	-	-	(206,278)
	2,609,155	-	(546,897)	-	2,062,258
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	5,344	-	-	-	5,344
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	5,344	-	-	-	5,344
Closing reinsurance contract assets	80,658	-	1,138,802	284,701	1,504,161
Closing reinsurance contract liabilities		-			
Net closing balance	**80,658**	-	**1,138,802**	**284,701**	**1,504,161**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
	(1,838,609)		-	-	(1,838,609)
	-	-	265,971	-	265,971
	219,903	-	-	-	219,903
	(1,618,706)	-	265,971	-	(1,352,735)
	(9,266)	-	-	-	(9,266)
	-	-	-	-	-
	-	-	-	-	-
	(9,266)	-	-	-	(9,266)
	(18,395)		(428,569)	(107,143)	(554,107)
		-			
	(18,395)	**-**	**(428,569)**	**(107,143)**	**(554,107)**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.5 Aviation
(a) Aviation - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	76,186	-	427,984	41,943	546,113
Net Opening balance	76,186	-	427,984	41,943	546,113
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(667,921)	-	-	-	(667,921)
	(667,921)	-	-	-	(667,921)
Insurance service expenses					
Incurred claims	-	-	513,752	15,530	529,282
Other incurred insurance service expense	-	-	19,983	-	19,983
Acquisition expenses	108,896	-	-	-	108,896
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	492,636	30,246	522,882
	108,896	-	1,006,388	45,776	1,161,060
Insurance finance expenses					
Insurance finance expenses	-	-	20,527	(979)	19,548
	-	-	20,527	(979)	19,548
Total changes in the statement of profit or loss and OCI	**(559,025)**	**-**	**1,026,915**	**44,797**	**512,687**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	41,114	-	67,114	7,651	115,879
Net Opening balance	41,114	-	67,114	7,651	115,879
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(608,328)	-	-	-	(608,328)
	(608,328)	-	-	-	(608,328)
Insurance service expenses					
Incurred claims	-	-	145,564	9,350	154,914
Other incurred insurance service expense	-	-	27,914	-	27,914
Acquisition expenses	107,507	-	-	-	107,507
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	541,066	27,172	568,238
	107,507	-	714,544	36,522	858,573
Insurance finance expenses					
Insurance finance expenses	-	-	(18,232)	(2,230)	(20,462)
	-	-	(18,232)	(2,230)	(20,462)
Total changes in the statement of profit or loss and OCI	**(500,821)**	**-**	**696,312**	**34,292**	

10 Insurance contract liabilities issued/ Reinsurance contracts held

10.2 Portfolios of insurance and reinsurance contract assets and liabilities

10.2.5 Aviation

(a) Aviation - Insurance contracts issued

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	506,780	-	-	-	506,780
Claims paid	-	-	(549,819)		(549,819)
Directly attributables expenses paid	-	-	(19,984)	-	(19,984)
Acquisition cash flows paid	(107,466)	-	-	-	(107,466)
	399,314	-	(569,803)	-	(170,489)
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	230,716	-	-	-	230,716
Premiums on new insurance contract(adjustment to premium receivables during the year)	(78,440)				(78,440)
	152,276	-	-	-	152,276
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	68,751	-	885,096	86,740	1,040,587
Net closing balance	**68,751**	**-**	**885,096**	**86,740**	**1,040,587**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	523,494	-	-	-	523,494
Claims paid	-	-	(316,431)		(316,431)
Directly attributables expenses paid	-	-	(19,011)	-	(19,011)
Acquisition cash flows paid	(113,472)	-	-	-	(113,472)
	410,022	-	(335,442)	-	74,580
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	134,251	-	-	-	134,251
Premiums on new insurance contract(adjustment to premium receivables during the year)	8,380			-	8,380
	125,871	-	-	-	125,871
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	76,186	-	427,984	41,943	546,113
Net closing balance	**76,186**	**-**	**427,984**	**41,943**	**546,113**

(b) Aviation - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	1,860	-	-	-	1,860
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	1,860	-	-	-	1,860
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(58,832)	-	-	-	(58,832)
	(58,832)	-	-	-	(58,832)
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	-	-	-
Acquisition income amortised	-	-	-	-	-
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	-	-	-
	-	-	-	-	-
Reinsurance finance expenses/income	-	-	-	-	-
	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(58,832)**	-	-	-	**(58,832)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(19,012)	-	-	-	(19,012)
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	(19,012)	-	-	-	(19,012)
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	47,951	-	-	-	47,951
	47,951	-	-	-	47,951
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	-	-	-
Acquisition income amortised	(3,867)	-	-	-	(3,867)
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	-	-	-
	(3,867)	-	-	-	(3,867)
Reinsurance finance expenses/income	-	-	-	-	-
	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**44,084**	-	-	-	**44,084**

(b) Aviation - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	57,453	-	-	-	57,453
Recoveries from reinsurance	-	-	-	-	-
Acquisition cash flows for ceding commissions	-	-	-	-	-
	57,453	-	-	-	57,453
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	107	-	-	-	107
Reinsurance Premiums on new contracts (adjustmnet to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	107	-	-	-	107
Closing reinsurance contract assets	588	-	-	-	588
Closing reinsurance contract liabilities					
Net closing balance	**588**	-	-	-	**588**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
	(899)	-	-	-	(899)
	-	-	-	-	-
	-	-	-	-	-
	(899)	-	-	-	(899)
	(26,033)	-	-	-	(26,033)
	-	-	-	-	-
	-	-	-	-	-
	(26,033)	-	-	-	(26,033)
	(1,860)	-	-	-	(1,860)
	(1,860)	-	-	-	**(1,860)**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.6 Fire
(a) Fire - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Fire - Insurance contracts issued	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	4,983,747	-	5,277,564	517,200	10,778,511
Net Opening balance	4,983,747	-	5,277,564	517,200	10,778,511
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(27,044,404)	-	-	-	(27,044,404)
	(27,044,404)	-	-	-	(27,044,404)
Insurance service expenses					
Incurred claims	-	-	1,140,841	(154,519)	986,322
Other incurred insurance service expense	-	-	970,163	-	970,163
Acquisition expenses	2,702,773	-	-	-	2,702,773
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	367	-	-	367
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)			1,529,144	161,304	1,690,448
	2,702,773	367	3,640,148	6,785	6,350,073
Insurance finance expenses					
Insurance finance expenses	-	-	336,575	(7,336)	329,239
	-	-	336,575	(7,336)	329,239
Total changes in the statement of profit or loss and OCI	**(24,341,631)**	**367**	**3,976,723**	**(551)**	**(20,365,092)**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Fire - Insurance contracts issued	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	3,200,580	-	2,893,361	329,842	6,423,783
Net Opening balance	3,200,580	-	2,893,361	329,842	6,423,783
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(19,347,408)	-	-	-	(19,347,408)
	(19,347,408)	-	-	-	(19,347,408)
Insurance service expenses					
Incurred claims	-	-	1,973,569	(49,916)	1,923,653
Other incurred insurance service expense	-	-	882,835	-	882,835
Acquisition expenses	1,756,057	-	-	-	1,756,057
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	2,611,730	261,527	2,873,257
	1,756,057	-	5,468,134	211,611	7,435,802
Insurance finance expenses					
Insurance finance expenses	-	-	(24,379)	(24,253)	(48,632)
	-	-	(24,379)	(24,253)	
Total changes in the statement of profit or loss and OCI	**(17,591,351)**	**-**	**5,443,755**	**187,358**	**(11,911,606)**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.6 Fire
(a) Fire - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	21,573,542	-	-	-	21,573,542
Claims paid	-	-	(3,012,541)	-	(3,012,541)
Directly attributables expenses paid	-	-	(969,803)	-	(969,803)
Acquisition cash flows paid	(2,853,431)	-	-	-	(2,853,431)
	18,720,111	-	(3,982,344)	-	14,737,767
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	7,337,748	-	-	-	7,337,748
Premiums on new insurance contract(adjustment to premium receivables during the year)	855,379				855,379
	6,482,369	-	-	-	6,482,369
Closing insurance contract assets	-		-	-	-
Closing insurance contract liabilities	5,844,596	367	5,271,943	516,649	11,633,555
Net closing balance	**5,844,596**	**367**	**5,271,943**	**516,649**	**11,633,555**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	17,078,624	-	-	-	17,078,624
Claims paid	-	-	(2,289,598)	-	(2,289,598)
Directly attributables expenses paid	-	-	(769,954)	-	(769,954)
Acquisition cash flows paid	(1,971,449)	-	-	-	(1,971,449)
	15,107,175	-	(3,059,552)	-	12,047,623
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	4,269,748	-	-	-	4,269,748
Premiums on new insurance contract(adjustment to premium receivables during the year)	2,405	-	-	-	2,405
	4,267,343	-	-	-	4,267,343
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	4,983,747	-	5,277,564	517,200	10,778,511
Net closing balance	**4,983,747**	**-**	**5,277,564**	**517,200**	**10,778,511**

(b) Fire - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

Fire - reinsurance contracts held

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	229,744	-	2,206,987	551,747	2,988,478
Opening reinsurance contract liabilities		-			
Net Opening balance	229,744	-	2,206,987	551,747	2,988,478
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(19,676,786)	-	-	-	(19,676,786)
	(19,676,786)	-	-	-	(19,676,786)
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	936,556	(176,799)	759,757
Acquisition income amortised	1,482,488	-	-	-	1,482,488
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	1,886,450	426,257	2,312,707
	1,482,488	-	2,823,006	249,458	4,554,952
Insurance finance expenses					
Insurance finance expenses	-	-	114,474	(13,109)	101,365
	-	-	114,474	(13,109)	101,365
Total changes in the statement of profit or loss and OCI	**(18,194,298)**	**-**	**2,937,480**	**236,349**	**(15,020,469)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	351,889	-	(2,091,861)	(537,609)	(2,277,581)
Opening reinsurance contract liabilities		-			
Net Opening balance	351,889	-	(2,091,861)	(537,609)	(2,277,581)
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	15,455,651	-	-	-	15,455,651
	15,455,651	-	-	-	15,455,651
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	(944,498)	301,484	(643,014)
Acquisition income amortised	(1,149,418)	-	-	-	(1,149,418)
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	(656,534)	(350,872)	(1,007,406)
	(1,149,418)	-	(1,601,032)	(49,388)	(2,799,838)
Insurance finance expenses					
Insurance finance expenses	-	-	(27,434)	35,250	7,816
	-	-	(27,434)	35,250	7,816
Total changes in the statement of profit or loss and OCI	**14,306,233**	**-**	**(1,628,466)**	**(14,138)**	**12,663,629**

(b) Fire - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach
Fire - reinsurance contracts held

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	18,287,319	-	-	-	18,287,319
Recoveries from reinsurance	-	-	(1,992,082)	-	(1,992,082)
Acquisition cash flows for ceding commissions	(1,339,855)	-	-	-	(1,339,855)
	16,947,464	-	(1,992,082)	-	14,955,382
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	34,709	-	-	-	34,709
Reinsurance Premiums on new contracts (adjustmnet to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	34,709	-	-	-	34,709
Closing reinsurance contract assets	(982,381)	-	3,152,385	788,096	2,958,100
Closing reinsurance contract liabilities					
Net closing balance	**(982,381)**	**-**	**3,152,385**	**788,096**	**2,958,100**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	(16,321,263)	-	-	-	(16,321,263)
Recoveries from reinsurance	-	-	1,513,340	-	1,513,340
Acquisition cash flows for ceding commissions	1,475,090	-	-	-	1,475,090
	(14,846,173)	-	1,513,340	-	(13,332,833)
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	(41,693)	-	-	-	(41,693)
Reinsurance Premiums on new contracts (adjustmnet to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	(41,693)	-	-	-	(41,693)
Closing reinsurance contract assets	(229,744)	-	(2,206,987)	(551,747)	(2,988,478)
Closing reinsurance contract liabilities					
Net closing balance	**(229,744)**	**-**	**(2,206,987)**	**(551,747)**	**(2,988,478)**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.7 Engineering
(a) Engineering - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	1,008,634	-	2,215,797	217,149	3,441,580
Net Opening balance	1,008,634	-	2,215,797	217,149	3,441,580
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(2,666,563)	-	-	-	(2,666,563)
	(2,666,563)	-	-	-	(2,666,563)
Insurance service expenses					
Incurred claims	-	-	898,361	(67,209)	831,152
Other incurred insurance service expense	-	-	172,237	-	172,237
Acquisition expenses	478,541	-	-	-	478,541
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	1,344,007	122,144	1,466,151
	478,541	-	2,414,605	54,935	2,948,081
Insurance finance expenses					
Insurance finance expenses	-	-	137,457	(2,425)	135,032
	-	-	137,457	(2,425)	135,032
Total changes in the statement of profit or loss and OCI	**(2,188,022)**	**-**	**2,552,062**	**52,510**	**416,550**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	429,981	-	1,121,939	127,902	1,679,822
Net Opening balance	429,981	-	1,121,939	127,902	1,679,822
Changes in the statement of profit or loss and OCI					
Insurance revenue					
Insurance revenue	(1,713,227)	-	-	-	(1,713,227)
	(1,713,227)	-	-	-	(1,713,227)
Insurance service expenses					
Incurred claims	-	-	1,265,152	5,967	1,271,119
Other incurred insurance service expense	-	-	100,852	-	100,852
Acquisition expenses	310,026	-	-	-	310,026
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	653,579	94,537	748,116
	310,026	-	2,019,583	100,504	2,430,113
Insurance finance expenses					
Insurance finance expenses	-	-	(16,331)	(11,257)	(27,588)
	-	-	(16,331)	(11,257)	(27,588)
Total changes in the statement of profit or loss and OCI	**(1,403,201)**	**-**	**2,003,252**	**89,247**	**689,298**

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10 Insurance contract liabilities issued/ Reinsurance contracts held

10.2 Portfolios of insurance and reinsurance contract assets and liabilities

10.2.7 Engineering

(a) Engineering - Insurance contracts issued

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025					31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims			Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	
Premiums received- premium from insurance contract (1)	2,556,633	-	-	-	2,556,633	2,077,724	-	-	-	2,077,724
Claims paid	-	-	(1,844,014)	-	(1,844,014)			(809,188)		(809,188)
Directly attributables expenses paid	-	-	(172,232)	-	(172,232)	-	-	(100,206)	-	(100,206)
Acquisition cash flows paid	(529,379)	-	-	-	(529,379)	(454,721)	-	-	-	(454,721)
	2,027,254	-	(2,016,246)	-	11,008	1,623,003	-	(909,394)	-	713,609
Non- cashflow Items										
Premiums received- premium from insurance contract (2)	649,763	-	-	-	649,763	378,089	-	-	-	378,089
Premiums on new insurance contract(adjustment to premium receivables during the year)	118,448	-	-	-	118,448	(19,238)		-	-	(19,238)
	768,211	-	-	-	768,211	358,851	-	-	-	358,851
Closing insurance contract assets	-	-			-	-	-	-	-	-
Closing insurance contract liabilities	1,616,077		2,751,613	269,659	4,637,349	1,008,634		2,215,797	217,149	3,441,580
Net closing balance	**1,616,077**	**-**	**2,751,613**	**269,659**	**4,637,349**	**1,008,634**	**-**	**2,215,797**	**217,149**	**3,441,580**

Notes To The Financial Statements Contd

(b) **Engineering - reinsurance contracts held**

(i) **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	538,522	-	1,212,293	303,072	2,053,887
Opening reinsurance contract liabilities					
Net Opening balance	538,522	-	1,212,293	303,072	2,053,887
Changes in the statement of profit or or loss and OCI					
Reinsurance expenses	(1,023,118)	-	-	-	(1,023,118)
	(1,023,118)	-	-	-	(1,023,118)
Reinsurance service expenses					
Incurred claims recovery	-	-	319,667	(78,579)	241,088
Acquisition income amortised	224,891	-	-	-	224,891
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	380,135	(75,733)	304,402
	224,891	-	699,802	(154,312)	770,381
Reinsurance finance expenses/income	-	-	100,760	(1,136)	99,624
	-	-	100,760	(1,136)	99,624
Total changes in the statement of profit or loss and OCI	**(798,227)**	**-**	**800,562**	**(155,448)**	**(153,113)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	302,188	-	623,231	160,169	1,085,588
Opening reinsurance contract liabilities					
Net Opening balance	302,188	-	623,231	160,169	1,085,588
Changes in the statement of profit or or loss and OCI					
Reinsurance expenses	(646,252)	-	-	-	(646,252)
	(646,252)	-	-	-	(646,252)
Reinsurance service expenses					
Incurred claims recovery	-	-	595,291	(11,347)	583,944
Acquisition income amortised	177,956	-	-	-	177,956
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	317,050	178,999	496,049
	177,956	-	912,341	167,652	1,257,949
Reinsurance finance expenses/income	-	-	(44,712)	(24,749)	(69,461)
	-	-	(44,712)	(24,749)	(69,461)
Total changes in the statement of profit or loss and OCI	**(468,296)**	**-**	**867,629**	**142,903**	**542,236**

(b) **Engineering - reinsurance contracts held**

(i) **Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach**

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	1,438,439	-	-	-	1,438,439
Recoveries from reinsurance	-	-	(1,422,353)	-	(1,422,353)
Acquisition cash flows for ceding commissions	(105,390)	-	-	-	(105,390)
	1,333,049	-	(1,422,353)	-	(89,304)
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	2,730	-	-	-	2,730
Reinsurance Premiums on new contracts (adjustmnet to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	2,730	-	-	-	2,730
Closing reinsurance contract assets	1,076,074	-	590,502	147,624	1,814,200
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**1,076,074**	**-**	**590,502**	**147,624**	**1,814,200**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
	894,498	-	-	-	894,498
	-	-	(278,567)	-	(278,567)
	(193,560)	-	-	-	(193,560)
	700,938	-	(278,567)	-	422,371
	3,692	-	-	-	3,692
	-	-	-	-	-
	-	-	-	-	-
	3,692	-	-	-	3,692
	538,522	-	1,212,293	303,072	2,053,887
	-	-	-	-	-
	538,522	**-**	**1,212,293**	**303,072**	**2,053,887**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.8 Oil & Energy
(a) Oil & Energy - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	4,884,144	-	6,543,371	641,253	12,068,768
Net Opening balance	4,884,144	-	6,543,371	641,253	12,068,768
Changes in the statement of profit or loss and OCI					
Insurance revenue	(38,360,235)	-	-	-	(38,360,235)
Insurance revenue	(38,360,235)	-	-	-	(38,360,235)
Insurance service expenses					
Incurred claims	-	-	(1,117,602)	195,273	(1,312,875)
Other incurred insurance service expense	-	-	1,575,669	-	1,575,669
Acquisition expenses	3,935,590	-	-	-	3,935,590
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	1,602,521	289,155	1,891,676
	3,935,590	-	2,060,588	93,882	6,090,060
Insurance finance expenses					
Insurance finance expenses	-	-	497,410	(11,777)	485,633
	-	-	497,410	(11,777)	485,633
Total changes in the statement of profit or loss and OCI	**(34,424,645)**	**-**	**2,557,998**	**82,105**	**(31,784,542)**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening insurance contract assets					-
Opening insurance contract liabilities	3,769,916	-	4,873,784	555,614	9,199,314
Net Opening balance	3,769,916	-	4,873,784	555,614	9,199,314
Changes in the statement of profit or loss and OCI					
Insurance revenue	(23,210,345)	-	-	-	(23,210,345)
Insurance revenue	(23,210,345)	-	-	-	(23,210,345)
Insurance service expenses					
Incurred claims	-	-	906,699	372,792	533,907
Other incurred insurance service expense	-	-	958,802	-	958,802
Acquisition expenses	2,174,891	-	-	-	2,174,891
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	2,615,751	588,110	3,203,861
	2,174,891	-	4,481,252	215,318	6,871,461
Insurance finance expenses					
Insurance finance expenses	-	-	(840,180)	(129,679)	(969,859)
	-	-	(840,180)	(129,679)	(969,859)
Total changes in the statement of profit or loss and OCI	**(21,035,454)**	**-**	**3,641,072**	**85,639**	**(17,308,743)**

10 Insurance contract liabilities issued/ Reinsurance contracts held
10.2 Portfolios of insurance and reinsurance contract assets and liabilities
10.2.8 Oil & Energy
(a) Oil & Energy - Insurance contracts issued
(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Liabilities for Remaining Coverage		Liability for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	33,590,381	-	-	-	33,590,381
Claims paid	-	-	(144,523)	-	(144,523)
Directly attributables expenses paid	-	-	(1,575,669)	-	(1,575,669)
Acquisition cash flows paid	(4,629,505)	-	-	-	(4,629,505)
	28,960,876	-	(1,720,192)	-	27,240,684
Non- cashflow Items					
Premiums received- premium from insurance contract (2)	8,802,817	-	-	-	8,802,817
Premiums on new insurance contract(adjustment to premium receivables during the year)	1,290,338				1,290,338
	10,093,155	-	-	-	10,093,155
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	9,513,530	-	7,381,177	723,358	17,618,065
Net closing balance	**9,513,530**	**-**	**7,381,177**	**723,358**	**17,618,065**

	31 December 2024				
	Liabilities for Remaining Coverage		Liability for incurred claims		
	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Premiums received- premium from insurance contract (1)	19,488,382	-	-	-	19,488,382
Claims paid	-	-	(1,108,582)	-	(1,108,582)
Directly attributables expenses paid	-	-	(862,903)	-	(862,903)
Acquisition cash flows paid	(2,394,105)	-	-	-	(2,394,105)
	17,094,277	-	(1,971,485)	-	15,122,792
Premiums received- premium from insurance contract (2)	5,122,253	-	-	-	5,122,253
Premiums on new insurance contract(adjustment to premium receivables during the year)	66,849				66,849
	5,055,405	-	-	-	5,055,405
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	4,884,144	-	6,543,371	641,253	12,068,768
Net closing balance	**4,884,144**	**-**	**6,543,371**	**641,253**	**12,068,768**

(b) Oil & Energy - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	596,425	-	2,077,076	519,268	3,192,769
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	596,425	-	2,077,076	519,268	3,192,769
Changes in the statement of profit or or loss and OCI					
Allocation of reinsurance premiums paid	(30,316,241)	-	-	-	(30,316,241)
	(30,316,241)	-	-	-	(30,316,241)
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	397,351	(296,267)	101,084
Acquisition income amortised	1,315,286	-	-	-	1,315,286
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	171,511	439,925	611,436
	1,315,286	-	568,862	143,658	2,027,806
Reinsurance finance expenses/income	-	-	116,446	(9,711)	106,735
	-	-	116,446	(9,711)	106,735
Total changes in the statement of profit or loss and OCI	**(29,000,955)**	**-**	**685,308**	**133,947**	**(28,181,700)**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
	Excluding loss recovery component ₦'000	Loss-recovery component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Opening reinsurance contract assets	(822,873)	-	(1,026,153)	(263,720)	(2,112,746)
Opening reinsurance contract liabilities	-	-	-	-	-
Net Opening balance	(822,873)	-	(1,026,153)	(263,720)	(2,112,746)
Changes in the statement of profit or or loss and OCI					
Allocation of reinsurance premiums paid	19,740,876	-	-	-	19,740,876
	19,740,876	-	-	-	19,740,876
Net income/ (expenses) from reinsurance contracts held					
Incurred claims recovery	-	-	(387,327)	166,888	(220,439)
Acquisition income amortised	(983,078)	-	-	-	(983,078)
Changes that relate to future services: Losses on onerous groups of contracts and reversals	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	-	-	(853,191)	(451,301)	(1,304,492)
	(983,078)	-	(1,240,518)	(284,413)	(2,508,009)
Reinsurance finance expenses/income	-	-	34,728	28,865	63,593
	-	-	34,728	28,865	63,593
Total changes in the statement of profit or loss and OCI	**18,757,798**	**-**	**(1,205,790)**	**(255,548)**	**17,296,460**

(b) Oil & Energy - reinsurance contracts held

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims - Premium Allocation Approach

	31 December 2025				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	32,704,535	-	-	-	32,704,535
Recoveries from reinsurance	-	-	(149,518)	-	(149,518)
Acquisition cash flows for ceding commissions	(2,211,145)	-	-	-	(2,211,145)
	30,493,390	-	(149,518)	-	30,343,872
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	57,172	-	-	-	57,172
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	57,172	-	-	-	57,172
Closing reinsurance contract assets	2,146,033	-	2,612,866	653,215	5,412,114
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**2,146,033**	**-**	**2,612,866**	**653,215**	**5,412,114**

	31 December 2024				
	Assets for Remaining Coverage		Asset for incurred claims		
Cash flows	Excluding loss component ₦'000	Loss-component ₦'000	Present value of future cash flows ₦'000	Risk adjustment ₦'000	Total ₦'000
Reinsurance Premiums paid - reinsurance premium on reinsurance contract-1	(19,669,087)	-	-	-	(19,669,087)
Recoveries from reinsurance	-	-	154,867	-	154,867
Acquisition cash flows for ceding commissions	758,018	-	-	-	758,018
	(18,911,069)	-	154,867	-	(18,756,202)
Non- cash flow Items					
Reinsurance Premiums payable - Amortisation of M&D premium paid in previous period - (2)	379,718	-	-	-	379,718
Reinsurance Premiums on new contracts (adjustment to reinsurance payables during the year- (3)	-	-	-	-	-
Commission receivable - commission on reinsurance contract	-	-	-	-	-
	379,718	-	-	-	379,718
Closing reinsurance contract assets	(596,425)	-	(2,077,076)	(519,268)	(3,192,769)
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	**(596,425)**	**-**	**(2,077,076)**	**(519,268)**	**(3,192,769)**

10.3 Age analysis of Incurred claims

10.3a Age analysis by number of claimants:

Age analysis by number of claimants:	2025 Number of claimants	2025 Amounts ₦'000	2024 Number of claims	2024 Amounts ₦'000
0 - 90 days	1,999	11,600,764	765	2,394,946
91- 180 days	284	2,467,165	492	2,093,157
181-270 days	291	2,477,613	385	1,384,988
271-365 days	335	1,196,232	363	3,419,468
365 days and above	1,292	8,518,023	2,703	10,699,885
	4,201	**26,259,797**	**4,708**	**19,992,444**

10.3b Age analysis of incurred claims by reason of being outstanding:

2025 claims status- reason	0- 90 days Qty	0- 90 days ₦'000	91- 180 days Qty	91- 180 days ₦'000	181-270 days Qty	181-270 days ₦'000	271-365 days Qty	271-365 days ₦'000	365 days and above Qty	365 days and above ₦'000	Total Qty	Total ₦'000
Discharged vouchers signed and returned to policyholders	96	107,296	-	-	-	-	-	-	-	-	96	107,296
Discharge vouchers not yet signed	15	148,619	-	-	-	-	-	-	-	-	15	148,619
Claims reported but incomplete documentation	830	3,894,104	284	2,467,165	291	2,477,613	335	1,196,232	1,292	8,518,023	3.032	18,553,137
Claims reported but being adjusted	1,058	7,450,745	-	-	-	-	-	-	-	-	1,058	7,450,745
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead Insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,999	11,600,764	284	2,467,165	291	2,477,613	335	1,196,232	1,292	8,518,023	4,201	26,259,797

10.3b Age analysis of incurred claims by reason of being outstanding:

2024 claims status- reason	0- 90 days Qty	0- 90 days ₦'000	91- 180 days Qty	91- 180 days ₦'000	181-270 days Qty	181-270 days ₦'000	271-365 days Qty	271-365 days ₦'000	365 days and above Qty	365 days and above ₦'000	Total Qty	Total ₦'000
Discharged vouchers signed and returned to policyholders	70	249,632	-	-	-	-	-	-	-	-	70	249,632
Discharge vouchers not yet signed	24	37,705	-	-	-	-	-	-	-	-	24	37,705
Claims reported but incomplete documentation	475	1,575,605	492	2,093,157	385	1,384,988	363	3,419,468	2,703	10,699,885	4,418	19,173,103
Claims reported but being adjusted	196	532,004	-	-	-	-	-	-	-	-	196	532,004
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead Insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Total	765	2,394,946	492	2,093,157	385	1,384,988	363	3,419,468	2,703	10,699,885	4,708	19,992,444

10.3c **Age analysis by number of claimants:**

2025 incurred claims	0 - 90 days ₦'000	91- 180 days ₦'000	181-270 days ₦'000	271-365 days ₦'000	365 days and above ₦'000	Total
Motor	2,559,294	160,398	118,628	258,069	481,353	3,577,742
Accident	2,098,837	415,661	147,855	487,377	872,720	4,022,450
Bond	-	-	-	-	-	-
Fire	2,367,483	1,382,064	952,955	271,060	298,381	5,271,943
Marine	1,321,905	371,844	494,052	17,342	155,904	2,361,047
Aviation	260,247	-	96,814	1,936	526,099	885,096
Engineering	931,184	45,919	605,918	76,081	1,092,511	2,751,613
Oil & Energy	2,061,814	91,279	61,391	84,367	5,091,055	7,389,906
Total	**11,600,764**	**2,467,165**	**2,477,613**	**1,196,232**	**8,518,023**	**26,259,797**

Age analysis of outstanding claims by class of business

2024 incurred claims						
Motor	849,899	178,125	117,668	202,606	645,448	1,993,746
Accident	487,080	395,281	439,327	211,441	1,016,334	2,549,463
Bond	-	-	-	-	5,646	5,646
Fire	298,107	481,512	169,751	2,878,036	1,450,150	5,277,556
Marine	287,677	154,713	120,488	20,570	395,426	978,874
Aviation	120,524	580	-	2,331	304,550	427,985
Engineering	330,754	481,981	211,506	82,177	1,109,381	2,215,799
Oil & Energy	20,914	400,965	326,237	22,307	5,772,952	6,543,375
Total	**2,394,955**	**2,093,157**	**1,384,977**	**3,419,468**	**10,699,887**	**19,992,444**

10.3d Age analysis of incurred claims by class of business and number of claimants

2025 incurred claims	0 - 90 days ₦'000	91- 180 days ₦'000	181-270 days ₦'000	271-365 days ₦'000	365 days and above ₦'000	Total
	Number of Claimants					
Motor	559	59	55	68	196	937
Accident	735	130	112	140	566	1,683
Bond	-	-	-	-	-	-
Fire	247	55	75	100	143	620
Marine	290	17	12	9	54	382
Aviation	7		1	1	10	19
Engineering	136	14	17	14	55	236
Oil and Gas	25	9	19	3	268	324
Total	**1,999**	**284**	**291**	**335**	**1,292**	**4,201**

2024 incurred claims	0 - 90 days ₦'000	91- 180 days ₦'000	181-270 days ₦'000	271-365 days ₦'000	365 days and above ₦'000	Total
	Number of Claimants					
Motor	288	121	99	133	549	1,190
Accident	288	180	150	164	965	1,747
Bond	-	-	-	-	3	3
Fire	54	88	56	28	510	736
Marine	75	67	38	19	201	400
Aviation	3	2	-	2	14	21
Engineering	55	29	35	13	153	285
Oil and Gas	2	5	7	4	308	326
Grand Total	**765**	**492**	**385**	**363**	**2,703**	**4,708**

The technical reserves and valuation models as at 31 December 2024 were independently reviewed by Ernst and Young Nigeria duly registered with the Financial Reporting Council of Nigeria. The actuary, Kingsley Miller, whose office is located at 10 Floor, UBA House, 57 Marina, Lagos, Nigeria is an associate of the Society of Actuaries, USA and Fellow of the Institute of Actuaries, England with FRC No. FRC/2012/NAS/00000002392.

10.3e **Actuarial assumptions**

Chain-ladder techniques are applied to premiums, paid claims and incurred claims (i.e. paid claims plus case estimates). The basic technique involves the analysis of historical claims development factors and the selection of estimated development factors based on historical patterns. The selected development factors are then applied to cumulative claims data for each underwriting year that is not yet fully developed to produce an estimated ultimate claims cost for each underwriting year.

Chain-ladder techniques are most appropriate for classes of business that have a relatively stable development pattern. Chain-ladder techniques are less suitable in cases in which the insurer does not have a developed claims history for a particular class of business or for underwriting years that are still at immature stages of development where there is a higher level of assumption volatility.

The Bornhuetter-Ferguson method uses a combination of a benchmark/market-based estimate and an estimate based on claims experience. The former is based on a measure of exposure such as premiums; the latter is based on the paid or incurred claims observed 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 where developed claims experience was not available for the projection (i.e. recent underwriting years or new classes of business).

The expected loss ratio method uses a benchmark/market-based estimate applied to the expected premium and is used for classes with little or no relevant historical data.
The choice of selected results for each underwriting year of each class of business depends on an assessment of the technique that has been most appropriate to observed historical developments. In certain instances, this has meant that different techniques or combinations of techniques have been selected for individual underwriting years or groups of underwriting years within the same class of business. As such, there are many assumptions used to estimate general insurance liabilities
.
The valuation approach/methodology is similar to those adopted in the last valuation cycle. See table below for valuation methodology and the large loss cut off level assumed for each class of business. The large loss for 2025 are the same as 2024 due to stable claims distribution experience during the year

11 **Reinsurance Premium Payable**

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Reinsurance premium for prior year paid in current year	7,909,132	5,216,790
Premium paid in respect of current year contract	(57,142,655)	45,646,133
Minimum deposit premium paid in advance	(110,885)	(142,767)
Premium paid on reinsurance contract during the year	61,004,744	(42,811,024)
	11,660,336	7,909,132
Transfer to Reinsurance contract assets (Note 10.1c)	(11,660,336)	(7,909,132)
	-	-

12 **Other technical liabilities**

Premium deposit	14,509,756	25,126,168
	14,509,756	**25,126,168**

Premium advance deposit represents premium paid in advance into the Company's bank account by insurance intermediaries(insurance agent, brokers and companies) for policies that relates to future periods i.e. they do not fall within the insurance contract boundary. for cashflow purpose, premium deposit received.

For cashflow purpose, premium deposit received in any reporting year is taken into consideration when determining the cash flow for the premium received from policyholders and insurance intermediaries for the subsequent year.

13 Provisions and other payables

	31-Dec-2025 ₦'000	31-Dec-2024
Accrued expenses (Note 13.1)	2,304,284	1,407,316
Statutory payables (Note 13.2)	2,094,456	2,055,751
Survey fees payables (Note 13.3)	2,006,367	1,667,370
Other payables (Note 13.4)	33,561	34,278
	6,438,668	5,164,715

13.1 **Accrued expenses**

Audit fee	10,320	10,320
Fees and subscriptions	107,967	40,203
NAICOM levy	1,098,207	660,831
Performance bonus	404,345	361,738
General welfare and entertainment	50,376	33,408
Other accruals (Note 13.1.1)	633,069	300,816
	2,304,284	1,407,316

13.1.1 Other accruals are accrued expenses in respect of brand campaign, advert and other office administrative expenses.

13.1.1 **Statutory payables**	31-Dec-2025 ₦'000	31-Dec-2024
Withholding tax due to Federal government	37,597	37,996
Value added tax payables	19,872	9,856
Nigerian Content Development Levy	2,032,469	2,004,899
Withholding tax due to State government	4,518	3,000
	2,094,456	2,055,751

13.3 Survey fees payable are fees payable to external consultants for inspection and survey services rendered in the course of underwriting engineering, oil and gas and other special risk policies.

13.4 Other payables relates to amounts due to suppliers and service providers in respect of services rendered.

14 **Deferred rental income**

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
At 1 January	35,000	35,000
Additions during the year	84,000	70,000
Credit to profit or loss (Note 25)	(77,000)	(70,000)
At 31 December	**42,000**	**35,000**

Deferred income are rental income received in advance on investment properties leased by the Company to third parties.

15 **Income taxes**

15.1 **Per Statement of profit or loss and other comprehensive income**
- Recognised in profit or loss:

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Income tax	8,261,163	1,278,976
Development levy	-	-
Capital gains tax	48,237	-
Tertiary Education tax	845,852	173,121.27
NPTF levy	1,295	-
Information technology development levy (NITDA)	258,678	331,129
Adjustment of current tax of prior periods	-	228,450
Current tax charge for the year	9,415,226	2,011,677
Deferred tax (credit)/charge	(3,924,298)	1,386,203
Income tax expense	**5,490,928**	3,397,880

15.2 **Current income tax payable as per statement of financial position:**

		31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
At 1 January		1,983,227	507,800
Charge for the year		9,415,226	1,783,227
Withholding tax credit	Note 4.5	(24,524)	(130,573)
Adjustment of current tax of prior periods		-	228,450
Payment during the year		(1,073,759)	(405,677)
At 31 December		**10,300,169**	**1,983,227**

The charge for income tax in these financial statements is based on the provisions of the Nigerian Tax Act 2025

15 **Income taxes**

15.3 **Reconciliation of income tax expense**

The income tax expense of the Company for the year can be reconciled to the accounting profits as follows:	2025 ₦'000	2024 ₦'000
Profit before income tax expense	26,167,205	34,301,937
Income tax expense calculated at 30%	7,850,161	9,933,874
Effect of income that is exempt from taxation	(4,093,704)	(12,688,878)
Effect of expenses not tax deductible	286,832	4,858,956
Chargeable gains adjustments	48,237	-
Effect of minimum tax	4,217,875	(947,381)
Effect of origination and reversal of temporary difference	(3,924,298)	1,386,203
NPTF Levy	1,295	-
Education tax	845,852	282,963
Information technology development levy (NITDA)	258,678	343,693
Adjustment of current tax of prior periods	-	228,450
Company income tax	**5,490,928**	**3,397,880**
Effective tax rate	21%	10%

Income taxes

The tax rate applied for the 2025 and 2024 reconciliations above is the corporate tax rate of 30% and payable by the Company. Education tax of 2.5% is applied on the assessable profits in 2024 based on the provisions of the Finance Act 2021 which ammended some sections of the Companies Income Tax Act, CAP C21 LFN 2004 and the Education tax Act, E4 LFN, 2024.

15 **Deferred tax liabilities**

Deferred tax related to items recognised in profit or loss	**31-Dec-2025 ₦'000**	**31-Dec-2024 ₦'000**
Fair value gains on investment properties	2,394,271	316,744
Unrealised exchange gains on financial assets at amortised costs	633,439	6,089,610
Accelerated depreciation for tax purposes	168,581	731,030
Unrealised fair value gains on Financial asset FVTPL	324,505	18,406
Impairment of financial assets:		
Impairment of cash and cash equivalents	(303,223)	(124,903)
Impairment of debt instruments at amortised cost	(726,954)	(599,026)
Impairment of other receivables	(35,322)	(52,266)
	2,455,297	6,379,595
Deferred tax related to items recognised in OCI		
Net (gain)/Loss on equity instruments designated at fair value through OCI	1,506,300	394,472
Deferred tax liabilities	**3,961,597**	**6,774,066**
Reconciliation of deferred tax liabilities is as shown below:		
At 1 January	6,774,066	5,178,466
Amounts recorded in profit or loss (Note 15)	(3,924,298)	1,386,203
Deferred tax related to items recognised in OCI(Note 31)	1,111,829	209,397
At 31 December	**3,961,597**	**6,774,066**
Per Statement of profit or loss:		
Fair value gains on investment properties	2,077,527	144,550
On unrealised exchange (loss)/gains	(5,456,171)	1,120,393
Unrealised fair value gains on Financial asset FVTPL	306,099	(8,886)
Accelerated depreciation for tax purposes	(562,449)	243,671
Impairment of financial assets	(289,304)	(203,625)
Impairment on balance due from reinsurance broker	-	90,101
	(3,924,298)	1,386,203
Per statement of other comprehensive income:		
Deferred tax related to financial assets designated at FVTOCI	194,182	209,397
Effect of changes in tax rates from 10% to 30%	917,646	-
	1,111,829	209,397

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.
Commulative defered tax liabilities on fair value gains from financial assets designated at fair value through other comprehensive income was reassessed at 30% instead of the usual 10% capital gains tax previously used. The effect of the change in tax rate amounts to additional N917.6m reported as deferred tax liability from fair value gain on FVTOCI financial assets.

17 **Share capital and premium**

	31-Dec-2025 ₦'000	**31-Dec-2024 ₦'000**
17.1 **Authorised share capital**		
20,000,000 ordinary shares at 50 kobo each	10,000,000	10,000,000

17.2 **Issued and paid up capital comprises:**
20,000,000,000 fully paid ordinary shares at 50 Kobo each

	2025		**2024**	
	Share Capital ₦'000	**Share Premium ₦'000**	**Share Capital ₦'000**	**Share Premium ₦'000**
Balance at 1 January	10,000,000	84,607	10,000,000	84,607
Issue of shares during the year	-	-	-	-
Balance at 31 December	10,000,000	84,607	10,000,000	84,607

18 **Reserves**

The nature and purpose of the reserves in equity are as follows:

18.1 **Statutory contingency reserve:**

The solvency regulations in Nigeria require the Company to establish a contingency reserve to be utilised against abnormal future losses arising in certain classes of business. The regulations prescribed that the reserve is increased every year by an amount that is calculated as a percentage of higher of: 3% of the total premium and 20% of net profits for the year until it reaches the amount of the minimum paid-up capital or 50 per centum of the net premiums (whichever is greater)" in accordance with Section 21(2) of the Nigerian Insurance Industry Reform Act 2025.

Required annual transfers:	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
Total premium	108,833,232	71,688,127
Net profit	26,167,205	33,112,912
The higher of the below:		
a) 3% of total gross premium	3,264,997	2,150,644
b) 20% of net profit	5,233,441	6,622,582
Higher of a and b	5,233,441	6,622,582
Maximum limit:		
50% of Net premium	20,358,419	12,085,172
Minimum paid up capital	3,000,000	3,000,000
Movement in contingency reserve:		
As at 1 January	12,085,172	10,000,000
Transfer from retained earnings	5,233,441	2,085,172
As at 31 December	**17,318,613**	**12,085,172**

18.2 **Retained earnings**

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

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
As at 1 January	34,547,316	12,917,456
Profit for the year	20,676,277	29,715,032
Dividend declared and paid	(15,000,000)	(6,000,000)
Transfer to statutory contingency reserves (Note 18.1)	(5,233,441)	(2,085,172)
Issue of bonus shares (Note 16)	-	-
Transfer from fair value reserves (Note 18.3)	276,885	
As at 31 December	**35,267,038**	**34,547,316**

18.3 **Fair value reserve:**

The fair value reserve comprise the net cumulative change in the fair value of financial assets measured at fair value through other comprehensive income.

	31-Dec-2025 ₦'000	31-Dec-2024 ₦'000
As at 1 January	3,550,244	1,665,669
Net gain on equity instruments designated at fair value through other comprehensive income(Note 31)	829,995	1,884,575
Transfer to retained earnings (Note 18.3a)	(276,885)	-
As at 31 December	4,103,355	3,550,244

18.3a **Reconciliation of fair value gain reclassified to retained earnings**

During financial year, equity investment in ARM Hospitality Fund. Below is the detail of the derecognition of the equity investments.

	31-Dec-2025 ₦'000
Cost at initial recognition of Financial assets at FVOCI	151,809
Accumulated fair value gain as at 1/1/2025	14,087
Carrying amount of financial assets at FVOCI at 1/1/2025	165,895
Accumulated fair value gain for 2025 prior to derecognition on 30/4/2025	262,798
Carrying amount of financial assets at FVOCI at derecognition date	428,694
Profit on disposal of financial asset at FVOCI	-
Proceeds from disposal of financial assets at FVOCI	428,694
Accumulated fair value gain prior to derecognition on 30/4/2025	276,885
Profit on disposal of financial asset at FVOCI	-
Fair value gains reclassified to retained earnings	276,885

Revenue account 2025	Motor ₦'000	Accident ₦'000	Bond ₦'000	Marine ₦'000	Aviation ₦'000	Fire ₦'000	Engineering ₦'000	Oil & Energy ₦'000	Total ₦'000
Insurance contract revenue	15,313,400	9,390,864	590,649	6,859,750	667,921	27,044,404	2,666,563	38,360,235	100,893,786
Insurance service expense	(8,067,422)	(4,663,527)	(134,790)	(3,951,056)	(1,161,060)	(6,350,073)	(2,948,081)	(6,090,060)	(33,366,069)
Net reinsurance expense	(24,655)	(4,838,413)	(46,625)	(1,144,824)	(58,832)	(15,121,834)	(252,737)	(28,288,433)	(49,776,353)
Insurance service result	**7,221,323**	**(111,076)**	**409,234**	**1,763,870**	**(551,971)**	**5,572,497**	**(534,255)**	**3,981,742**	**17,751,364**
Investment return	1,733,022	1,132,995	82,174	818,643	100,539	3,046,593	434,269	4,152,776	12,566,442
Net realised gain/(loss)	14,193	9,259	893	5,697	(966)	40,534	(551)	63,207	132,266
Fair value gain	415,570	271,121	26,144	166,819	(28,282)	1,186,857	(16,146)	1,850,753	3,872,836
Other income - Foreign exchange gain	(232,934)	(151,968)	(14,654)	(93,505)	15,853	(665,255)	9,050	(1,037,380)	(2,170,794)
Impairment losses on financial assets	(36,846)	(24,038)	(2,318)	(14,790)	2,508	(105,228)	1,431	(164,089)	(343,372)
Total investment income	**1,893,005**	**1,237,370**	**92,238**	**882,864**	**89,651**	**3,503,501**	**428,053**	**4,865,267**	**14,057,378**
Net insurance finance (expense)/income	(105,679)	(204,161)	(306)	(53,979)	(19,547)	(329,240)	(135,034)	(485,631)	(1,333,577)
Net reinsurance finance income/(expense)	4,710	34,464	32	27,279	-	101,367	99,627	106,732	374,211
Net investment financial result	**(100,969)**	**(169,697)**	**(274)**	**(26,700)**	**(19,547)**	**(227,873)**	**(35,407)**	**(378,899)**	**(959,366)**
Other operating income	77,741	(1,196)	4,406	18,989	(5,942)	59,991	(5,752)	42,866	191,103
Other operating expenses	(651,810)	(408,855)	(31,964)	(298,281)	(27,686)	(1,178,598)	(139,673)	(2,136,408)	(4,873,274)
Profit before tax	**8,439,290**	**546,546**	**473,640**	**2,340,742**	**(515,495)**	**7,729,518**	**(287,034)**	**6,374,568**	**26,167,205**

Revenue account 2024	Motor ₦'000	Accident ₦'000	Bond ₦'000	Marine ₦'000	Aviation ₦'000	Fire ₦'000	Engineering ₦'000	Oil & Energy ₦'000	Total ₦'000
Insurance contract revenue	9,966,116	7,060,109	44,800	4,299,723	608,328	19,347,408	1,713,227	23,210,346	66,250,057
Insurance service expense	(5,359,094)	(4,589,279)	(12,661)	(2,028,602)	(858,573)	(7,435,802)	(2,430,113)	(6,871,461)	(29,585,585)
Net reinsurance expense	(251,152)	(2,949,115)	(6,982)	(1,437,833)	(44,083)	(12,655,813)	611,697	(17,232,868)	(33,966,149)
Insurance service result	**4,355,870**	**(478,285)**	**25,157**	**833,288**	**(294,328)**	**(744,207)**	**(105,189)**	**(893,983)**	**2,698,323**
Investment return	1,904,083	2,133,087	14,706	650,980	468,984	2,765,516	1,580,464	932,673	10,450,497
Net realised gain/(loss)	24,602	13,194	172	12,128	(1,336)	63,609	(3,828)	87,251	195,790
Fair value gain	413,722	221,887	2,886	203,952	(22,473)	1,069,692	(64,378)	1,467,273	3,292,562
Other income - Foreign exchange gain	2,448,358	1,313,099	17,080	1,206,966	(132,990)	6,330,310	(380,982)	8,683,146	19,484,987
Impairment losses on financial assets	(82,622)	(44,311)	(576)	(40,729)	4,488	(213,619)	12,856	(293,016)	(657,531)
Total investment income	**4,708,144**	**3,636,956**	**34,268**	**2,033,298**	**316,673**	**10,015,509**	**1,144,132**	**10,877,327**	**32,766,305**
Net insurance finance (expense)/income	261	280,780	(6)	29,210	20,464	48,630	27,588	969,861	1,376,788
Net reinsurance finance income/(expense)	5,911	6,147	(95)	(142)	-	(7,817)	(69,458)	(63,594)	(129,048)
Net investment financial result	**6,172**	**286,927**	**(101)**	**29,068**	**20,464**	**40,813**	**(41,870)**	**906,267**	**1,247,740**
Other operating income	192,258	(21,110)	1,110	36,779	(12,991)	(32,848)	(4,643)	(39,458)	119,098
Other operating expenses	(543,535)	(401,057)	(3,924)	(229,606)	(33,683)	(1,107,241)	(126,388)	(1,273,121)	(3,718,554)
Profit before tax	**8,718,909**	**3,023,431**	**56,510**	**2,702,827**	**(3,865)**	**8,172,026**	**866,042**	**9,577,032**	**33,112,912**

19 Insurance revenue

	Motor ₦'000	Accident ₦'000	Bond ₦'000	Marine ₦'000	Aviation ₦'000	Fire ₦'000	Engineering ₦'000	Oil & Energy ₦'000	Total ₦'000
For the year ended 31 December 2025									
Contracts measured under PAA	15,313,400	9,390,864	590,649	6,859,750	667,921	27,044,404	2,666,563	38,360,235	100,893,786
Insurance revenue	15,313,400	9,390,864	590,649	6,859,750	667,921	27,044,404	2,666,563	38,360,235	100,893,786
For the year ended 31 December 2024									
Contracts measured under PAA	9,966,116	7,060,109	44,800	4,299,723	608,328	19,347,408	1,713,227	23,210,346	66,250,057
Insurance revenue	**9,966,116**	**7,060,109**	**44,800**	**4,299,723**	**608,328**	**19,347,408**	**1,713,227**	**23,210,346**	**66,250,057**

20 Insurance service expense

For the year ended 31 December 2025									
Incurred claims	1,188,670	1,547,853	(21,833)	1,306,925	502,476	908,921	875,399	(1,191,945)	4,797,897
Other incurred insurance service expense	566,018	369,980	27,580	263,981	26,806	1,047,564	127,990	1,454,739	4,203,227
Acquisition expenses	1,700,592	790,034	108,478	1,228,648	108,896	2,702,773	478,541	3,935,590	11,053,552
Changes that relate to future services: losses on onerous contracts and reversals	242	281	-	1,250	-	367	-	-	2,140
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	4,611,900	1,955,379	20,565	1,150,252	522,882	1,690,448	1,466,151	1,891,676	13,309,253
	8,067,422	**4,663,527**	**134,790**	**3,951,056**	**1,161,060**	**6,350,073**	**2,948,081**	**6,090,060**	**33,366,069**
For the year ended 31 December 2024									
Incurred claims	979,098	829,814	298	275,687	154,914	1,923,653	1,271,119	533,907	5,968,491
Other incurred insurance service expense	415,008	320,586	3,021	179,229	27,914	882,835	100,852	958,802	2,888,246
Acquisition expenses	1,101,356	991,272	7,319	774,928	107,507	1,756,057	310,026	2,174,891	7,223,356
Changes that relate to future services: losses on onerous contracts and reversals	-	-	-	-	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	2,863,632	2,447,607	2,023	798,758	568,238	2,873,257	748,116	3,203,861	13,505,492
	5,359,094	**4,589,279**	**12,661**	**2,028,602**	**858,573**	**7,435,802**	**2,430,113**	**6,871,461**	**29,585,585**

21 Net expenses from reinsurance contracts Reinsurance expenses – contracts measured under the PAA

	Motor ₦'000	Accident ₦'000	Bond ₦'000	Marine ₦'000	Aviation ₦'000	Fire ₦'000	Engineering ₦'000	Oil & Energy ₦'000	Total ₦'000
For the year ended 31 December 2025									
Reinsurance expenses	307,810	5,792,283	64,891	2,935,108	58,832	19,676,786	1,023,118	30,316,241	60,175,069
Incurred claims recovery	(54,894)	(508,247)	(983)	(962,396)	-	(759,757)	(241,088)	(101,084)	(2,628,449)
Acquisition income amortised	(31,966)	(336,594)	(16,984)	(382,872)	-	(1,482,488)	(224,891)	(1,315,286)	(3,791,081)
Changes that relate to future services: losses on onerous contracts and reversals	-	-	-	-	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	(196,295)	(109,029)	(299)	(445,016)	-	(2,312,707)	(304,402)	(611,438)	(3,979,186)
	24,655	**4,838,413**	**46,625**	**1,144,824**	**58,832**	**15,121,834**	**252,737**	**28,288,433**	**49,776,353**
For the year ended 31 December 2024									
Reinsurance expenses	202,815	4,010,651	8,339	1,983,618	47,951	15,455,651	646,252	19,740,876	42,096,153
Incurred claims recovery	23,187	(690,008)	121	(215,291)	-	(643,014)	(583,944)	(220,439)	(2,329,388)
Acquisition income amortised	(20,635)	(354,843)	(2,085)	(214,655)	(3,867)	(1,149,418)	(177,956)	(983,078)	(2,906,537)
Changes that relate to future services: losses on onerous contracts and reversals	-	-	-	-	-	-	-	-	-
Changes that relate to past services: changes to liabilities for incurred claims (including reinsurer's non-performance risk)	45,786	(16,684)	606	(115,842)	-	(1,007,406)	(496,049)	(1,304,490)	(2,894,079)
	251,153	**2,949,116**	**6,981**	**1,437,830**	**44,084**	**12,655,813**	**(611,697)**	**17,232,869**	**33,966,149**

22 Net insurance finance (expense) /income

2025	Motor ₦'000	Accident ₦'000	Bond ₦'000	Marine ₦'000	Aviation ₦'000	Fire ₦'000	Engineering ₦'000	Oil & Energy ₦'000	Total ₦'000
Interest accreted on Insurance contracts	143,830	227,988	354	74,015	30,517	411,437	162,202	617,584	1,667,927
Net foreign exchnage income/(expense)	-	(3,295)	-	(4,000)	46,630	-	(37,900)	359,530	360,965
Effect of changes in interest rates and other financial assumptions	(38,151)	(20,532)	(48)	(16,036)	(57,600)	(82,197)	10,732	(491,483)	(695,315)
	105,679	**204,161**	**306**	**53,979**	**19,547**	**329,240**	**135,034**	**485,631**	**1,333,577**
2024									
Interest accreted on Insurance contracts	85,273	145,734	167	40,395	4,527	223,104	98,537	483,071	1,080,808
Net foreign exchnage income/(expense)	-	(5,437)	-	(6,600)	(76,940)	-	(62,535)	(593,225)	(744,736)
Effect of changes in interest rates and other financial assumptions	(85,534)	(421,077)	(161)	(63,005)	51,949	(271,734)	(63,590)	(859,707)	(1,712,860)
	(261)	**(280,780)**	**6**	**(29,210)**	**(20,464)**	**(48,630)**	**(27,588)**	**(969,861)**	**(1,376,788)**

There was a change in locked in rate between the date of initial recognition and the reporting date with insurance finance expense resulting to income. In line with the company's accounting policy, the impact was accounted for in the statement of profit or loss.

23 Net reinsurance finance income/(expense)

2025	Motor ₦'000	Accident ₦'000	Bond ₦'000	Marine ₦'000	Aviation ₦'000	Fire ₦'000	Engineering ₦'000	Oil & Energy ₦'000	Total ₦'000
Interest accreted on Insurance contracts	7,984	52,462	42	35,252	-	166,911	105,306	155,287	523,244
Effect of changes in interest rates and other financial assumptions	(3,273)	(17,998)	(10)	(7,973)	-	(65,544)	(5,680)	(48,555)	(149,033)
	4,711	**34,464**	**32**	**27,279**	**-**	**101,367**	**99,626**	106,732	374,211
2024									
Interest accreted on Insurance contracts	14,567	8,061	80	26,124	-	168,432	54,285	80,731	352,280
Effect of changes in interest rates and other financial assumptions	(8,656)	(1,912)	(175)	(26,268)	-	(176,249)	(123,743)	(144,325)	(481,328)
	5,911	**6,149**	**(95)**	**(144)**	**-**	**(7,817)**	**(69,458)**	**(63,594)**	**(129,048)**

There was a change in locked in rate between the date of initial recognition and the reporting date with insurance finance expense resulting to income. In line with the company's accounting policy, the impact was accounted for in the statement of profit or loss.

			2025 ₦'000	2024 ₦'000
24	**Interest income based on effective interest rate**			
	Interest income based on effective interest rate	Note 2.7	8,962,148	8,491,695
	Interest income on bonds	Note 2.7	548,012	171,346
	interest income on other debt securities- Term deposits	Note 1.1	9,546	1,582
	interest on current accounts with banks	Note 1.2	2,275,540	1,547,812
	Interest income on calls and term deposits with banks		83,624	35,214
	Interest income on statutory deposits	Note 4.1	2,821	3,411
	Interest income on staff loans	a	11,881,691	10,251,060
25	**Other investment and operating income**			
	Other investment income			
	Rental income	Note 14	77,000	70,000
	Dividend income	Note 2.7	607,751	129,437
			684,751	199,437
	Other operating income	Note 25.1	191,103	119,098
		b	**875,854**	**318,535**
25.1	**Other operating income**			
	Withholding tax credit notes received	Note 4.5	24,524	122,796
	Loss on disposal of property, plant and equipment		2,507	(3,698)
	Other sundry income		164,072	-
			191,103	119,098
	Investment and operating income is attributable to:			
			3,982,464	3,299,462
	Policy holders' funds		8,775,081	7,270,133
	Shareholders' funds	a + b	**12,757,545**	**10,569,595**

			2025 ₦'000	2024 ₦'000
26	**Net realised gain/(loss)**			
	Realised on:			
	Net realised gains on equities at fair value through profit or loss	Note 2.5	-	-
	Net realised gains on foreign exchange		132,266	195,790
			132,266	**195,790**
	Net realised gains on foreign exchange is based on the sale of foreign currency.			
27	**Unrealised fair value gains**			
	Unrealised gains on fair value of FVTPL equities	Note 2.5	686,336	1,847,062
	Net fair value gains on investment properties	Note 5	3,186,500	1,445,500
		a	**3,872,836**	**3,292,562**
28	**Unrealised foreign exchange gain**			
	Net unrealised gain on foreign exchange on the gross amount of cash and cash equivalents		(1,389,577)	1,052,612
	Foreign exchange adjustments on the ECL relating to cash and cash equivalents (Note 2.3a)		25,047	31,385
	Foreign exchange adjustments on financial assets (AC)		(5,255,743)	19,240,605
	Foreign exchange adjustments on the ECL relating to financial assets (AC)		150,365	(448,217)
	Unrealised foreign exchange loss on payables		4,299,112	(391,398)
		b	**(2,170,794)**	**19,484,987**
		a+b	**1,702,042**	**22,777,549**

29	Impairment loss (charge)/ write back		2025 ₦'000	2024 ₦'000
	Charge on cash and cash equivalents	Note 1.3a	614,055	(59,429)
	Charge on financial assets at amortised costs	Note 2.5	(230,039)	(833,409)
	Charge on other receivables:		(556)	(37,728)
	(Charge)/writeback on staff loan	Note 4.8	(47,481)	(24)
	Charge in deposit for shares	Note 4.8	14	(47,481)
	Writeback/ (charges) on sundry debtors	Note 4.8	7378	9,778
	Writeback on Due from Reinsurance Brokers	Note 4.8	-	273,034
			343,372	**(657,531)**

Analysis of Impairment loss charge	Cash and cash equivalent ₦'000	Financial asset at amortised cost ₦'000	Other receivables ₦'000	Due from reinsurance brokers ₦'000	Total ₦'000
At 1 January 2025	378,982	2,545,094	158,381	-	3,082,457
Increase/(write-back) during the year	614,055	(230,039)	(40,644)	-	343,372
Foreign exchange adjustments	(25,047)	(150,365)	-	-	(175,412)
Total movement during the year	589,008	(380,404)	(40,644)	-	167,960
At 31 December 2025	967,990	2,164,690	117,737	-	3,250,417
At 1 January 2024	350,938	1,263,468	120,653	273,034	2,008,093
Increase/(write-back) during the year	59,429	833,409	37,728	(273,034)	657,532
Foreign exchange adjustments	(31,385)	448,217	-	-	416,833
Total movement during the year	28,044	1,281,626	37,728	(273,034)	1,074,364
At 31 December 2024	378,982	2,545,094	158,381	-	3,082,457

30	Management expenses		2025 ₦'000	2024 ₦'000
	Employee benefit expenses	Note 30.2	1,477,416	996,961
	Administrative expenses	Note 30.1	2,389,404	1,666,879
	Adverts and publicity		656,498	543,827
	Repairs and maintenance	Note 30.4	942,340	711,440
	NAICOM insurance levy		1,160,603	716,881
	Professional fees		665,180	530,637
	Depreciation on property, plant and equipment	Note 6	207,211	107,240
	Depreciation on right of use asset	Note 7	4,000	4,000
	Rent and rates		65,079	54,234
	Directors' fees		105,100	77,050
	Audit fees		34,400	34,400
	Subscriptions		71,319	46,916
	Amortization of intangible assets - software	Note 8	25,410	25,505
	Penalties and fines	Note 41	-	173
			7,803,960	5,516,143

The auditors did not provide any non-audit service to the Company during the year (2024: Nil).

30.1	Administrative expenses	2025 ₦'000	2024 ₦'000
	Printing and stationary	40,218	24,880
	General entertainment	71,129	59,108
	General welfare	1,086,698	933,824
	Investment management expenses	32,911	74,340
	Business promotion expenses	615,261	372,589
	Other general expenses	543,187	202,138
		2,389,404	1,666,879
30.2	**Employee benefit expenses**		
	Wages and salaries	562,982	428,818
	Defined contribution pension costs	56,309	42,869
	Other staff allowances	858,125	525,274
		1,477,416	996,961

Other staff allowances includes medical expenses, canteen expenses staff prefessional subscritions incurred during the year

30.3 Below is the breakdown of the management expenses into directly attributable and unattributable expenses.

	2025 ₦'000	2024 ₦'000
Directly attributable expenses	2,930,686	1,797,589
Non Directly attributable expenses /Other operating expenses	4,873,274	3,718,554
	7,803,960	5,516,143

30.4 Included in repairs and maintenance is an amount of N4.6million(2024: N11.8million) incurred in relation to investment properties owned by the company.

31	Net gain on equity instruments designated at fair value through OCI (net of tax)	2025 ₦'000	2024 ₦'000
	Gain during the year	1,941,824	2,093,972
	Deferred tax on gains accumulated on equity instruments designated at FVTOCI (Note 16)	(1,111,829)	(209,397)
		829,995	1,884,575

The amount reported as deferred tax on fair value gains on financial assets reported as fair value through other comprehensive income was reassessed at a new rate of 30% instead of the 10% capital gains tax used in prior years. This accounted for the additional N917.6m reported. See note 16 for breakdown of the tax impact reported in current year.

32 **Profit for the year**

Profit for the year has been arrived at after:	2025 ₦'000	2024 ₦'000
Net foreign exchange gain	(2,038,528)	19,680,777
Depreciation of property and equipment	(207,211)	(107,240)
Amortisation of intangible assets	(25,410)	(25,505)
Staff costs and other expenses	(1,477,416)	(996,961)
Auditors' remuneration	(34,400)	(34,400)
Loss on disposal of property plant and equipment	2,507	(3,698)
Credit write back /(loss) on financial assets	343,372	(657,531)
Change in fair value of investment properties	3,186,500	1,445,500

33 **Earnings per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. The diluted earnings per share is the same as the basic earnings per share because there are no potential ordinary shares outstanding during the year.

	2025	2024
Profit for the year attributable to owners of the Company ('N'000)	20,676,277	29,715,032
Weighted average number of ordinary shares('000)	20,000,000	20,000,000
Basic and diluted earnings per share (kobo)	103	149

34	Dividends paid and declared	2025 ₦'000	2024 ₦'000
	Final dividend 2024: 75kobo (2023:30kobo) (Note 14.1)	15,000,000	6,000,000
		15,000,000	6,000,000

35	Hypothecation of Investment Assets 2025	Shareholder's Funds ₦'000	InsuranceFunds ₦'000	Total ₦'000
	Cash and cash equivalents (Note 1)			
	-Cash and bank balances	-	4,190,359	4,190,359
	-Short-term deposits	13,239,273	12,528,151	25,767,424
	Financial assets (Note 2):			
	-Quoted shares (FVTPL)	88,125	4,105,672	4,193,797
	-Quoted shares (FVOCI)		4,792	4,792
	-Unquoted shares (FVOCI)	-	7,311,157	7,311,157
	- Treasury bills at AC*	3,781,168	-	3,781,168
	- Government Bonds at AC*	8,658,110	33,892,019	42,550,129
	- Corporate Bonds at AC*	624,695	21,180,004	21,804,699
	- Placements with Financial Institutions at AC*	2,458,694	1,640,229	4,098,923
	Premium receivables (Note 3)	-	290,146	290,146
	Other receivables and prepayments (Note 4)	-	1,241,370	1,241,370
	Reinsurance contract assets (Note 10c)	25,165,367	(11,660,336)	13,505,031
	Intangible assets (Note 8)	-	50,794	50,794
	Investment properties (Note 5.1)	1,513,600	21,168,400	22,682,000
	Property, plant and equipment (Note 6)	-	939,802	939,802
	Right of use assets(Note 7)	-	333	333
	Statutory deposits (Note 9)	-	300,000	300,000
	Total Assets	**55,529,032**	**97,182,891**	**152,711,924**
	The Funds			
	Insurance funds (Note 10)	50,686,122	-	50,686,122
	Shareholders' and other Funds	-	102,025,801	102,025,801
	Total Funds	**50,686,122**	**102,025,801**	**152,711,924**
	Surplus/(Deficit)	**4,842,910**	**4,842,910**	**-**

35 **Hypothecation of Investment Assets**

	2024 Shareholder's Funds ₦'000	InsuranceFunds ₦'000	Total ₦'000
Cash and cash equivalents (Note 1)			
-Cash and bank balances	-	10,907,493	10,907,493
-Short-term deposits	9,058,903	679,774	679,774
Financial assets (Note 2):			
-Quoted shares (FVTPL)	66,350	2,725,260	2,791,610
-Quoted shares (FVOCI)		12,669	12,669
-Unquoted shares (FVOCI)	-	5,790,150	5,790,150
- Treasury bills at AC*	7,885,247	-	7,885,247
- Government Bonds at AC*	5,656,634	28,816,690	34,473,324
- Corporate Bonds at AC*	574,920	41,832,555	42,407,475
- Placements with Financial Institutions at AC*	-	1,648,049	1,648,049
Premium receivables (Note 3)	-	270,207	270,207
Other receivables and prepayments (Note 4)	-	3,826,595	3,826,595
Reinsurance contract assets (Note 10c)	18,335,358	(7,909,132)	10,426,226
Intangible assets (Note 8)		76,204	76,204
Investment properties (Note 5.1)	1,513,600	3,981,900	5,495,500
Property, plant and equipment (Note 6)	-	183,369	183,369
Right of use assets(Note 7)	-	4,333	4,333
Statutory deposits (Note 9)	-	300,000	300,000
Total Assets	**43,091,012**	**93,146,116**	**136,237,128**
The Funds			
Insurance funds (Note 10)	36,886,613	-	36,886,613
Shareholders' and other Funds	-	99,350,515	99,350,515
Total Funds	**36,886,613**	**99,350,515**	**136,237,128**
Surplus/(Deficit)	**6,204,399**	**(6,204,399)**	**-**

*AC - Amortised Cost

Investments representing insurance funds are not co-mingled with shareholders' investments. All assets representing policyholders' fund (excluding reinsurance assets) have been transferred to a Custodian, Stanbic Nominees Limited. Notations of proprietary and preferential interests of the policyholders have been made in the mandate given to the Custodian of the assets.

36 **Notes to the statement of cash flows**

	Note	2025 ₦'000	2024 ₦'000
Profit before income tax expense		26,167,205	33,112,912
Fair value gains on financial assets at fair value through profit or loss	27	(686,336)	(1,847,062)
Depreciation and impairment of property, plant and equipment and right-of-use assets	6 &7	211,211	111,240
Amortisation of intangible assets	8	25,410	25,505
Fair value gain on investment property	5.1, 5.2	(3,186,500)	(1,445,500)
Loss/(Gain) on disposal of property, plant and equipment		2,507	(3,698)
Impairment loss charge	29	343,372	657,531
Net foreign currency exchange loss/(gain)		(839,721)	(16,947,835)
Interest income	24	(11,881,691)	(10,251,060)
Other investment and sundry income	25	(875,854)	(318,535)
Operating cash flows before movements in working capital		9,279,603	3,093,499
(Increase)/decrease in reinsurance contract assets		(3,078,805)	(3,368,428)
Increase/(decrease) in insurance contract liabilities		13,799,509	12,805,090
Increase/(decrease) in other technical liabilities		(10,616,412)	10,505,551
Increase)/(decrease) in premium receivables		(19,939)	46,439
(Increase)/decrease in other receivables		2,585,225	(2,476,383)
Increase in reinsurance premium payables		3,751,204	2,692,342
Decrease/(increase) in right of use assets		4,000	4,000
Increase/(decrease) in deferred income		(7,000)	-
Increase/(decrease) in provision and other payables		1,273,953	2,484,613
Cash generated by operations		16,971,338	25,786,723
Income tax paid	15.2	(1,073,759)	(405,677)
Net cash (used in)/ from operating activities		**15,897,579**	**25,381,046**

37 **Contingencies and commitments**

The Company, in its ordinary course of business, is presently involved in 4 cases as a defendant (31 December 2024: 5).

The Company has been advised by its legal counsel of total legal claims of N185.72million (2024: N685.5million). However, the Management is of the opinion that the claims are only possible but not probable to materialise. Accordingly, Management believes that the outcome of the legal claims will not rise to any significant loss beyond the amounts provided for in the outstanding claims balance as at 31 December 2025.
The litigations indicating defendants, status of each case and the contingent liability are listed below:

Suit 1
Mr. Chinenye Gerald Onwuachu V Nigerian Breweries Plc (Adeboye Badejo & Co.)

Facts and contingent liability
The Product Liability case is being held at the High Court of the Federal Capital Territory, Abuja Judicial Division. Claim is for the sum of N111,002,720 as damages, purportedly caused by the claimant ingesting the contents of a contaminated Heineken beer bottle. Custodian and Allied Insurance is a party in the case on the grounds that Nigerian Breweries is insured with the company under a Product liability insurance.

Update/status
On February 10, 2026, the company was able to open its defence and the case was adjourned to May 12, 2026 for continuation of trial.

Suit 2
Gray and Savoy V Custodian and Allied Insurance Plc (Sofunde, Osakwe, Ogundipe & Belgore)

Facts and contingent liability
Purported theft case reported prior to payment of premium and inspection of vehicle. The case commenced in 2011 and has been through mediation with no settlement. Claim is for the value of the Jeep – : N6.8m and interest at 28% from 2008 until final settlement by court. Presently this amounts to: N41,072,000.

Update/status
The matter was adjourned to February 4, 2026, February 19, 2026, and March 4, 2026, for further proceedings.
However, the Court did not sit on February 4, 2026; consequently, the matter could not be heard on that date and accordingly stands adjourned to February 19, 2026, and March 4, 2026.

Suit 3
Soddel Company Nig. Ltd. & ANOR. V Custodian and Allied Insurance Limited: (LEXX & SOPHY Barristers, Solicitors & Intellectual Property Attorneys).

Facts and contingent liability
The dispute on alleged refusal of the Company to release the Claimant's original land title document following the completion of their Performance Bond. The sum of N35.35m is being claimed for general and aggravated damages

Update/status
Both the claimant and Custodian have opened and closed their case and the matter has now been adjourned to March 24, 2026 for adoption of final address.

Suit 4
Custodian and Allied Insurance Limited V. Ranjay Construction Ltd (Copley Partners.)

Facts and contingent liability
Its's a tortious matter of trespass to land by the defendant. The matter was adjourned to September 26, 2024, for adoption of Final Written Addresses. On September 26, 2024, the matter came up for adoption of final written address. However, the Court discovered an irregularity in the Defendant's Final Written Address and directed the necessary correction to be made. Consequently, the case was adjourned to December 5, 2024, for adoption of final written address. On December 5, 2024, Counsel adopted their final written addresses, and the case was adjourned to March 20, 2025, for judgement.

Update/status
On March 20, 2025, the matter came up for judgment, but the Court informed our solicitors that the judgment was not ready. A new date is yet to be communicated.

There were no capital commitments as at 31st December 2025 (2024: Nil).

38 **Related parties**

Details of transactions and balances between the Company and other related parties are disclosed below.

38.1 **Transactions with related parties**

The Company enters into transactions with parent, affiliates and its key management personnel in the normal course of business. The transactions with related parties are made at normal market prices and conducted at arm's length.

Companies	Status of relationship	Interest (%)
Custodian Investments Plc	Parent Company	Nil
Interstate Securities Limited	Associate of the parent company	Nil
Custodian Life Assurance Limited	Fellow subsidiary of the parent company	Nil
Custodian Trustees Limited	Fellow subsidiary of the parent company	Nil
Crusader Sterling Pensions Limited	Fellow subsidiary of the parent company	Nil
UPDC Plc	Fellow subsidiary of the parent company	Nil

38.2 **Transactions with related parties**

Detail of transactions carried out during the year with related parties are as follows:

	Nature of transaction	2025 ₦'000	2024 ₦'000
Interstate Securities Limited	Stock brokerage fees	38	100
UPDC Plc(REITS)	Lease expense	-	642
UPDC FM	Service charge	101,399	131,762
Key management personnel	Loan	12	2,700
Custodian Trustees Limited	Legal services/retainership fees	6,450	6,450
Custodian Life Assurance Limited	Office rent	44,390	44,321
Custodian Investment Plc	Dividend	15,000,000	6,000,000
Custodian Investment Plc	Investment property Purchase	14,600,000	-

38.3 **Balances with related parties**

The following balances were outstanding at the end of the reporting period
Receivables from and payables to related parties are as follows:

Due from related parties:	Nature of transaction	2025 ₦'000	2024 ₦'000
UPDC Plc (REITS)	Prepayment	-	-
Key management personnel	Loan	-	1,435
		-	1,435

Due to related parties:

There was no balances due to any related party as at the year ended 2025 (2024:Nil)

The terms and conditions of the loan grated to Key management personnel complied with the requirements of Part VII – Corporate Governance and Conduct of Insurers of the Nigerian Insurance Industry Reform Act 2025. The loan granted to key management personnel is fully collaterised and no impairment charge for the year (2024: Nil).

39 Directors and employees

39.1 Chairman and Directors' emoluments

Emoluments:	2025 ₦'000	2024 ₦'000
Chairman	18,300	12,800
Other Directors	86,800	64,250
	105,100	77,050
As Directors' fees	73,400	54,000
Other emoluments	31,700	23,050
	105,100	77,050

39.2 Employees remuneration

a The number of employees whose emoluments, excluding allowances within the following ranges were:

	2025 Numbers	2024 Numbers
60,000 - 999,999	-	-
1,000,000 - 1,999,999	1	5
2,000,000 - 2,999,999	4	2
3,000,000 - 3,999,999	-	59
4,000,000 - 4,999,999	37	14
5,000,000 - 5,999,999	12	8
6,000,000 and above	70	43
	124	131

b **Staff**

Average number of persons employed during the year were:

	2025 Numbers	2024 Numbers
Management staff	11	12
Non-management staff	113	119
	124	131

Staff cost excluding the Directors relating to the above	2025 ₦'000	2024 ₦'000
Wages and salaries	562,982	428,818
Defined contribution pension costs	56,309	42,869
Other staff allowances	857,909	525,274
	1,477,200	996,961

39.3 Compensation of key management personnel

Key management personnel of the Company includes all directors, executive and non- executive, and senior management. The summary of compensation of key management personnel for the year is as follows:

	2025 ₦'000	2024 ₦'000
Short-term employee benefits	401,833	243,117
Post employment benefit	22,825	21,940
	424,658	265,057
Fees and other emolument disclosed above includes amount paid to:		
Chairman	18,300	12,800
Highest paid director	18,400	13,700

42 **Capital management - continued**

The Solvency Margin Requirement

The regulatory capital (as required under Section 24 of the Nigerian Insurance Industry Reform Act 2025 and NAICOM Guideline) within the Company have been maintained and preserved over the reporting periods. The Section defines Solvency Margin of a Non-Life Insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of Net Premium Income (Gross Premium Income less Re-insurance premium paid) or the minimum capital base of N3 billion, whichever is higher. The regulatory capital within the Insurance Industry in Nigeria, in which the entity has its major operations is as follows:

Minimum capital requirement	**2025 ₦'000**	**2024 ₦'000**
** Non-life business	3,000,000	3,000,000

The Solvency Margin for the Company as at 31 December 2025 is as follows:	**Total**	**Admissible**	**Inadmissible**
Assets:	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	29,957,783	29,742,289	215,494
Financial assets:			
-Amortised Cost			
Treasury bills	3,781,168	3,781,168	
Government bonds	42,550,129	42,550,129	
Corporate bonds - Quoted	21,804,699	21,258,056	546,643
Other placements with financial institutions	4,098,923	4,049,020	49,903
- Quoted shares (Fair Value through Profit or Loss)	4,193,797	4,193,797	-
-Fair Value through OCI (FVOCI - Unquoted shares)	7,315,949	7,315,949	-
Premium receivables	290,146	290,146	-
Loan to staff	52,809	52,809	-
Other receivables and prepayments	1,188,561	1,180,060	8,502
Reinsurance contract assets	13,505,031	13,505,031	-
Right of use assets	333	-	333
Investment properties	22,682,000	2,513,600	20,168,400
Intangible assets	50,794	50,794	-
Property, plant and equipment	939,802	939,802	-
Statutory deposits	300,000	300,000	-
Total assets	152,711,924	131,722,649	20,989,275
Liabilities:			
Insurance contract liabilities	50,686,122	50,686,122	-
Other technical liabilities	14,509,756	14,509,756	-
Provisions and other payables	6,438,668	6,438,668	-
Deferred rental income	42,000	42,000	-
Current income tax payable	10,300,169	10,300,169	-
Deferred tax liabilities	3,961,597	-	3,961,597
Total liabilities	85,938,312	81,976,715	3,961,597
Available Solvency Margin (Total Admissible Assets minus Admissible Liabilities)		49,745,934	
Required Solvency Margin - Higher of:			
A. Minimum capital requirement	3,000,000		
B. 15% of net premium (Premium less reinsurance)	7,667,615		
C. Higher of A and B		7,667,615	
Level of solvency (Available solvency/Required solvency *100)		649%	

40 **Events after the reporting period**

No significant event has occurred since the reporting date which requires adjustment of, or further disclosure in the financial statements.

41 **Contraventions**

The Company did not incurred or pay an penalty for contravention during the year (2024:N172,500).

	2025 ₦'000	2024 ₦'000
Violation of Paragraph 2.5.8 of the Market conduct and Business practice Guidelines for insurance Companies in Nigeria in 2016	-	173
Late submission of post placement report in 2019	-	-
	-	173

42 **Capital management**

The Company manages its capital to ensure that the Company will be able to continue as going concern and comply with the regulators' capital requirements of the markets in which the Company operates while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders of the company, comprising issued capital, reserves and retained earnings. Reinsurance is also used as part of capital management.

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 equivalent

As an existing company, our capital requirement is as shown below:	2025 ₦'000	2024 ₦'000
Share capital	10,000,000	10,000,000
Share premium	84,607	84,607
Statutory contingency reserve	17,318,613	12,085,172
Retained earnings	35,267,037	34,547,316
Excess of admissible assets over liabilities	62,670,257	56,717,095
Less the amount of own shares held(Treasury shares)	-	-
	62,670,257	56,717,095
Subordinated liabilities subject to approval by the Commission	-	-
Any other financial instrument as prescribed by the Commission	-	-
Capital requirement	**62,670,257**	**56,717,095**

The Solvency Margin for the Company as at 31 December 2024 is as follows:	**Total**	**Admissible**	**Inadmissible**
Assets:	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	20,646,170	20,259,987	386,183
Financial assets:			
-Amortised Cost			
Treasury bills	7,885,247	7,885,247	
Government bonds	34,473,324	34,473,324	
Corporate bonds - Quoted	42,407,475	41,796,307	611,168
Other placements with financial institutions	1,648,049	737	1,647,312
- Quoted shares (Fair Value through Profit or Loss)	2,791,610	2,791,610	-
-Fair Value through OCI (FVOCI - Unquoted shares)	5,802,819	5,636,924	165,895
Premium receivables	270,207	270,207	-
Loan to staff	66,498	66,498	-
Other receivables and prepayments	3,760,097	3,752,360	7,737
Reinsurance contract assets	10,426,226	10,426,226	-
Right of use assets	4,333	-	4,333
Investment properties	5,495,500	2,536,400	2,959,100
Intangible assets	76,204	76,204	-
Property, plant and equipment	183,369	183,369	-
Statutory deposits	300,000	300,000	-
Total assets	136,237,128	130,455,400	5,781,728
Liabilities:			
Insurance contract liabilities	36,886,613	36,886,613	-
Other technical liabilities	25,126,168	25,126,168	
Provisions and other payables	5,164,715	5,164,715	-
Deferred rental income	35,000	35,000	-
Current income tax payable	1,983,227	1,983,227	-
Deferred tax liabilities	6,774,066	-	6,774,066
Total liabilities	75,969,789	69,195,723	6,774,066
Available Solvency Margin (Total Admissible Assets minus Admissible Liabilities)		61,259,677	
Required Solvency Margin - Higher of:			
A. Minimum capital requirement	3,000,000		
B. 15% of net premium (Premium less reinsurance)	4,842,586		
C. Higher of A and B		4,842,586	
		1265%	
Level of solvency (Available solvency/Required solvency *100)			

42. Nigerian Insurance Industry Reform Act (NIIRA) 2025 Minimum capital Requirement

The Nigerian Insurance Industry Reform Act (NIIRA) 2025 establishes a comprehensive framework for regulating insurance operations in Nigeria, with a strong emphasis on recapitalisation and financial stability. One of its key provisions is the introduction of new minimum capital requirements for insurers with the aimed of strengthening underwriter's solvency and protecting policyholders. Section 15(1) of the act states that a non-life insurance company shall maintain a minimum capital of the higher of N15billion or risk based capital determined by the commission. Following the enactment of NIIRA 2025, the National Insurance Commission (NAICOM) issued a detailed guidelines to clarify the implementation of these requirements. The guidelines specify compliance timelines, outline the structure of the Minimum Capital Requirement (MCR), and ensure alignment with both NIIRA 2025 and the NAICOM Act of 1997. Insurers are expected to meet these new thresholds by July 2026, marking a significant shift in Nigeria's insurance regulatory landscape.

Below is the company's minimum capital requirement self assessment as at the end of December 2025

	₦'000
Minimum Capital Requirement	**₦'000**
** Non-life business	15,000,000

The Solvency Margin for the Company as at 31 December 2024 is as follows:	Total	Admissible	Inadmissible
Assets:	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	29,957,783	29,742,289	215,494
Financial assets:		-	
-Amortised Cost		-	
Treasury bills	3,781,168	3,781,168	-
Government bonds	42,550,129	42,550,129	-
Corporate bonds - Quoted	21,804,699	21,257,755	546,944
Other placements with financial institutions	4,098,923	4,049,321	49,602
-Fair Value through Profit or Loss (FVTPL- Quoted shares)	4,193,797	4,193,797	-
-Fair Value through OCI (FVOCI - Unquoted shares)	7,315,949	4,792	7,311,157
Premium receivables	290,146	290,146	-
Loan to staff	52,809	-	52,809
Other receivables and prepayments	1,188,561	-	1,188,561
Reinsurance contract assets	13,505,031	13,505,031	-
Right of use assets	333	-	333
Investment properties	22,682,000	-	22,682,000
Intangible assets	50,794	-	50,794
Property, plant and equipment	939,802	-	939,802
Statutory deposits	300,000	300,000	-
Total assets	**152,711,924**	**119,674,428**	**33,037,495**
Liabilities:			
Insurance contract liabilities	50,686,122	50,686,122	-
Other technical liabilities	14,509,756	14,509,756	-
Provisions and other payables	6,438,668	6,438,668	-
Deferred rental income	42,000	42,000	-
Current income tax payable	10,300,169	10,300,169	-
Deferred tax liabilities	3,961,597	3,961,597	-
Total liabilities	**85,938,312**	**85,938,312**	**-**
Excess of admissible assets over liabilities		**33,736,116**	
Less: Amount of own shares held by the Insurer	**-**	**-**	**-**
CUSTODIAN ALLIED INSURANCE LIMITED CAPITAL		**33,736,116**	
Minimum Capital Requirement		**(15,000,000)**	
Surplus capital over Minimum Capital Requirement		**18,736,116**	

43. Financial risk management framework

The Company monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Company may seek to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures.
The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

43.1 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.

31 December 2025	Notes	Fair value through profit or loss ₦'000	Fair value through OCI ₦'000	Fair value ₦'000
Quoted equities at FVTPL	2	4,193,797	-	4,193,797
Fair value through OCI - quoted		-	4,792	4,792
Fair value through OCI - unquoted	2	-	7,311,157	7,311,157
		4,193,797	7,315,949	11,509,746
31 December 2024				
Quoted equities at FVTPL	2	2,791,610	-	2,791,610
Fair value through OCI - quoted		-	12,669	12,669
Fair value through OCI - unquoted	2	-	5,790,150	5,790,150
		966,058	5,802,819	8,594,429

The management assessed that the fair values of cash and cash equivalents, Premium receivables, reinsurance premium payables, other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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 **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.

Quantitative information of significant observable inputs - unquoted equity instruments

Investment	Valuation technique (Significant unobservable valuation input)	Range* (weighted average)	Sensitivity used*	Effect on fair value (N'000)
African Reinsurance Corporation	Market Approach	Average EBITDA multiple of peers	2025: 5% 2024: 5%	2025: N15,423 2024: N26,212
		Discount to average multiple (10%)	2025: 1% 2024 1%	2025: N13,507 2024: N5,825
Interswitch Limited	Market Approach	Market value adjustment	2025: 1% 2024: 1%	2025: N22,972 2024: N113,374
WSTC Financial Services Limited	Income approach	Cost of capital (11.5%/10.9%)	2025: 5% 2024: 5%	2025: N2,562 2024: N3,342
		Dividend growth rate (2.51/7.62)	2025: 5% 2024: 5%	2025: N1,215 2024: N1,833
Energy and Allied Insurance Pool of Nigeria	Adjusted NAV	Discount for lack of liquidity	Unappropriated-ed reserves	2025: N50,732 2024: N72,179
African Oil and Energy Pool	Adjusted NAV	Discount for lack of liquidity	Unappropriated-ed reserves	2025: N27,805 2024: Nil

Financial Assets measured at Fair Value	2025 ₦'000	2024 ₦'000
Quoted prices in active markets (level 1)	4,198,589	2,804,279
Valuation technique:		
Market observable data (level 2)	-	-
Other than observable market data (level 3)	7,311,157	5,790,150
	11,509,746	8,594,429
Financial Assets measured at Amortised Cost:		
Amortised cost	72,234,919	86,414,095
	72,234,919	86,414,095

43.1.1 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.

Items measured at fair value	2025			
Financial assets	**Level 1 ₦'000**	**Level 2 ₦'000**	**Level 3 ₦'000**	**Total ₦'000**
Financial assets at FVTPL:				
Equity shares	4,193,797	-	-	4,193,797
	4,193,797	-	-	4,193,797
Financial assets at FVOCI:				
Equity shares	4,792	-	7,311,157	7,315,949
	4,198,589	-	7,311,157	11,509,746
Items whose fair values are disclosed				
Debt instruments	-	77,726,769	155,731	77,882,500
	-	77,726,769	155,731	77,882,500
Total financial assets	4,198,589	77,726,769	7,466,888	89,392,246

Items measured at fair value	2024			
Financial assets				
Financial assets at FVTPL:				
Equity shares	2,791,610	-	-	2,791,610
	2,791,610	-	-	2,791,610
Financial assets at FVOCI:				
Equity shares	12,669	-	5,790,150	5,802,819
	2,804,279	-	5,790,150	8,594,429
Items whose fair values are disclosed				
Debt instruments	-	78,888,702	244,580	79,133,282
	-	78,888,702	244,580	79,133,282
Total financial assets	2,804,279	78,888,702	6,034,730	87,727,711

There were no transfers between level 1 and 2 or in and out of level 3 in 2025 and 2024.

There were no transfers between level 1 and 2 or in and out of level 3 in 2025 and 2024.

Fair value of financial assets and liabilities	31-Dec-2025		31-Dec-2024	
Financial assets	**Carrying value ₦'000**	**Fair value ₦'000**	**Carrying value ₦'000**	**Fair value ₦'000**
Cash and cash equivalents:				
Cash and bank balances	4,190,359	4,190,359	10,907,493	1,086,918
Short-term deposits	25,767,424	25,767,424	9,738,677	10,656,976
Debt instruments:				
Federal Government bonds &T-bills	47,325,473	51,707,344	43,095,412	34,453,025
State Government bonds	510,724	459,652	485,542	436,988
Corporate bonds	22,357,160	21,929,878	43,689,218	42,554,252
Commercial papers	2,437,446	2,193,702	-	-
Term deposits	1,768,806	1,591,925	1,689,017	1,689,017

43.2 Market risk

Market risk is the risk of adverse financial impact as a consequence of market movements such as currency exchange rates, interest rates and other price changes. Market risk arises due to fluctuations in both the value of assets held and the value of liabilities.

The Company's market risk policy sets out the assessment and determination of what constitutes market risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's Investment committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains for policyholders which are in line with all stakeholder's expectations.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The Company has minimal exposure to currency risk as the Company's financial assets are primarily matched to the same currencies as its insurance contract liabilities.

43.2. Market risk - continued

Carrying amounts of the Company's foreign currency denominated assets and liabilities:

	2025			
Assets	**Pounds Sterling ₦'000**	**Euro ₦'000**	**US dollars ₦'000**	**Total ₦'000**
Cash and cash equivalents	69	86,344	10,367,998	10,454,410
Financial assets	-	-	62,111,310	62,111,310
Reinsurance contract assets	-	-	4,783,193	4,783,193
	69	86,344	77,262,501	77,348,914
Liabilities				
Insurance contract liabilities	-	-	7,781,675	7,781,675
	-	-	7,781,675	7,781,675
Net assets	69	86,344	69,480,826	69,567,239

	2024			
Assets	**Pounds Sterling ₦'000**	**Euro ₦'000**	**US dollars ₦'000**	**Total ₦'000**
Cash and cash equivalents	69	57,366	16,678,978	16,736,413
Financial assets	-	-	76,829,487	76,829,487
Reinsurance assets	-	-	2,345,465	2,345,465
	69	57,366	95,853,930	95,911,365
Liabilities				
Insurance contract liabilities	-	-	7,555,286	7,555,286
	-	-	7,555,286	7,555,286
Net assets	69	57,366	88,298,645	88,356,079

43.2. Market risk - continued

		31-Dec-25		31-Dec-24	
Cash and cash equivalents	Changes in variables ₦'000	Impact on Profit before tax ₦'000	Impact on Equity ₦'000	Impact on Profit before tax ₦'000	Impact on Equity ₦'000
Sterling	+10%	7	-	7	-
	-10%	(7)	-	(7)	-
Euro	+10%	8,634	-	5,737	-
	-10%	(8,634)	-	(5,737)	-
USD	+10%	6,948,083	134,438	8,829,864	201,315
	-10%	(6,948,083)	(134,438)	(8,829,864)	(201,315)

43.3. Interest rate risk management

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant concentration of interest rate risk because:
- It invests in fixed income securities carried at fixed and not floating rates
- Its fixed income securities are measured at amortised cost and not at fair value.

Price risk management

The Company is exposed to equity price risks arising from equity investments primarily from investments not held for unit-linked business. The shares included in financial assets represent investments in listed and unlisted securities that present the Company with opportunity for return through dividend income and capital appreciation. Equity investments designated as fair value through OCI are held for strategic rather than trading purposes.

The analysis below is performed for reasonably possible movements in market indices with all other variables held constant, showing the impact on profit before tax (due to changes in fair value of financial assets whose fair values are recorded in the statement of profit or loss).

		31-Dec-25		31-Dec-24	
Cash and cash equivalents	Changes in variables ₦'000	Impact on Profit before tax ₦'000	Impact on Equity ₦'000	Impact on Profit before tax ₦'000	Impact on Equity ₦'000
Fair value through profit or loss	+1%	41,938	-	27,916	-
	-1%	(41,938)	-	(27,916)	-
Fair value through OCI	+1%	-	73,159	-	58,028
	-1%	-	(73,159)	-	(58,028)

43.4. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The key areas of exposure to credit risk for the Company are in relation to its investment portfolio, loan receivables, cash and cash equivalents reinsurance programme and to a lesser extent amounts due from policyholders and intermediaries.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent to investment grade and above.

This information is supplied by independent rating agencies where available and if not available the Company uses other publicly available financial information and its own trading records to rate its major policyholders and reinsurers.

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Receivables consist of a large number of policyholders, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

43.4. Credit risk - continued

Industry analysis 31 December 2025	Financial services ₦'000	Government ₦'000	Consumers ₦'000	Retail and Wholesale ₦'000	Construction and Materials ₦'000	Manufacturing and Petroleum ₦'000	Others ₦'000	Total ₦'000
Cash and cash equivalents	29,957,783	-	-	-	-	-	-	29,957,783
Debt instruments at amortised costs	24,044,560	46,331,298		-	-	1,918,151	-	72,234,919
Staff loans and advances	-	-	-	-	-	-	90,728	90,728
Sundry debtors	-	-	-	-	-	-	54,657	54,657
Deposit for assets	-	-	-	-	-	-	120,337	120,337
Premium receivables	35,010	3,294	104,121	77	7,922	132,786	6,936	290,146
Reinsurance contract assets	-	-	-	-	-	-	13,505,031	13,505,031
Statutory deposits	-	300,000	-	-	-	-	-	300,000
	54,037,353	46,634,592	104,121	77	7,922	2,050,937	15,353,241	116,553,601
31 December 2024								
Cash and cash equivalents	20,646,170	-	-	-	-	-	-	20,646,170
Debt instruments at amortised costs	43,303,067	42,358,571	256,224	-	-		496,233	86,414,095
Staff loans and advances	-	-	-	-	-	-	104,973	104,973
Sundry debtors	-	-	-	-	-	-	54,826	54,826
Deposit for properties	-	-	-	-	-	-	105,337	105,337
Deposit for shares	-	-	-	-	-	-	3,073,024	3,073,024
Premium receivables	32,403	4,280	3,000	69,796	732	123,961	36,035	270,207
Reinsurance contract assets	-	-	-	-	-	-	(10,426,226)	-10,426,226
Statutory deposits	-	300,000	-	-	-	-	-	300,000
	63,981,640	42,662,851	259,224	69,796	732	123,961	-6,555,798	100,542,406

43.4. Credit risk - continued

The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the Company's credit ratings of counter parties:

31 December 2025	Investment Grade ₦'000	Non Investment Grade: Satisfactory ₦'000	Unrated Non Investment Grade: Unsatisfactory ₦'000	Total ₦'000
Debt instruments at amortised costs	-	72,185,016	49,903	72,234,919
Cash and cash equivalents	-	30,925,773	-	30,925,773
Staff loans and advances	-	-	90,728	90,728
Sundry debtors	-	-	54,657	54,657
Deposit for properties	-	-	120,337	120,337
Trade receivables	-	-	290,146	290,146
	-	103,110,789	605,771	103,716,560
31 December 2024				
Debt instruments at amortised costs	-	84,766,046	1,648,049	86,414,095
Cash and cash equivalents	-	21,025,152	-	21,025,152
Staff loans and advances	-	-	104,973	104,973
Sundry debtors	-	-	54,826	54,826
Deposit for properties	-	-	105,337	105,337
Trade receivables	-	-	270,207	270,207
	-	105,791,198	2,183,392	107,974,590

The Company actively manages its product mix to ensure that there is no significant concentration of credit risk.

43.4. Credit risk - continued

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 unlikeliness 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.

Impairment losses on financial investments subject to impairment assessment

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 Company's internal grading system are also provided.

	2025			2024		
Moody's rating						
Performing						
Cash and cash equivalents	**12mECL ₦'000**	**LTECL ₦'000**	**Total ₦'000**	**12mECL ₦'000**	**LTECL ₦'000**	**Total ₦'000**
AAA-A+	-	-	-	-	-	-
BBB-B+	30,925,773	-	30,925,773	21,025,152	-	21,025,152
C-CCC	-	-	-	-	-	-
Not rated						
Total Gross Amount	**30,925,773**	-	**30,925,773**	**21,025,152**	-	**21,025,152**
ECL	(967,990)		(967,990)	(378,982)		(378,982)
Total Net Amount	**29,957,783**	-	**29,957,783**	**20,646,170**	-	**20,646,170**
Financial assets - amortised cost						
AAA-A+	-	-	-	-	-	-
BBB-B+	74,348,002	-	74,348,002	87,274,732	-	87,274,732
C-CCC	-	-	-	-	-	-
Note rated	51,607	-	51,607	1,684,457	-	1,684,457
Total Gross Amount	**74,399,609**	-	**74,399,609**	**88,959,189**	-	**88,959,189**
ECL	(2,164,690)	-	(2,164,690)	(2,545,094)	-	(2,545,094)
Total Net Amount	**72,234,919**	-	**72,234,919**	**86,414,095**	-	**86,414,095**

Debt instruments measured at amortised cost

	2025			2024		
Unrated	**12mECL ₦'000**	**LTECL ₦'000**	**Total ₦'000**	**12mECL ₦'000**	**LTECL ₦'000**	**Total ₦'000**
Other receivables	1,002,790	109,567	1,112,357	3,716,814	109,567	3,826,381
Total Gross Amount	1,002,790	109,567	1,112,357	3,716,814	109,567	3,826,381
ECL	(8,170)	(109,567)	(117,737)	(48,814)	(109,567)	(158,381)
Total Net Amount	**994,620**	-	**994,620**	**3,668,000**	-	**3,668,000**

Collateral for other receivables

Some of the Company's receivables (e.g. mortgage loans and car loans) are collaterised with assets including properties and cars. As at 31 December 2025, the value of assets accepted as collateral that the Company is permitted to repossess or sell in the absence of default in respect of the staff loans was N113million (2024: N140million) against the receivables balances of N54.8million (2024:N105million).

As at 31 December 2025, the Company had no asset repossessed as security against asset. The Company's 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 31 December 2025, the Company has not pledged any of its assets as collateral for any liability or payable balance (2024: 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 without 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.

Amounts arising from ECL

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 average time between The identification of a significant increase in credit risk and default appears reasonable
- The criteria do no align with the point in time when the asset becomes 30 days past due;
- 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 Company in full, without recourse by the Company 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 Company; 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.

Measurement of ECL

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 critical accounting judgements and key sources of estimation uncertainty. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Moodys, 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 31 December 2025 and 31 December 2024.

The Company has identified and documented key divers 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.

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Detailed information about these inputs and sensitivity analysis are provided below.

43.4. Analysis of inputs to the ECL model under multiple economic scenarios 31 December 2025

Key drivers	ECL Scenario	Assigned Weightings/ Probabilities	2025	2026	2027	2028	2029
Macroeconomic variable							
GDP Growth rate (%)							
	Upside	12%	4.02	4.34	4.54	4.04	3.64
	Base case	78%	3.98	4.30	4.50	4.00	3.60
	Downside	10%	3.94	4.26	4.46	3.96	3.56
Inflation rates (%)							
	Upside	12%	14.40	18.45	17.75	17.25	16.96
	Base case	78%	14.45	18.50	17.80	17.30	17.01
	Downside	10%	14.53	18.58	17.88	17.38	17.09
Oil Prices "USD"							
(price per barrel)	Upside	12%	105.67	113.33	120.84	113.18	105.67
	Base case	78%	64.55	72.21	79.72	72.06	64.55
	Downside	10%	35.39	43.05	50.56	42.90	35.39
Unemployment rates (%)							
	Upside	12%	47.81	54.81	55.81	58.81	54.31
	Base case	78%	43.00	50.00	51.00	54.00	49.50
	Downside	10%	47.81	54.81	55.81	58.81	54.31

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 revised downward while inflation rate is on the rise with the expected minimum wage legislation as part of governmental response. Long-term expectations remain unchanged.

42.4. Credit risk - continued

Analysis of inputs to the ECL model under multiple economic scenarios 31 December 2024

Key drivers	ECL Scenario	Assigned Weightings/ Probabilities	2024	2025	2026	2027	2028
Macroeconomic variable							
GDP Growth rate (%)							
	Upside	12%	3.02	3.34	3.54	3.74	5.04
	Base case	78%	2.98	3.30	3.50	3.70	5.00
	Downside	10%	2.94	3.26	3.46	3.66	4.96
Inflation rates (%)							
	Upside	12%	27.28	34.55	33.45	29.95	24.95
	Base case	78%	27.33	34.60	33.50	30.00	25.00
	Downside	10%	27.41	34.68	33.58	30.08	25.08
Oil Prices "USD"							
(price per barrel)	Upside	12%	113.18	127.57	135.41	121.02	113.18
	Base case	78%	72.06	86.45	94.29	79.90	72.06
	Downside	10%	42.90	57.29	65.13	50.74	42.90
Unemployment rates (%)							
	Upside	12%	34.91	35.61	29.32	28.63	34.91
	Base case	78%	43.00	48.00	5.00	51.00	54.00
	Downside	10%	47.81	52.81	9.81	55.81	58.81

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.

43.4. Credit risk - continued

The following tables outline the impact of multiple scenarios on the allowance

31 December 2025		Cash and cash equivalents	Financial assets - amortised cost	Other receivables	Total
Upside	12%	113,881	254,669	13,851	382,402
Base case	78%	755,032	1,688,458	91,835	2,535,325
Downside	10%	96,799	216,469	11,774	325,042
		967,990	2,164,690	117,737	3,242,769
31 December 2024					
Upside	12%	44,586	299,423	18,633	362,642
Base case	78%	295,606	1,985,173	123,537	2,404,316
Downside	10%	37,899	254,509	15,838	308,247
		378,982	2,545,094	158,381	3,075,205

43.5. Liquidity risk

Liquidity risk is the risk that the Company cannot meet its obligations associated with financial liabilities as they fall due.

The Company has adopted an appropriate liquidity risk management framework for the management of the Company's liquidity requirements. The Company manages liquidity risk by maintaining banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of assets and liabilities. The Company is exposed to liquidity risk arising from clients on its insurance contracts. In respect of catastrophic events there is liquidity risk from a difference in timing between claim payments and recoveries thereon from reinsurers.

43.5. Liquid risk - continued

Liquidity management ensures that the Company has sufficient access to funds necessary to cover insurance claims. In practice, most of the Company's assets are marketable securities which could be converted to cash when required.

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. Cash and cash equivalents including insurance receivables which are used to manage liquidity risk are included in this table.

31 December 2025	< 1 month ₦'000	1 - 3 months ₦'000	3 - 12 months ₦'000	1 - 5 years ₦'000	> 5 years ₦'000	Total ₦'000
Cash and cash equivalents	17,938,720	8,969,360	2,989,787	-	-	29,897,867
Financial assets (debt securities at amortised cost)	3,040,772	10,030,137	7,216,769	11,705,672	35,732,140	67,725,490
Trade receivables	316,646	-	-	-	-	316,646
	21,296,139	18,999,497	10,206,556	11,705,672	35,732,140	97,940,004
Insurance contract liabilities	17,141,774	2,745,681	2,591,680	544,845	3,235,817	26,259,797
Trade payables	2,512,617	1,758,832	-	1,256,308	19,598,412	14,509,756
Other payables	4,398,740	2,039,928		-	-	6,438,668
	24,053,131	6,544,441	2,591,680	1,801,153	22,834,229	47,208,221
Liquidity Gap	(2,756,992)	12,455,057	7,614,876	9,904,519	12,897,911	50,731,783
31 December 2024						
Cash and cash equivalents	12,362,927	6,181,463	2,060,488	-	-	20,604,878
Financial assets (debt securities at amortised cost)	14,017,877	9,030,137	7,216,769	11,705,672	44,530,956	86,501,411
Trade receivables	316,646	-	-	-	-	316,646
	26,697,449	15,211,600	9,277,257	11,705,672	44,530,956	107,422,934
Insurance contract liabilities	8,692,559	2,745,681	2,591,680	544,845	5,417,679	19,992,444
Trade payables	2,512,617	1,758,832	-	1,256,308	19,598,412	25,126,168
Other payables	3,463,067	1,701,648		-	-	5,164,715
	14,668,243	6,206,161	2,591,680	1,801,153	25,016,091	50,283,327
Liquidity Gap	12,029,206	9,005,440	6,685,577	9,904,519	19,514,865	57,139,607

43.6. **Maturity analysis of the amounts in the statement of financial position**

Maturity analysis on expected maturity bases

The table below summarises the expected maturity of assets and liabilities.

31 December 2025

Asset	Current ₦'000	Non- current ₦'000	Total ₦'000
Cash and cash equivalents	29,957,783	-	29,957,783
Financial assets	13,070,909	70,673,756	83,744,665
Premium receivables	290,146	-	290,146
Reinsurance contract assets	13,505,031	-	13,505,031
Other receivables and prepayments	1,241,370	-	1,241,370
Investment properties	-	22,682,000	22,682,000
Property, plant and equipment	-	939,802	939,802
Right of use assets	-	333	333
Intangible assets	-	50,794	50,794
Statutory deposits	-	300,000	300,000
Total assets	**58,065,239**	**94,646,684**	**152,711,924**
Liabilities			
Insurance contracts liabilities	22,479,135	28,206,987	50,686,122
Other technical liabilities	14,509,756	-	14,509,756
Provisions and other payables	6,438,668	-	6,438,668
Deferred rental income	42,000	-	42,000
Current income tax payable	10,300,169	-	10,300,169
Deferred tax liabilities	-	3,961,597	3,961,597
Total liabilities	**53,769,729**	**32,168,584**	**85,938,313**

42.6. **Maturity analysis of the amounts in the statement of financial position**

Maturity analysis on expected maturity bases

The table below summarises the expected maturity of assets and liabilities.

31 December 2024

Asset	Current ₦'000	Non- current ₦'000	Total ₦'000
Cash and cash equivalents	20,646,170	-	20,646,170
Financial assets	23,048,014	71,960,510	95,008,524
Premium receivables	270,207	-	270,207
Reinsurance contract assets	10,426,226	-	10,426,226
Other receivables and prepayments	3,826,595	-	3,826,595
Right of use assets	-	4,333	4,333
Investment properties	-	5,495,500	5,495,500
Property, plant and equipment	-	183,369	183,369
Intangible assets	-	76,204	76,204
Statutory deposit	-	300,000	300,000
Total assets	**58,217,212**	**78,019,916**	**136,237,128**
Liabilities			
Insurance contracts liabilities	14,029,920	22,856,693	36,886,613
Other technical liabilities	25,126,168		25,126,168
Provisions and other payables	5,164,715	-	5,164,715
Deferred rental income	35,000	-	35,000
Current income tax payable	1,983,227	-	1,983,227
Deferred tax liabilities	-	6,774,066	6,774,066
Total liabilities	**46,339,030**	**29,630,759**	**75,969,789**

44. **Insurance risk management**

The Company accepts insurance risk through its insurance contracts where it assumes the risk of loss from persons or organisations that are directly subject to the underlying loss. The Company is exposed to the uncertainty surrounding the timing, frequency and severity of claims under these contracts. The Company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework.

The objective of the Company is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately

Pricing is based on assumptions which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and criteria.

Reinsurance is purchased to mitigate the effect of potential loss to the Company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Reinsurance policies are written with approved reinsurers on either a proportional or excess of loss treaty basis.
Regulatory capital is also managed (though not exclusively) by reference to the insurance risk to which the Company is exposed.

The Company writes property, liability and motor risks primarily over a twelve month duration. The most significant risks arise from natural disasters, climate change and other catastrophes (i.e. high severity, low frequency events). A concentration of risk may also arise from a single insurance contract issued to a particular demographic type of policyholder, within a geographical location or to types of commercial business. The relative variability of the outcome is mitigated if there is a large portfolio of similar risks.

	Gross premium		Reinsurance premium		Net	
	2025 ₦'000	2024 ₦'000	2025 ₦'000	2024 ₦'000	2025 ₦'000	2024 ₦'000
Within Nigeria	100,893,786	66,250,057	44,993,160	28,295,569	55,900,626	37,954,488
Outside Nigeria	-	-	4,783,193	5,670,580	(4,783,193)	(5,670,580)
	100,893,786	47,776,214	49,776,353	33,966,149	51,117,433	32,283,908

The Company monitors insurance risk per class of business. An analysis of the company's insurance risk concentration (both before and after reinsurance) per class of business is provided in the following table. The concentration of non-life insurance by type of contract is summarised below by reference insurance contract revenue and Net reinsurance service expense.

	Insurance Contract Revenue		Net Expenses from Reinsurance Contracts held		Net	
	2025 ₦'000	2024 ₦'000	2025 ₦'000	2024 ₦'000	2025 ₦'000	2024 ₦'000
Accident	9,390,864	7,060,109	4,838,413	2,949,115	4,552,451	4,110,994
Aviation	667,921	608,328	58,832	44,083	609,089	564,245
Bond	590,649	44,800	46,625	6,982	544,024	37,818
Engineering	2,666,562	1,713,227	252,737	(611,697)	2,413,825	2,324,924
Fire	27,044,404	19,347,408	15,121,834	12,655,813	11,922,570	6,691,595
Marine	6,859,749	4,299,723	1,144,824	1,437,833	5,714,925	2,861,890
Motor	15,313,400	9,966,116	24,655	251,152	15,288,745	9,714,964
Oil and Energy	38,360,236	23,210,345	28,288,433	17,232,868	10,071,803	5,977,478
	100,893,785	66,250,056	49,776,353	33,966,149	51,117,432	32,283,908

The proportion that best represent the maximum exposure to credit risk in reinsurance contract assets at the reporting dates are analysed below, using the A.M best credit risk rating grading

Rating	A++	A+	A	A-	B++	B+
Propotional exposure	1%	3%	94%	1%	1%	1%

44 Assumptions and sensitivities

The risks associated with the non-life insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Company uses several statistical and actuarial techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Company considers that the liability for non-life insurance claims recognised in the statement of financial position is adequate. However, actual experience will differ from the expected outcome.

		Impact on profit before tax		Impact on equity	
	Change in assumptions	Gross of reinsurance ₦'000	Net of reinsurance ₦'000	Gross of reinsurance ₦'000	Net of reinsurance ₦'000
2025					
Expected loss	**10%**	6,000,791	3,560,207	4,920,649	2,001,279
Inflation	**1%**	39,471,077	39,471,077	32,366,283	32,366,283
Expected loss	**10%**	(6,000,791)	3,560,207	(4,920,649)	(2,001,279)
Inflation	**1%**	(39,471,07	39,471,077	(32,366,283)	32,366,283

		Impact on profit before tax		Impact on equity	
	Change in assumptions	Gross of reinsurance ₦'000	Net of reinsurance ₦'000	Gross of reinsurance ₦'000	Net of reinsurance ₦'000
2024					
Expected loss	**10%**	6,348,152	2,146,580	5,205,485	1,760,196
Inflation	**1%**	32,419	25,208	26,584	20,671
Expected loss	**10%**	(6,348,152)	(2,146,580)	(5,205,485)	(1,760,196)
Inflation	**1%**	(32,419)	(25,208)	(26,584)	(20,671)

43.2 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. The Company has not disclosed previously unpublished information about claims development that occurred earlier than five years before the end of the annual reporting period in which it first applies IFRS 17. Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosure below on a gross of reinsurance basis as at 31 December 2025

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Analysis of claims development – Gross

Estimate of ultimates: End of accident year	2016 ₦'000	2017 ₦'000	2018 ₦'000	2019 ₦'000	2020 ₦'000	2021 ₦'000	2022 ₦'000	2023 ₦'000	2024 ₦'000	2025 ₦'000	Total ₦'000
1 year later	6,852,525	6,903,787	6,921,028	6,921,028	6,921,791	3,644,034	4,880,566	9,953,007	13,618,410	14,667,747.39	
2 years later	6,881,274	6,930,653	6,930,563	6,930,822	5,735,958	5,411,617	7,541,785	14,209,969	15,863,886		
3 years later	6,012,985	6,026,293	6,030,904	5,164,154	5,436,345	5,749,779	8,062,179	13,644,214			
4 years later	7,684,726	7,713,653	4,045,427	4,947,415	5,718,499	5,706,503	9,043,923				
5 years later	5,922,033	5,495,842	4,029,737	5,586,889	5,719,012	6,774,392					
6 years later	4,755,437	5,455,669	4,924,244	5,756,680	6,337,908						
7 years later	5,075,617	5,947,458	5,025,708	6,590,969							
8 years later	7,035,975	5,955,360	5,335,082								
10 years later	7,481,357										
Current estimate of ultimate claims	7,481,357	6,349,589	5,335,082	6,590,969	6,337,908	6,774,392	9,043,923	13,644,214	15,863,886	14,667,747	92,089,067
											324,110
Net cumulative claims liabilities – prior accident years	324,110										
Cumulative payments	6,507,692	5,446,008	4,219,666	4,780,264	5,019,408	4,306,767	5,398,178	9,995,783	8,701,338	4,937,349	59,312,453
Net cumulative claims liabilities – accident years from 2016 to 2024	**1,297,775**	**903,582**	**1,115,416**	**1,810,705**	**1,318,499**	**2,467,625**	**3,645,745**	**3,648,431**	**7,162,548**	**9,730,399**	**33,100,725**
Effect of discounting											(6,840,927)
Effect of the risk adjustment for non-financial risk											2,573,460
Net LIC for the contracts originated (refer to notes 10a)											**28,833,258**

Analysis of claims development – Net

Estimate of ultimates: End of accident year	2016 ₦'000	2017 ₦'000	2018 ₦'000	2019 ₦'000	2020 ₦'000	2021 ₦'000	2022 ₦'000	2023 ₦'000	2024 ₦'000	2025 ₦'000	Total ₦'000
1 year later	4,076,419	5,672,662	6,469,742	2,186,660	3,836,936	2,538,022	3,038,248	6,792,762	10,490,587	10,863,134.00	
2 years later	3,088,087	4,958,226	6,409,350	2,328,371	3,179,597	4,201,230	2,034,960	10,437,498	10,578,496		
3 years later	2,973,164	4,250,979	5,697,968	1,734,869	2,620,633	4,045,862	5,780,077	10,684,810			
4 years later	3,515,434	5,595,525	3,822,099	1,912,519	3,240,928	4,576,984	6,582,709				
5 years later	3,005,179	3,986,713	3,804,642	2,209,778	3,422,182	4,900,111					
6 years later	2,413,181	3,953,458	4,153,511	2,510,756	3,554,725						
7 years later	2,636,280	3,686,568	4,472,762	3,044,008							
8 years later	4,069,880	3,522,927	4,692,202								
9 years later	4,540,952	3,940,009									
10 years later	4,771,002										
Current estimate of ultimate claims	4,771,002	3,940,009	4,692,202	3,044,008	3,554,725	4,900,111	6,582,709	10,684,810	10,578,496	10,863,134	63,611,207
Net cumulative claims liabilities – prior accident years	189,059										189,059
Cumulative payments	4,244,369	3,293,735	4,030,043	1,863,497	3,075,448	3,467,427	3,797,120	7,951,983	5,243,892	4,007,141	40,974,655
Net cumulative claims liabilities – accident years from 2016 to 2025	**715,692**	**646,275**	**662,159**	**1,180,511**	**479,278**	**1,432,684**	**2,785,588**	**2,732,827**	**5,334,604**	**6,855,993**	**22,825,610**
Effect of discounting											(5,284,517)
Effect of the risk adjustment for non-financial risk											393,784
Net LIC for the contracts originated											17,934,877

44 **Financial Reporting Council's Certification Requirement for Professionals Engaged in Financial Reporting**

In line with Financial Reporting Council of Nigeria certification requirement for professionals engaged in the financial reporting process: external auditors, officers of reporting entities and other professional providing assurance to reporting entities, below is a list of professionals engaged in the financial reporting process relating to financial statements during the year

S/N	Name of Pratice/Professional	FRC Number	Service	Fees
1	Goldwyns - Anthony Molade	FRC/2013/ICAN/00000003138	Tax Consultant	13,000,000
2	BARIN EPEGA & Co - Epega Obarinsola	FRC/2012/PRO/NIESV/004 /00000000597	Property Valuation Specialist	5,000,000
3	Ernst &Young - Kingsley Miller	FRC/2012/NAS/00000002392	Actuarial service	10,000,000
4	Deloitte, Nigeria - Ayonike Faturoti	FRC/2022/PRO/ICAN/004/611525	External Auditor	34,400,000

Auditor's remuneration represents fees for the year audit of the Company for the year ended 31 December 2025. The Company also paid the auditors professional fees for non-audit services. These services, in the Company's opinion, did not impair the independence and objectivity of the external auditor. Non-audit services provided during the period ended 31 December 2025 are stated below:

Description of non audit services rendered	Name of Signer	FRC Number	Name of Firm	Fee Paid (N'000)
Attestation service on Internal Control over Financial Reporting	Ayonike Faturoti	FRC/2022/PRO/ICAN/004/611525	Deloitte and Touche	N8,000

Statement Of Value Added

For The Year Ended 31 December 2025

	2025 ₦'000	%	2024 ₦'000	%
Insurance service result	17,751,364	53	2,698,323	(15)
Net Investment income	14,057,378	42	32,766,305	94
Net insurance financial result	(959,366)	(3)	1,247,740	6
	30,849,376	92	36,712,368	85
Other operating expenses	(4,873,274)	(15)	(3,718,554)	(12)
Adjustment for directly attributable expenses and other model adjuments	7,392,068	22	4,932,417	23
Value added	**33,368,170**	**100**	**21,087,962**	**100**
Applied as follows:				
To pay employees				
Salaries, wages and benefits	1,477,416	4	996,961	4
To pay Government:				
Taxes	9,415,226	28	2,011,677	3
Retained for asset replacement and future expansion of business:				
- Deferred taxation	(3,924,298)	-12	1,386,203	21
- Depreciation and amortization	232,621	2	132,745	2
- Profit for the year	26,167,205	77	33,112,912	71
	33,368,170	**100**	**21,087,962**	**100**

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

As at 31 December 2025

	31 December				
	IFRS 17				IFRS 4
Assets	2025 ₦'000	2024 ₦'000	2023 ₦'000	2022 ₦'000	2021 ₦'000
Cash and cash equivalents	29,957,783	20,646,170	11,419,213	8,793,947	8,808,248
Financial assets	83,744,665	95,008,524	57,069,702	30,489,808	23,947,860
Premium receivables	290,146	270,207	316,646	365,397	109,967
Reinsurance assets	13,505,031	10,426,226	7,057,798	4,767,414	4,650,512
Other receivables and prepayments	1,241,370	3,826,595	1,350,212	993,590	772,722
Investment properties	22,682,000	5,495,500	4,050,000	3,676,770	3,676,770
Right of use assets	939,802	183,369	199,213	232,664	303,954
Property, plant and equipment	333	4,333	8,333	1,044	7,221
Intangible assets	50,794	76,204	123	946	3,427
Statutory deposits	300,000	300,000	300,000	300,000	300,000
Total assets	**152,711,924**	**136,237,128**	**81,771,240**	**49,621,580**	**42,580,681**
Liabilities and equity					
Insurance contract liabilities	50,686,122	36,886,613	24,081,523	14,298,937	12,704,190
Reinsurance premium payable	-	-	-	-	-
Other technical liabilities	14,509,756	25,126,168	14,620,617	6,564,236	4,366,048
Provisions and other payables	6,438,668	5,164,715	2,680,102	1,576,551	1,493,142
Deferred rental income	42,000	35,000	35,000	33,250	33,250
Current income tax payable	10,300,169	1,983,227	507,800	1,361,495	836,792
Deferred tax liabilities	3,961,597	6,774,066	5,178,466	672,831	753,816
Total liabilities	**85,938,312**	**75,969,789**	**47,103,508**	**24,507,300**	**20,187,238**
Equity					
Share capital	10,000,000	10,000,000	10,000,000	10,000,000	7,000,000
Share premium	84,607	84,607	84,607	84,607	84,607
Statutory contingency reserve	17,318,613	12,085,172	10,000,000	10,000,000	10,000,000
Retained earnings	35,267,037	34,547,316	12,917,456	4,596,443	4,931,902
Fair value reserve	4,103,355	3,550,244	1,665,669	433,230	376,934
Total equity	**66,773,612**	**60,267,339**	**34,667,732**	**25,114,280**	**22,393,443**
Total liabilities and equity	**152,711,924**	**136,237,128**	**81,771,240**	**49,621,580**	**42,580,681**

Five-Year Financial Summary Contd

For the year ended 31 December 2025

	31 December				
	IFRS 17				IFRS 4
	2025 ₦'000	2024 ₦'000	2023 ₦'000	2022 ₦'000	2021 ₦'000
Gross premium written	108,833,232	71,688,127	42,594,486	37,982,979	34,437,522
Insurance service result	17,751,360	2,698,323	(3,158,072)	3,625,987	-
Net premium income	-	-	-	-	10,426,320
Profit before income tax expense	26,167,205	33,112,912	15,212,733	6,137,539	5,022,684
Income tax expense	(5,490,928)	(3,397,880)	(4,891,720)	(884,612)	(578,485)
Profit for the year	20,676,277	29,715,032	10,321,013	5,252,927	4,444,199
Transfer to retained earnings	20,676,277	29,715,032	10,321,013	5,252,927	4,444,199
Basic earnings per share (kobo)	103	149	52	33	32
Diluted earnings per share (kobo)	103	149	52	33	32

ERM Framework

1.0 Introduction and Overview

The Board of Directors appreciates that risks are inherent in all aspects of the Company's operations and that it cannot totally eliminate risks. It therefore acknowledges the critical role of risk management in the achievement of the objectives of the Company in order to meet the varied expectations of its stakeholders.

The Enterprise Risk Management Framework establishes the criteria within which enterprise risks are managed. The intent of the framework is to ensure the effective communication and management of risk categories across all business units. The scope of the Framework is enterprise-wide and is applicable to Board, Management and employees of the Company.

Enterprise risk management is a process, applied by our organization in a strategic setting, which enables management to identify potential risk events that may affect the entity; and provides a framework to manage risk within the organization's risk appetite in order to provide reasonable assurance regarding the achievement of the organization's objectives.

The Board is committed to managing risk in accordance with established risk management standards and has overall responsibility for the establishment and oversight of the enterprise risk management framework. There is an established Board Risk Committee, which is responsible for developing and monitoring the enterprise risk management policies. It meets quarterly to receive reports from the Management Risk Committee. The Management Risk Committee in turn meets every two months to review risk reports from the Chief Risk Officer.

The enterprise risk management policies are established to give broad guidance on how strategic objectives are to be set, and cascaded through to operational, reporting and compliance objectives. To identify and analyze the risks faced by the Company, risks are attached to objectives, core processes and key dependencies. The Company's risk policies set appropriate risk limits and appetites that form the basis for prioritizing identified risks. Risk controls are set and reviewed continually to monitor adherence to risk appetite and limits.

ERM Framework Contd

The Company has a policy to review the risk management policies and systems annually in order to reflect changes associated with its activities and the global economy generally. The Company, through regular risks workshops, trainings and design of standard operating procedures, aims to embed a risk culture in which all employees are aware of the risks in their respective roles and obligations.

The Company's risk management framework functions on three lines of risk defense. Core Process owners function as the first line of risk defense and they have responsibility for risk prevention. The risk management unit assumes the second line of risk defense and is assigned responsibility to holistically coordinate the risk control functions, enterprise-wide. The internal audit function, as the last line of risk defense, functions to secure assurance that risk controls are effective and efficient.

1.1 Objectives

The Company is committed to the management of inherent risks. The Company's enterprise risk management framework aims to:

- Promote proactive recognition of external factors and anticipate uncertainties that may affect the achievement of strategy.
- Protect the interests of the Company's shareholders.
- Provide assurance to counterparts, customers, employees and the community.
- Recognize that risk is embedded in all our activities and that the underlying risk appetite is key to effective decision making.
- Provide appropriate, consistent and transparent ownership and accountability around risk mitigation.
- Enable the design and implementation of controls
- Improve performance measurement; the Company's improved understanding of its risk profile enables appropriate allocation of risk and economic capital to individual lines of business, which allows improved performance measurement and evaluation of activities
- Ensure better control of operations; the Company expects that increased understanding of risk activities within various business units, the Board and senior management will lead to improvements in the control of operations and the emergence of a more proactive enterprise risk management culture

2.0 Philosophy and Principles

The continued successful safeguarding, maintenance and expansion of the Company's businesses requires a comprehensive approach to risk management.

It is the policy of the Company to identify, assess, control and monitor all risks that the business may incur to ensure that the risks are appropriate in relation to the scale and benefit of the associated project, business or practice and to ensure that no individual risk or combination of risks result in a likely material impact to the financial performance, brand or reputation of the Company.

By acknowledging that risk and control are part of everyone's job, and by incorporating risk management into the Company's daily business practices the Company will be better equipped to achieve its strategic objectives, whilst maintaining the highest ethical standards.

The Company adopts a risk philosophy aimed at maximizing business opportunities and minimizing adverse outcomes, thereby enhancing shareholder value by effectively balancing risk and reward.

The Board of Directors is responsible for setting the enterprise risk management strategy of the Company and its implementation. All staff are expected to demonstrate the highest ethical standards of behaviour in development of strategy and pursuit of objectives.

The following philosophy and principles govern the management of enterprise risk in the Company:

- The Board approves and periodically reviews the enterprise risk management framework.
- Ownership, management and accountability for risk is decentralised with business and functional units.
- There are consistent standards for defining, evaluating, measuring, monitoring and reporting risks.
- The Company's enterprise risk management practices are subject to regular independent review internally and externally.

- Enterprise risk management is governed by well-defined policies and procedures which are clearly communicated across the Company.
- Enterprise risk-related issues are taken into consideration in business decisions including new product and process designs.
- Various risk and loss events are reported openly and fully to the appropriate levels once they are identified.
- Adequate processes and systems for identifying, measuring, monitoring, reporting and controlling risks are being implemented by the Company.

2.1 Strategy

Failure to manage risk effectively often results in significant financial losses, regulatory fines or censure, reputational damage, brand erosion or even the loss of insurance licence, all of which directly impact shareholder value. Accordingly, the Company's enterprise risk strategy aims to minimise the impact of various risks on its shareholders' value. In more specific terms, the Company's strategy is to:

- reduce the likelihood of occurrence of unexpected events and related cost by managing the risk factors and implementing loss prevention or reduction techniques to reduce variation in earnings;
- minimise the impact of unexpected and catastrophic events including related costs through risk financing strategies that support the Company's long-term growth, cash flow management and balance sheet protection; and
- make all managers responsible for the management of risk and thus minimise actual or potential losses. The Company recognises that some losses, such as operational errors, are inevitable and are normal business cost but will ensure these costs are kept within acceptable levels and potential losses are minimised.

In implementing this strategy, the Company:

- has put in place best-practice enterprise risk management policies and procedures. These include procedures to help identify, assess, control, manage and report various risks within the Company;
- ensures that roles and responsibilities are agreed and clearly understood by employees at all levels;

- ensures that all staff in business and support functions are aware of their responsibilities for risk management; •considers the potential risk impact of its activities and products at the outset with a view to minimising these as far as possible;
- has put in place structures and processes for reporting control failures to designated individuals and escalating material issues to the Board Audit & Risk Committees respectively;
- ensures that staff are provided with appropriate enterprise risk management training that is commensurate to their roles;
- establishes a workable business continuity plan (including disaster recovery and crisis management procedures) that minimises the impact of unexpected and catastrophic events on business operations and customer service;
- minimises the financial impact of losses, through management of risk factors and utilisation of insurance and other risk transfer strategies; and
- ensures that staff responsibility with respect to enterprise risk management is communicated through on-going risk awareness workshops and management action.

3.0 Governance and Culture

The overall responsibility for enterprise risk management in the Company resides with the Board. The responsibility of the day-to-day management has been delegated as described in this section. On a regular basis, the Board receives reports on Company's risk profile through the Board Risk Management Committee.

To ensure consistency and prudent management of risks, the responsibility for managing risk has been split as follows:

- the overall governance owned by the Board and Board Committees (Board Audit & Risk Committees) and Management Risk Committee;
- the approval of enterprise risk management policies and standards for risk identification, measurement, assessment, monitoring and reporting is the responsibility of the Board Risk Management Committee;
- the enterprise risk management framework implementation and review is owned by the Risk Management department;
- the implementation of the enterprise risk management framework within the branches, departments/business units and the day-to-day management of risks is owned by respective core processes and executed through management structure.

- The assurance role that risk management controls are effective and efficient is owned by the internal audit function.
- Legal and Compliance unit ensures that the Company adheres to laws, regulations, guidelines and specifications relevant to its business

3.1 The Board and Board Committees

The Board of Directors, Board Risk Committees and the Management Risk Committee shall have overall oversight function for enterprise risk management. It shall be their responsibility to ensure effective management of risks and adherence to the approved enterprise risk policies.

3.1.1 Board of Directors

The Board of Directors:

- sets the Company's enterprise risk strategy and direction in line with the Company's corporate strategy;
- gives final approval for the Company's enterprise risk management framework, policies and procedures;
- periodically reviews the framework to ensure its relevance and effectiveness; and ensures that senior management is performing its risk management responsibilities; and
- Sets risk appetite levels

3.1.2 Board Risk Committee

The Board Committees:

- ensures that the enterprise risk management framework is comprehensive and in line with the Company's strategy;
- approves the enterprise risk management framework and oversees its implementation;

- establishes a management structure capable of implementing the framework with clear lines of responsibility, accountability and reporting; and
- reports significant risk issues to the Board of Directors.

3.1.3 Management Risk Committee

The Company's Management Risk Committee:

- ensures that the framework is implemented consistently across the Company;
- ensures policies and procedures are developed for managing risk in the Company's products, activities, systems and processes;
- ensures that all levels of staff understand their responsibilities with respect to enterprise risk management;
- reviews the Company's risk dashboard and assesses potential impact on the activities of the Company or business unit;
- ensures the Company's risk profile is within established risk parameters;
- ensures that staff are adequately trained and have access to the necessary resources;
- obtains and reviews periodic reports on loss events, risk profiling, control failures enterprise-wide and monitors that corrective measures are being implemented;
- ensures that the outputs from the enterprise risk management process are factored into the day-to-day management decisions of the Company; and
- ensures that the Company's enterprise risk management policies and procedures promote the desired risk culture.

3.2 Chief Risk Officer

The Chief Risk Officer:

- Leads the development and implementation of enterprise risk management across the Company.
- Develops enterprise risk management strategy, principles, framework and policy.
- Implements appropriate enterprise risk management processes and methodologies.

- Advises and coaches management and business units on risk management.
- Coordinates the appropriate and timely delivery of risk management information.
- Approves all reports, risk policy proposals, recommendations and other documents prepared for presentation to the Management Risk Committee, and Board Audit & Risk Committees.

The Enterprise Risk Management seeks to build a strong risk management and control culture by setting the appropriate tone at the top, promoting awareness, ownership and proactive management of key risks, and promoting accountability. In short, we seek to promote a risk-conscious workforce across the enterprise.

The Company's risk culture is based on the following:

- Ownership of Risk Management by top executives and senior management with appropriate delegation down the line.
- Integration of risk management into all business units of the company.
- Compliance with company's culture and value system
- Proactive risk management process
- Risk Management training, education and awareness
- Effective risk management and controls
- Constant monitoring of risk environment and risk management process and system
- Compliance with all relevant statutory, regulatory and supervisory rules, regulations, pronouncements and requirements
- Ensuring risk management owners are responsible and accountable relative to their function and position
- Ensure crises free management of risk issue when and if it occurs

4.0 Risk Identification and Prioritization

Risk identification is a deliberate and systematic effort to identify and document the enterprise's key risks. Risks emanate from internal or external sources which affects implementation of strategy or achievement of objectives.

ERM Framework Contd

The objective of risk identification is to understand what is at risk within the context of the enterprise explicit and implicit objectives and to generate a comprehensive inventory of risks based on the threats and events that might prevent, degrade or delay the achievement of the objectives. The Company adopts a rigorous and ongoing process of risk identification that also includes mechanisms to identify new and emerging risks timely. These risks form the basis of the overall risk profile for the enterprise.

The following broad categories of risk are used to enable appropriate aggregation and to assist with the identification of inherent risks across the Company:

- Business Strategy Risk
- Credit Risk
- Compliance Risk
- Insurance Risk
- Legal/Regulatory Risk
- Liquidity Risk
- Market Risk
- Operational Risk
- Reputation/Brand Risk

The risks identified are then assessed in order to prioritize the most important risks. Risk assessment is a process to quantify or qualify the level of risk associated with a specific threat or event, to enrich the risk intelligence available to the enterprise.

Risks are prioritized, considering likelihood and impact of a given outcome, to determine how they should be managed. The purpose of prioritizing the risk is to determine the level of action needed for the identified and assessed risks. The objectives at this step are to separate the minor risks from major ones. The level of risk is determined by measuring the likelihood of each event arising and the associated consequences.

ERM Framework Contd

Risk Identification Methods:

The following are the methods adopted in identifying risks faced by the enterprise:

Brainstorming: Risk identification through brainstorming sessions on risk areas, vulnerabilities and threats.
Questionnaire: Risk identification by issuing questionnaires to members of various units in order to identify risks peculiar to them

5.0 Risk Appetite/Risk Tolerance

It is not always efficient to manage risks to zero residual risk or very low residual threshold because of the time, cost and effort that will be required. However, it is also poor risk management practice to accept risks which create unnecessary exposure for the enterprise.

As a result, the enterprise will not accept risks which could expose her to:

- Unacceptable levels of financial loss relative to strategic and operational targets
- Breaches of legislation or regulatory non-compliance
- Damage to its reputation
- Unacceptable interruption to the provision of services to customers
- Damage to relationships with its customers and key stakeholders

The Company's risk tolerance statement is defined below which guides strategic decision making;

The Company shall hold capital at the 99.6% Value-at-risk level. No risk driver for example, line of business or asset class must consume more than 5% of shareholder's equity when looking at the 95% Value at Risk. No extreme scenario with a probability of higher or equal to a 1 in 250 years must result in a loss which exceeds 15% of the shareholder's equity.

6.0 Risk Reporting And Communication

Information is needed at all levels to identify, assess and respond to risks. Like any other process, the success of risk management depends on the availability of reliable information and effective communication at various levels. Pertinent information has been identified, captured and communicated in a form and time frame that enables members of staff to carry out their responsibilities.

A reporting system is designed to provide assurance that the enterprise risks are adequately managed. Information is provided on risk management status and actions taken for continuous improvement. The report provides information on the effectiveness of achieving corporate objectives; a forward looking report that anticipates emerging risks.

Information and communication channels are in place to make various business units aware of risks that fall into their area of responsibility and the expected behavior to mitigate negative outcomes.

Relevant information, properly and timely communicated is essential to equip the relevant officials to identify, assess and respond to risks. The Enterprise's risk communication and reporting process supports enhanced decision making and accountability through; dissemination of relevant, timely, accurate and complete information.

7.0 Risk Management and Controls

In the management and control of risks, the information gained during risk assessments is used to develop control measures that would be applied to ensure appropriate management of risks. It involves the implementation of new polices and standards, physical changes and procedural changes that can reduce or eliminate certain risks within the various business units.

The following are the risk control measures the enterprise employs to mitigate risk:

- **Risk Avoidance**: this involves committing to stop executing the activities that give rise to the risk. Risk avoidance is usually a function of consolidating business processes and implementing preventative controls to halt deviations from acceptable norms.
- **Risk Reduction**: The risk reduction strategy involves reorganizing business processes to reduce the risk exposure inherent in them. Risk reduction involves reducing the severity of the loss or the likelihood of the loss occurring.
- **Risk Transfer**: A risk transfer strategy involves reducing risk likelihood or impact by transferring or otherwise sharing a portion of the risk. Common risk transfer techniques used includes purchasing insurance products, pooling risks and engaging in hedging transactions.
- **Risk Acceptance**: A risk acceptance strategy is a well-informed decision to accept loss, or benefit of gain, from a risk when it occurs. This involves making resources available internally to mitigate or accommodate such risks. An acceptance strategy is an effective way of addressing emerging risks which are those risks that are anticipated to arise in the future.

Control activities are also established to ensure that risk management decisions are carried out effectively and consistently throughout the Company. This involves formalizing risk management decisions in the Company's policies, ensuring clear accountability, utilizing self-assessment and monitoring tools and designing controls into the systems and critical business processes.

8.0 Risk Factors and Types

8.1 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 random and therefore 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 benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability of the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. 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.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

8.1.1 General Accident insurance risks

8.1.1.1 Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The most significant is the long tailed nature of occupational hazards and employers liability. Estimated inflation is also a significant factor due to the long period typically required to settle these cases.

The Company manages these risks through prudent underwriting, adequate reinsurance arrangements and proactive claims handling.

Prudent underwriting attempts to ensure that bad risks are rejected and the underwritten pool of risks are well diversified in terms of type and amount of risk, industry and geography.

Underwriting policies are in place to enforce proper risk selection. For example, the Company does not write or renew individual policies with established moral hazards. It also imposes excesses and deductibles to make the insured bear a proportion of a loss and thus check negligent or indulgent tendencies. The Company undertakes loss investigation that most times results in downward adjustments of reported claims. The Company rejects payment of fraudulent claims that are thrown up by its investigation search light. Insurance contracts also entitle the Company to pursue third parties for payment of some or all costs through its subrogation rights. Any contract in which a branch office of the Company is committed to cover risks in excess of its prescribed limits requires head office approval.

The reinsurance arrangements include excess of loss and catastrophe covers that are used to protect the Company's net account. The effect of such reinsurance arrangements is that the Company should not suffer total net insurance losses of more than N70 million in any one event.

8.1.1.2 Sources of uncertainty in the estimation of future claim payments

Claims on long-tail general accident insurance contracts are payable on a claims-occurrence basis. Coverage applies to bodily injury or property damage that occurs during the policy period, regardless of when claims for damages are made. As a result, liability claims are settled over a long period of time (long-tail), 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 for bodily injury suffered by employees (for employer's liability covers) or members of the public (for public liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of the accident.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the end of the reporting period.

The amount of casualty claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. Casualty contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the end of the reporting period.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Company, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims. For general accident insurance contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these liabilities.

In estimating the liability for the cost of reported claims not yet paid, the Company considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

8.1.1.3 Process used to decide on assumptions

The risks associated with these insurance contracts are complex and subject to a number of variables that complicate quantitative sensitivity analysis. However, the Nigerian market has not had severe losses from asbestos-related diseases which is usually material and is therefore not too complicated to come up with reasonable assumptions.

The Company uses assumptions based on a mixture of internal and market data. Internal data is derived mostly from the Company's quarterly claims reports and screening of the actual insurance contracts carried out at year-end 2017 to derive data for the contracts held. The Company has reviewed the individual contracts and in particular the industries in which the insured companies operate and the actual exposure years of claims. This information is used to develop scenarios related to the latency of claims

8.1.1.4 Change in assumptions and sensitivity analysis

There were no additional net insurance reserves (outstanding claims) arising in respect of prior years that has arisen due to changes in the assumptions used to estimate the ultimate cost of claims, including public liability claims.

Because the assumptions used to estimate these liabilities require judgment, they are subject to great uncertainty.

8.1.2 Property insurance contracts

8.1.2.1 Frequency and severity of claims

For property insurance contracts, climatic changes give rise to more frequent and severe extreme weather events (for example, flooding) and their consequences (for example, flood claims). For certain contracts, the Company has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year.

The Company has the right to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claim payment limits are always included to cap the amount payable on occurrence of the insured event. Cost of rebuilding properties, of replacement or indemnity for contents and time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from storm or flood damage. The Company has reinsurance cover for such damage to limit losses to N300 million in any one catastrophe event.

Property insurance contracts are subdivided into the following risk Companys: fire, business interruption, and theft. The insurance risk arising from these contracts is not concentrated in any of the territories in which the Company operates, and there is a balance between commercial and personal properties in the overall portfolio of insured buildings. The Company does not underwrite property insurance contracts outside Nigeria.

8.1.2.2Sources of uncertainty in the estimation of future claim payments

The shorter settlement period for these claims allow the Company to achieve a higher degree of certainty about the estimated cost of claims, and relatively little IBNR is held at year-end. However, the longer time needed to assess the emergence of a flood claim make the estimation process more uncertain for these claims.

The uncertain nature of the costs of this type of claim causes greater uncertainty in the estimates than in previous years. The Company has been monitoring numbers of reported claims on a weekly basis and reflected such information in its assessment of the adequacy of the unearned premium provision held at year end. The effect of this unexpected weather may affect prior year claims, due to the re-opening of old claims and higher settlement costs for flood claims in the current market. At year-end 2017, the Company believes that its liabilities for fire claims are adequate. However, more permanent changes in the climate may produce a higher frequency and severity of claims than currently expected.

8.1.2.3 Process used to decide on assumptions

For non-subsidence-related property risks, the Company uses similar statistical methods used for general accident insurance risks that incorporate the various assumptions made in order to estimate the ultimate cost of claims.

Similar to the approach for the assumptions underlying the casualty insurance liabilities, the choice of selected results for each accident year of each class of business depends on an assessment of the technique that has been most appropriate to observed historical developments. In certain instances, this has meant that different techniques or combination of techniques have been selected for individual accident years or Companys of accident years within the same class of business.

8.1.2.4 Changes in assumptions

The Company did not change its assumptions for the insurance contracts disclosed in this note other than updating the costs of rebuilding properties, replacement or indemnity for contents for time value of money.

8.2 Credit Risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The key areas of exposure to credit risk for the Company are in relation to its investment portfolio, reinsurance programme and to a lesser extent amounts due from policyholders and intermediaries. Key areas where the Company is exposed to credit risk are:

Principal Credit Risks

- Reinsurers' share of insurance liabilities;
- Amounts due from reinsurers in respect of claims already paid;
- Amounts due from insurance contract holders;
- Amounts due from insurance intermediaries;
- Amounts due from loans and receivables;
- Amounts due from debt securities; and
- Amounts due from money market and cash positions.

The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or Companys of counterparties, and to geographical and industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk by category and territory are approved quarterly by the Board of Directors.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent to investment grade and above.

This information is supplied by independent rating agencies where available and if not available the Company uses other publicly available financial information and its own trading records to rate its major policyholders and reinsurers.

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Receivables consist of a large number of policyholders, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

8.2.1 Credit Risk Measurement, Control and Mitigation

i. Premium and Reinsurance Receivables

Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalization of any contract.

The Credit Control Committee works closely with the Underwriting and Reinsurance departments to assess the creditworthiness of all reinsurers and intermediaries by setting and reviewing regularly the credit rating of each reinsurer using internal records and other publicly available financial information.

Individual operating units maintain records of the payment history for significant contract holders with whom they conduct regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors

and creditors of the Company. Management information reported to the Company includes details of provisions for impairment on loans and receivables and subsequent write-offs. Internal audit makes regular reviews to assess the degree of compliance with the Company procedures on credit. Exposures to individual policyholders and Companys of policyholders are collected within the ongoing monitoring of the controls associated with regulatory solvency.

Where there exists significant exposure to individual policyholders, or homogenous Companys of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by the Company's risk department.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for Companys of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

ii. Investments

The Company limits its exposure to credit risk by investing only in liquid securities and only with counterparties that have a credit rating of at least BBB- from rating agencies. Management actively monitors credit ratings and given that the Company only has invested in securities with high credit ratings, management does not expect any counterparty to fail to meet its obligations.

8.3 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.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of over 90 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Company does not maintain any lines of credit as it does not envisage any liquidity stress that would stretch its liquidity position.

8.4 Market Risks

Market risk is the risk that changes in market prices, such as; foreign exchange rates, interest rates and equity prices which will affect the Company's income or the value of its holdings of financial instruments.

Market risk arises due to fluctuations in both the value of assets held and the value of liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company has established policies and procedures in order to manage market risk.

8.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems and external events. The Company recognises the significance of operational risk, which is inherent in all areas of our business. Operational risk is managed within acceptable levels through an appropriate level of management focus and resources.

The Company is committed to the management of operational risks. The Company's operational risk management strategy aims to:

- reduce losses arising from operational risk – a key role of operational risk management in the Company is to reduce losses from operational failure and in particular avoid potentially large or catastrophic risk losses;

- provide early warning signals of deterioration in the Company's internal control system; and
- raise awareness of operational risk in the Company from top to bottom through the implementation of an enterprise-wide risk approach.

One of the foremost operational risks faced by the Company are financial crimes (internal fraud, external fraud and money laundering). Each incident is analysed, control failures identified and new controls designed. The Company is also investing in enhanced loss control. Key counter-measures put in place include:

- enhanced staff training;
- enhanced Know Your Policyholder (KYP) drive and background checks on employees;
- issuance of appropriate and deterrent circulars;
- job rotation and segregation;
- dissemination of email and SMS alerts to the Company's customers for each activity on their accounts;
- imposition of stiff disciplinary measures including prosecution of fraudulent staff, agents and brokers; and
- Installation of panic alarm system, CCTV.

8.5.1 Outsourcing Risk

Outsourcing risk is the risk inherent in the usage of vendors. The Company's extensive use of vendors enables the enterprise to deliver products and services to consumers and benefits to our employees. Risks inherent with using vendors includes: vendor performance, financial risks, reputation/brand, business continuity, information security, and legal/regulatory.

The Key counter-measures put in place includes:

- Maintain Enterprise policies to ensure appropriate management review, approval, and oversight of vendor risks.
- Hold vendors accountable for performance and utilize Management of Service Level Objectives.

ERM Framework Contd

- Monitor whether the value of the services provided by a vendor are commensurate with the vendor expense.
- Through the Vendor Management Community, train associates responsible for vendor management on compliance processes, managing vendor risks, and sharing best practices.
- Review critical vendors and corporate department vendor oversight through the Internal Audit program.
- Conduct vendor vulnerability assessments on critical vendors to validate logical and physical controls protecting Custodian information and business processes.
- Manage vendor relationships and risk through Vendor Management Units.
- Identify Enterprise relationship owners for vendors that span multiple departments at Custodian.
- Use shared information repositories for contracts and vendor relationship management.

9.0 Future Outlook

The Company has succeeded in establishing a robust Enterprise Risk Management Framework, practice, culture and environment beyond complying with regulatory requirements. However, this is a continuous and on-going process which is been improved upon consistently.

The ultimate goal is to make risk management a value driver that enhances and contributes to stakeholders' value and the long-term existence and survival of the institution.

Some of the key initiatives and projects to be embarked upon to ensure a better and more efficient risk management framework are;

- Sourcing of a risk solution that has capacity to support the management of insurance risks, operational risk, credit risk and market risk in line with best practices and ultimately complying with risk-based capital regulation in anticipation.
- Structuring a business continuity management framework and infrastructure.
- On-going aggressive Company-wide risk awareness campaign to increase employees' risk-awareness level, competence and involvement in managing risks.



Corporate Social Responsibility/Sustainability Report

2025 was a defining year in global history. There were on-going conflicts and rising tension, especially in the Middle East. There were issues of international cooperation and collaboration brought about by the increase in conflict and contention caused by the United States world order. The U.S. foreign policy was amended in several ways, including their immediate and planned withdrawal of support from many international organizations including the World Health Organization (WHO) and the Paris Agreement on climate change, with the country preferring to focus on national interest rather than global organizations. These actions obviously are triggers for severe funding gaps especially regarding health and education programs in developing nations, such as Nigeria. Loss of funding would have grave consequences as it would hinder health preparedness against possible pandemics and limit disease control.

Different countries have had to engage different tactics to prevent disaster in their countries. In Nigeria, the government has had to redirect funds and make large allocations from the national budget to bridge the financial gap. There was increased global economic strain prompted by the United States' introduction of a new trade policy that imposed tariffs on imports from other countries, including Nigeria, aimed at reducing trade deficits in response to perceived policies and high tariffs on US goods entering Nigeria. 15% reciprocal tariffs were placed on non-oil exports such as cocoa, cashew nuts and fertilizers, leading to a decrease in US imports from Nigeria, translating to a significant decline in non-oil exports and increased costs for US importers.

In addition to this, the year was also marked by extreme weather, including floods and fires. The on-going conflict between Russia and Ukraine persisted as well as other problems such as the rising tension in Iran and war in Sudan.

The issues of conflict and security were not restricted only to other countries but experienced locally too, as there was a resurgence of mass kidnappings and attacks almost throughout the year in Nigeria. Beginning from January, at least 40 farmers were killed in an attack by suspected Boko Haram militants in Borno State, while in the same state, over 200 internally displaced people mostly children were abducted by suspected Boko Haram in February. In September, fighters reportedly killed at least 170 people mostly men and boys in Yobe State, whilst 25 girls were abducted by bandits from a Kebbi State school in November. Before then, 315 persons made up of 303 students and 12 staff of a Catholic school in Niger State were abducted by gunmen, though by December, the first batch of about 100 abductees were released.

A major night raid in Yelewata, Guma Local Government of Benue State led to the death of about 100 people. As kidnappings and abductions became rampant, the Government was forced to declare a nationwide security emergency and increase efforts against banditry, especially in the north.

Meanwhile, regarding the environment, there were reported cases of severe flooding in various parts of the country including Mokwa, Niger State, where about 200 people were killed and 3,000 residents displaced and at Okrika, Rivers State where flooding and landslides killed at least 25 people.

Poverty and inequality were still rampant in the country, because of the economic reforms introduced from about 2023 – including the removal of fuel subsidy and foreign exchange rates liberalization, which contributed to high inflation accompanied by a raised cost of living.

As a result of economic and policy changes by the Nigerian Government, there were serious implications for the populace. One of the more significant changes with far-reaching consequences was the signing of the Tax Reform Act announced and signed by the President during the year, to be effective in 2026. This marked a major shift in Nigeria's fiscal policy architecture which overhauls the country's tax system with the aim of enhancing efficiency, boosting revenue generation and protecting low-income earners.

In 2025 at Custodian, we maintained our usual high level of operations focused on meeting our various clients' needs across the subsidiaries and ensuring that we took advantage of opportunities leading to further growth. During the year, the processing of regulatory approval for Asset Management commenced, whilst later in the year EverQuest Acquisition LLP, a consortium led by Custodian Investment Plc acquired FBNQuest Merchant Bank from First HoldCo Plc. Though CSRF in the last few years has focused on Health, we moved on to initiatives around Education in 2025. Going forward, we will continue to explore diverse ways to positively impact the environment and communities within the country.

At Custodian, we offer both Life and General Insurance services by ensuring the restoration of life and assets to the former position in the event of a loss or accident. We are also in the business of Trustees, offering advice on protection and transfer of assets; Pensions, maintaining the quality of life of Retirees; Real Estate, providing affordable housing options to the public and Wealth and Asset Management, helping owners of assets grow their portfolios.

The Custodian Group

Custodian Investment Plc (CIP) is a diversified group, classified as a conglomerate by the Nigeria Exchange (NGX). The group has a significant holding in subsidiaries offering various services.

The Company

Custodian and Allied Insurance Limited (CAIL): CAIL provides general insurance services including Motor, Travel, Home, Personal Accident insurance, Special risks and others to individuals and corporate organizations. The company is registered with National Insurance Commission (NAICOM)and is a member of the Nigerian Insurers Association (NIA).

Subsidiary companies contribute 1% of their Profit Before Tax (PBT) to fund the Custodian Social Responsibility Foundation (CSRF), to ensure the success of the Foundation in handling initiatives in its chosen areas of support.

Our CSR Strategy and Approach

The preliminary focus areas of CSRF, our Foundation are:

- Education
- Health
- Community Development
- Sustainability

Education
We work on interventions that enhance the skill levels of Nigerians

Health
We work on interventions aimed at preserving good health and wellbeing



Community Development
We focus on helping our local communities thrive (i.e. are developed and resilient)

Sustainability
We are committed to using natural resources in a responsible manner for our operations, while practicing sustainable insurance

Corporate Social Responsibility/Sustainability Report

CSRF Activities for 2025

Education

Education is the deliberate process of acquiring and transmitting knowledge, skills and values through instruction, training and research. In Nigeria, over time, we have had to deal with significant gaps in the field and obviously, the development of education cannot be handled by the Government alone. That is a key reason why we decided early on to commit to the promotion of education, as one of our four key focal areas of intervention.

Though there were notable reforms in the sector as the Federal Government in 2025 increased the education budget substantially, systematic weaknesses undermined outcomes, leaving the sector troubled. Approximately 10.2 million children in the age range of 5 – 14years remained out of school according to UNICEF Nigerian Child 2025 report and over 18 million children faced educational exclusion. School children were often targets of kidnappings and mass abductions especially in the north, with an estimated 670 children affected across the country in under two years, according to Save the Children International. (Source The Punch newspaper of 31st December 2025). Again, the national literacy rate though given as above 70% average last year had huge regional disparities (with some states in the eastern region such as Imo recording over 95%, while some in the north as low as under 8%).

The field of education is wide, and it encompasses formal and informal learning. However, our goal is to use our resources to influence and support education in our local community in both sectors, especially in the priority areas of Vocational Training and Skills Acquisition, professional development for Primary school Teachers, Internship programs for tertiary students, scholarships especially at the primary and secondary school levels, extending to helping to develop infrastructure, where needed.

In 2025, we continued to maintain our previous projects and took up new ones.

1. **Maintenance of previous projects**

   ILUPEJU PUBLIC e-LIBRARY

   We continued to maintain the 14 computers and server we donated to the then Ilupeju Public library, which we helped transform into an e-library, equipped with hundreds of hard copy books we donated directly and through one of our Group Directors, as well as gave access to hundreds of downloaded e-books for online readers.

   Lagos City Senior College Computer Center

   CSRF continued to provide regular maintenance of the 25 systems and inverter donated to the college back in 2017, ensuring that every issue was resolved at the shortest possible time, to allow continuous access by the students. This enabled continuity in the practical aspect of computer training, especially for the senior secondary students preparing for and writing exams.

2. **Awesome Hope Academy, Gboko, Benue State – Completion of two-class block**

   CSRF was made aware of the existence of a primary school located in Joo village, within Yandev settlement in Gboko, Benue State.

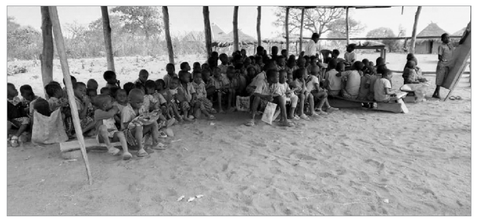
   The school which was founded as a private nursery and primary school on 1st July 2019 started in a church hall with a handful of teachers and a few students. As the school began to grow, the Founders acquired five plots of land at the current location in a peaceful area of Benue State from personal means and proceeds from the rearing of livestock including pigs, goats and chicken and a token from a few parents. Proceeds from the cultivation of livestock and contributions from individual Donors, were used to pay the few teachers and put structures in place. By 2023/24, the school with a population of about 387 students had to put structures in place to separate the children according to age and classes.

In 2025, there are seven classes consisting of the following:

- Pre-nursery
- Nursery one
- Nursery two
- Nursery three
- Basic one
- Basic two
- Basic three

The structures put in place to house the students include one round hut, used as the school office, two round huts with thatched roofs representing two classrooms, a large tent, housing three classrooms, whilst work began in earnest on a 2-classroom block.

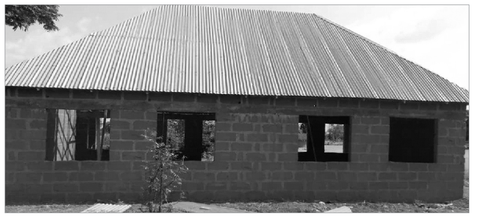
It was at the point where blocks laid though joint effort of students and workers that Custodian took over and completed the two-classroom block. CSRF paid for workers to complete the block laying, plastering of the building, roof, installation of windows and burglar bars and painting. The classrooms were also furnished with desks and chairs for the students.





Before takeover





Development by CSRF





Completed Building

Without adequate infrastructure in place, the school lost some students and teachers. The Founders nonetheless got the school registered by the Benue State Government. With the help of CSRF, the newly built classrooms have transformed the school and are beneficial to the community. Also, the engagement of direct labor and carpenters contributed to the welfare and economic sustainability of the locals.

The dream of the Founders of Awesome Hope Academy is to continue to expand the school by erecting additional structures to accommodate all the students who can learn under a roof without exposure to the elements, employ more teachers and possibly have a means of transportation to bring teachers living far away to school. Custodian plans as much as possible to contribute to the actualization of this dream as time goes on.

3. **Center for Actuarial Science and Insurance Development, University of Lagos**

The Faculty of Management Services, University of Lagos, a center of knowledge for many corporate heads and Board room gurus, was identified as lacking a state-of-the-art physical structure that would house a Centre for Risk Management and Actuarial Science Development meeting international standards. Such a structure would in addition to the faculties be environmentally friendly, with energy-conservation measures. Also, the building would provide amenities such as:

- Large and airy lecture halls
- Small and large Classrooms
- Computer Labs.
- Prometric Centre
- Lecturer's Offices
- Resource Centre/Library

We engaged the faculty staff on the possibility of providing a suitable building to meet the needs of the Management Sciences and modalities were being worked on during the year.

Custodian Mentors Conference

The seventh edition of our Mentors Conference took place on August 23rd, 2025, with a total of over 100 physical attendees and over 800 online participants via YouTube and Facebook. Of the physical attendees, 91 new Mentees attended out of the 111 invited. This means that from inception in 2018 to date, the program has benefitted over 6,000 Mentees, making it a solid corporate mentorship initiative.

Our Mentors Conference stands out because of the quality of external Mentors engaged each time – people who are successful in their various fields of endeavor with varied but unique experience, from all walks of life, who share knowledge and wisdom based on their experience. At the 2025 edition, the three external Mentors Speakers were Prince Abimbola Olashore, Architect (Mrs.) Olajumoke Adenowo and Mr Bolaji (BJay Sax) Banjoko. Prince Olashore is a Chartered Accountant and Founder /Director of Lead Capital PLC and current President and Chairman of Council of the Nigerian – British Chamber of Commerce (NBCC), Vice President of the Lagos Chamber of Commerce and Industry and Chairman of the Board of Olashore International school. He spoke on Patience, Pursuit and Diligence as foundations of leadership, emphasizing that pursuit is proof of desire. Mrs. Adenowo, an award-winning Architect recognized in both Nigerian and International media for her contribution to contemporary African architecture is the Founder of AD Consulting Limited, a boutique architecture and Interior Design firm. She spoke on Vision Clarity and Purpose-driven Success, asserting that Your destiny is yours to make up. B Jay Sax, a Mechanical Engineer by profession and a musician with strong Christian ethics is an international and multi-talented Saxophonist. He spoke on authenticity and personal branding with the learning point speaking of the uniqueness of individuals, hence the need to embrace your logo, as no one can be you. The session which was as entertaining as it was enriching had the following as key learnings:

- Every Mentee should evolve into a Mentor to sustain leadership pipelines
- Individual identity and values drive long-term credibility
- Growth demands structured learning, patience and clarity of purpose.



From Left: Mr. Bolaji Banjoko (BJay Sax), Mr. Wole Oshin, Arc. (Mrs.) Olajumoke Adenowo, Prince Abimbola Olashore



Mr. Oshin, Mrs., Aderemi and the Custodian Mentors with First Cohort of Mentees



Custodian Mentees 2025 Class



R-L: Mr. Adebiyi, Mr. Oshin, Mrs. Aderemi, Mr. Falade, Mr. Nlebemuo, Mr. Oyesola (Custodian Executives) in attendance

The 2025 Mentors Conference attracted almost 1,000 physical and virtual participants, including representatives of the cohort of Mentees who participated in the last Custodian mentoring Program - a year-long learning experience where Custodian Mentors regularly guide Mentees from the Mentors Conference, whilst external facilitators are engaged on a quarterly basis to share with them virtually – as well as Executive Management staff of Custodian subsidiaries and other staff. The Custodian Mentors Conference has become a yearly event to look forward to, as it drives our vision of empowered, purpose-driven future leadership in Nigeria.

Our plan for Education

As far back as 2017/18, we collaborated and worked closely with a qualified institution to birth the Vocational and Professional Development Academy (VPDA), with the aim of enabling skill building for our youths across different industries. Whilst several hundreds were impacted by the various programs offered and several scholarships offered to indigent students from time to time, the Academy was unable to recover following the disruption caused by the onset of the global COVID pandemic. As we see vocational training as a

viable alternative to formal training that would take a lot of the unemployed youths from the streets, we plan to organize vocational bootcamps for unemployed youths especially in rural communities or urban slums, and possibly with the disadvantaged including those of the female gender and the disabled in partnerships with government agencies, local community leaders and institutes offering accredited programs in future.

We also plan to offer professional development for teachers, especially primary school teachers, who need to imbibe in their student's quality education to ensure a solid foundation. Records indicate that up to about half of registered teachers in Nigeria lack the needed competence to deliver a 21st century curriculum, which demands a mastery of many skills.

As we have done in the past, we will continue to encourage internship programs for tertiary students. Some tertiary institutions have integrated work placements into their curriculum, where students are exposed to practical situations, thereby gaining relevant and practical experience. Though we did not have Interns in the company in 2025, this will be done in the coming years.

Due to the high numbers of out of school children in Nigeria, (with given statistics of over 10 million primary school age children out of school in 2025), we were determined to intervene by providing scholarships to brilliant but indigent students at the primary school level. However, this desire to offer scholarships at the primary education level in Lagos State in 2025 was unfulfilled mostly because the State offers free education to students. We are determined to still offer scholarships to brilliant and indigent students at the primary school level in other States and possibly at the Secondary school level across the nation wherever we find the need to do so.

Health

Health is not only a state of complete physical, mental and social well-being, but is also absence of disease. We therefore make it a focal area of priority, as it pertains to human beings whose lives we want to impact. Our activities in the health sector are aimed at improving the quality and well-being of people, thereby saving lives. This we do through making donations or undergoing projects that are health related. Private intervention is crucial if health targets are to be met and achieved and we always aim to contribute our own quota for improvements in the health sector.

In 2025, the health sector in Nigeria recorded limited progress. Whilst there was improvement in the provision of infrastructure, (including the donation of our Accident and Emergency Center within the former Epe General Hospital, now known as the Federal Medical Center Epe) and upgrade of over 2000 primary health care centers across Nigeria, there were persistent challenges such as funding shortages, brain drain challenges which keeps affecting the sector and increased mortality rate. Nigeria still faced high under-five mortality rate with about 2,300 children dying daily especially because of poor care and malnutrition. Last year, there were disease outbreaks like Lassa fever, which led to many deaths particularly in January. Looking at statistics, there were well over 10,000 road crashes in Nigeria, according to the Federal Road Safety Corps in the year, representing a 9.2% rise. Though that was an increase in numbers, the fatality rate declined by 2.4%.

Our interventions in Health include blood donation, donation to the disabled and Health infrastructure.

1. **Blood Donation Exercise**

The yearly blood donation exercise whereby employees voluntarily donate blood for the benefit of the needy continued in 2025. On 4th December, our usual facilitators from the Lagos Sate Blood Transfusion Service sensitized staff on the need for and benefits of donating blood and carried out the exercise on 9th December. The results of the donation are stated on the next page:

Breakdown of blood collected during blood drive with the Lagos State Blood transfusion Service on the 5th of November 2024 at Custodian Allied Plc Sabo, Yaba

Units of Blood Collected	-	33
Red Blood Cells	-	33
Platelets	-	13
Fresh Frozen Plasma (FFP)	-	20
Patient saved with blood and products	**-**	**66**

All unit of blood collected were negative for Transfusion Transmissible Infection (TTI)

Breakdown by Health Facilities and their Usage

S/N	Hospital	Usage	Red Cells/FFP
1	General Hospital, Lagos Island	2 Platelets. 3 Red Cells. 3 FFP	Red Cells, Platelets and FFP
2	Lagos State University Teaching Hospital, Ikeja (LASUTH)	11 Red Cells. 3 Platelets. 6 FFP	Red Cells and Platelets
3	Massey Street Children's Hospital	4 Red Cells	Red Cells
4	Lagos Island Maternity Hospital	3 Red Cells. 2 Platelets. 1 FFP	Red Cells, Platelets and FFP
5	Gbagada General Hospital	7 Red Cells. 3 Platelet. 4 FFP	Red Cells, FFP and Platelets
6	Orile Agege General Hospital	1 Red Cells. 2 Platelets. 1 FFP	Red Cells, Platelets and FFP
7	Ikorodu General Hospital	3 Red Cells. 2 FFP	Red Cells and FFP
8	Randle General Hospital	1 Red Cells. 1 Platelets. 3 FFP	Red Cells, Platelets and FFP
		33 Red Cells. 13 Platelets. 20 FFP	
	Total	**66 Units**	

Analysis of the figures below shows a slight increase in the units of blood collected year on year, whilst the number of patients saved with blood also increased marginally by 6.5%. This time around, the blood was distributed to eight different hospitals as indicated in the chart above.

2. **Donation to the disabled**

The sum of five million Naira only (N5m) was donated to the Federal Nigeria Society for the Blind in November 2025. This support was given to uplift and empower the visually impaired. We believe that as much as possible, the disabled in our society should be encouraged as this brings joy, hope and encouragement to them. The donation will assist in enabling them acquire skills and engaging in activities that will help make them more productive.

3. **Handover of the Custodian Accident and Emergency Centre (CAEC).**

The Custodian Accident and Emergency Center, a Level 4 trauma center with a twenty-bed capacity, was completed and handed over to the Lagos State Government, through Governor Babajide Sanwo- Olu on 9th May 2025. The occasion attracted many distinguished personalities including Government officials led by the Governor and Commissioner for Health, Prof Akin Abayomi and other top Government officials, royal fathers, top members of the health ministry, executive management staff of Custodian Group subsidiaries and others.

The center, which is the only such facility in the entire Epe area and its environment was strategically located to serve as the go-to center for accident victims in the area. With recent developments in the area, upgrade of the roads especially the Sagamu – Benin expressway leading to higher traffic, which would possibly lead to higher accident rates, the CAEC will be beneficial to the community and to travelers. It is hoped that with this intervention, human lives will be saved.

Available records obtained from the Federal Medical Center Epe (former Epe General Hospital) reveal that the total number of road traffic accidents of vehicles, motorcycles and tricycles in the Epe area reduced by 49.69% year on year, to 245 in 2025 from 487 in 2024. Vehicular accidents were reduced by 46.21%, motorcycle accidents were reduced by 57.5% and tricycle accidents by 34.9%. Whilst statistics show a general downward trend, it is hoped that this will continue to be the case and once the CAEC becomes fully operational, more victims will be stabilized and fewer lives would be lost. A record of saved lives will be documented regularly.

The 2025 Road Traffic Accident chart and hand-over ceremony pictures are shown below:

	Motor Vehicle		Motor Cycle		Tricycle	
Month	Male	Female	Male	Female	Male	Female
January	4	2	9	3	-	-
February	13	4	7	4	3	1
March	11	2	3	3	3	4
April	11	11	12	1	2	1
May	6	-	4	3	-	-
June	2	-	1	-	1	1
July	3	1	7	1	-	-
August	7	3	-	1	1	2
September	17	11	3	2	-	-
October	8	3	4	4	2	-
November	7	4	5	1	2	1
December	5	-	2	2	3	1
Total	94	41	57	25	17	11



Front View of CAEC on Handover Day



Cutting of the ribbon at the hand over ceremony of the CAEC by Gov. Babajide Sanwo-Olu



L-R: A Royal Father, Mr. Oshin, Gov. Sanwo-Olu and Pro. Akinabyomi



L-R: Dr. Arogundade, Mr. Oshin, Gov. Babajide Sanwo-Olu, Dr. (Mrs.) Kemi Ogunyemi and Dr. Ogboye



The GMD, Mr. Wole Oshin with Custodian Management Staff

Following the hand-over, it is hoped that the ideals for which CAEC will stand remain to complement the Lagos State Government's effort in the health sector by ensuring accident victims are given immediate attention and stabilized, before being transferred to the hospital. We are hoping that human lives which could have been lost hitherto will be saved and that our Foundation, the CSRF will be known for contributing something tangible to society.

Our plan for Health

We look forward to the time that the CAEC will be fully operational and plan to support them as much as possible. We plan to continue the voluntary blood donation exercise and will ensure that a substantial portion of the blood collected will be given to the trauma center.

Where funding permits, we plan to endeavor as much as possible to maintain the appearance of the CAEC building by painting it as we deem fit. We shall also consider the setting up of trauma care centers in underserved communities in the future.

Economic sustainability promotes long-term economic growth, financial stability and prosperity without negatively impacting society. The emphasis is on efficient resources management that will consequently lead to adequate needs being met with certainty that future citizens will be able to meet theirs. It is worth noting that activities in society must be beneficial to citizens and not be harmful to them, by ensuring available resources are optimized, whilst society must engage in responsible practice. Economic sustainability also relates to promotion of fair compensation, availability of employment opportunities and social development. At Custodian, we always ensure that compensation is fair and there are always opportunities for high performers to fill available gaps. The company participates in welfare surveys from time to time to ensure we are kept abreast of events in the industry. There are also opportunities for employment and avenues for social development.

This dovetails into social sustainability, which is the ability of a system or organization to maintain and improve social well-being, equity and togetherness for existing and future generations. Social sustainability includes social equity and human rights, community well-being, empowerment, inclusion and sound labour practices. In our company, we realize that our operations and activities impact on the wellbeing of members of the organization in the various subsidiaries and we are careful to ensure that adequate support is provided for all members, whilst ensuring the practice is sustained for future members. Related to this is Human sustainability, which is a component of social sustainability involving managing, developing and protecting people to ensure long-term well-being and productivity, rather than treating them as disposable resources. We endeavor to invest in our members by providing an enabling, healthy and safe environment, work-life balance, mental wellbeing, leading to career growth and encouraging creativity that will further ensure greater success for the organization.

Generally, we ensure that all stakeholders, including our clients, shareholders and workers are well catered to. Should any of the employees leave, as an organization, we ensure they are better skilled and healthier than when they joined. This leads to higher engagement and lower turnover, better performance and higher sense of wellbeing.

Governance is a key principle that supports environmental, economic and social sustainability. It involves a process whereby decision-making by organizations are based on ethical and responsible principles.

Our plans for Sustainability

As Nigeria adopted the International Sustainability Standards Board's standards with a roadmap unveiled back in 2024, we are mindful the standards will become mandatory very shortly and are planning to take advantage of the voluntary adoption phase ahead of the mandatory adoption. This we will start by creating awareness at the Board levels across our various businesses, followed by the rest of the Management and staff. We will need to develop the roadmap required for identified gaps in the adoption of IFRS S1(the general requirements for disclosure of sustainability-related financial information) and IFRS S2(climate-related disclosures) and develop policies and strategic actions required to drive the implementation.

We plan to build the required skills and capacity, carry out adoption readiness assessments and develop ISSB transition plans and as we do so, this will help to build investors' confidence.

Our Frameworks

As we implement initiatives around our four core pillars, we currently align with both national and international guidelines for sustainability, which are:

1. **PRINCIPLES OF SUSTAINABLE INSURANCE (PSI)**

   As the Group company emerged from Custodian and Allied Insurance Limited, the General Insurance subsidiary, it was fitting that we became the first Nigerian Insurance company signatory of the UNEP-FI's Principles of Sustainable Insurance (PSI). The PSI which was launched by the United Nations Environment Program's Finance Initiative (UNEP-FI) are a global voluntary framework aiming to embed environmental, social and Governance (ESG) risks and opportunities into insurance core business strategies. The four principles focus on risk management, Client awareness, Government /Regulatory engagement and public accountability for a sustainable future.

Community Development/ad-hoc Project Interventions

Community development projects aim to build up local communities and CSFR strives to do this wherever possible, knowing that such projects improve the quality of life of those in communities and empower individuals.

As the need arises, our Foundation will continue to provide emergency response interventions in the event of disease outbreak, especially with grave public health implications, particularly for vulnerable groups. We shall also consider emergency interventions in the event of natural disasters such as drought, flood, storm etc. that may have dire consequences on life and property. We will also provide public utilities to needy communities, such as initiatives improving access to clean water, electricity and other essential services.

CSRF has in the past taken on ad-hoc projects, which are specific initiatives implemented on a case-by-case basis as emergency cases arise. Projects involved with in the past include provision of a borehole in the community where the Head office of the Group company was formerly located, provision of mattresses to flood victims in Delta State, donation of foodstuff to the Modupe Cole Memorial Child Care and Treatment Home School for the handicapped, Akoka, provision of food stuff to members of the Yaba community during the COVID pandemic through the local community association GASYCODA, rehabilitation of dilapidated roads around Commercial Avenue, Yaba and more recently, by giving palliatives to the Bodija Ibadan explosion victims in Ibadan, Oyo State.

On an annual basis, during the yuletide, we beautify the Yaba environment by decorating the Sabo roundabout in festive ornaments, to add to the celebrations and camaraderie. The community has always looked forward to this, and we have never failed to meet their expectations in that regard.

Our plan for Community Development

It has been observed that virtually every year during the rainy season, our local community around the Group Head Office is usually flooded, making life difficult for many in the area. In some cases, buildings with basements and low entry levels get flooded. Our plan is to embark on regular drainage maintenance to prevent future flooding of the environment.

Sustainability

Sustainability is the avoidance of the depletion of natural resources to maintain an ecological balance. It focuses on preserving future generations and improving the quality of life of people. Usually, the sustainability pillars include Environmental, Economic, Social and Human, and Governance. Sustainability revolves around reduction of energy use or resources consumed, reuse whenever possible to extend a product's life or finding a new purpose for items; refusing to purchase unnecessary items especially single-use items; recycling, which is conversion of articles into reusable material or processing of materials that cannot be reduced, reused, or refused to create new products; repairing which is restoring an article to a good condition and rethinking, which involves considering or assessing a course of action to change it or questioning consumption habits by considering if a product is really necessary. The aim of all the above is to help break the cycle of high consumption and prevent wastage which helps sustainability. If everybody on earth is mindful of their consumption by extending product lifespan, thereby prioritizing waste reduction before disposal, our world would be a safer place and will have a glorious future.

Though the above considerations further the growth of sustainability in a society, in Nigeria, lack of adequate environmental education has resulted in challenges affecting the environment. If more Nigerians were made aware of the consequences of neglecting the environment, better progress would have been made. Going by recent data from the Federal Ministry of Environment, Nigeria produces about 32 tonnes of municipal solid waste annually. In 2025, Nigeria was faced with severe agricultural waste estimated at 30 to 40 million tonnes of food waste due to post-harvest losses. This translated to dumping of food waste on the environment and no doubt had serious economic impact on many, especially the farmers who would have had increased income had the products not wasted. An estimated 2.5 million tonnes of waste generated in Nigeria was plastic waste, disposed of inappropriately in sewers, gutters, beaches, open dumps and along streets. This high volume of waste is driven by rapid urbanization and poor infrastructure. Poor waste management worsens climate change and threatens marine and wildlife and worsens public health. Waste disposed carelessly contaminates the air we breathe, the soil we plant in, water we fish from and prevents opportunities for recycling. At Custodian, we actively ensure that subsidiary companies use materials that will not adversely affect the environment and promote safe environment risk practices, whilst keeping abreast of global trends.

Principle 1 - Risk Management

We will embed environmental, social governance (ESG) issues into decision-making, including risk management, underwriting, product development and claims management.

Principle 2 - Client Awareness

We will work with clients and business partners to raise awareness of ESG issues, manage risk and develop sustainable solutions.

PSI Principles

Principle 4 - Governance and Collaboration

We will collaborate with governments, regulators and stakeholders to promote widespread action on ESG issues across the Insurance industry.

Principle 4 - Accountability and Transparency

We will demonstrate accountability and transparency by regularly disclosing progress in implementing the principles.

The principles collectively address fundamental issues like natural disasters and inequalities with the aim of attaining an inclusive and green economy. We intentionally incorporate PSI into our daily activities and endeavor to strengthen our implementation of the principles as we go forward.

2. SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The sustainable Development Goals (SDGs) were adopted by the United Nations in 2015, with the aim to end poverty, protect the planet and that by year 2030, everyone will enjoy peace and prosperity. All the 17 goals are interrelated as action in any will affect the outcomes of the others. As we near 2030 though and considering recent setbacks occasioned by top supporters withdrawing support that might have made the deadline realistic, it would appear doubtful that all the goals will be met on target.

At Custodian, we are committed to contributing to the achievement of the SDGs in our own way, as the activities of CSRF which are related to our four focal areas of support can be directly linked to the 17 SDG goals.



3. **NGX Sustainable Disclosure Guidelines**

The guidelines published in 2019 are a guide for all listed companies of the Nigerian Stock Exchange to ensure that their sustainability report contains basic information considered relevant and meaningful to stakeholders. These guidelines consist of nine principles relating to how business should be conducted.

Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	**Principle 2** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	**Principle 3** Businesses should provide products and services that are safe ad contribute to sustainability throughout their life cycle.
Principle 4 Businesses should engage with and provide value to their customers and consumers in a responsible manner.	**Principle 5** Businesses should promote the well-being of all employees.	**Principle 6** Businesses should respect the interest of and be responsive towards all stakeholders especially those who are disadvantaged, vulnerable and marginalized.
Principle 7 Businesses should respect and promote human rights.	**Principle 8** Businesses should support inclusive growth and equitable development.	**Principle 9** Businesses should respect, protect and make efforts to restore the environment.

As it has become increasingly difficult to assess performance of companies doing different businesses, and compare performance of sustainability-related disclosure standards, the ISSB (S1 and S2) which seeks to deliver a comprehensive global baseline of sustainability related disclosure standards is being proposed for implementation. At Custodian, we intend to align with this.

Sustainability/ESG Practice at Custodian

Sustainability is practiced in Custodian through the policies guiding our operations which are embedded in our daily activities.

1. **Environment**

- Use of natural resources: As much as possible at Custodian, we use natural resources in an optimal manner by ensuring sustainability of resources by reducing consumption of energy through the choice of LED used, reusing things like paper and envelopes internally, repairing items that can still be restored to a good condition such as furniture and other assets, rethinking by constantly reviewing our processes to discard wasteful ones and possibly changing them, refusing to buy unnecessary items and recycling items like plastic products generated and kept for recycling companies to convert to useful materials.
- We are mindful of our environment wherever we operate from and maintain cleaning companies that keep our environment clean and free of pollution.
- As much as possible we promote the use of renewable energy, especially at the Head Office.

2. **Social**

- Across our businesses, employees are free to associate with one another within their subsidiaries and across it. We ensure that there are engagements throughout the year where employees jointly participate, mingle and compete within their subsidiaries and the group.

- We ensure there is work-balance for all employees especially women. Employees are expected to strive to give their best during regular working hours and are discouraged from working late into the night. This is enforced by strict adherence to power outage in the office beyond the set time, except on very rare occasions.
- We offer a safe workplace environment for employees, and in the Head office, there is provision of a ramp for easy accessibility and special toilets for the use of the physically disabled.
- We do not engage in any form of involuntary labour in any of our businesses
- All employees of the company are engaged after standard interviews are carried out and are found to be fit for employment. We ensure that employees are provided with learning opportunities on a non-discriminatory basis.

3. **Governance**

- Our Mission statement reveals that ours is an ethical organization. We therefore promote practices which are ethical and not corrupt
- Whilst the Society for Corporate Governance, Nigeria carries out a Board evaluation, the report, including last year's always reveal the Board of Directors conducted its affairs in an acceptable manner.
- Our Code of Ethics is well documented and disseminated, which spells out the minimum acceptable standards of conduct expected of all employees across the Group.

4. **Economic**

- We review our processes constantly by making attractive products available to current and potential clients, especially in insurance and pensions businesses. These products are available to all segments of society. For instance, we have products that are characterized by low entry barriers to encourage financial; inclusion of the poor, such as Esusu, Thrift financing and Safety Plus.

- We constantly have teams meet on a regular basis to review our digitization processes.
- We operate an efficient system that cuts out waste. By eliminating mistakes as much as possible and focusing on given tasks, productivity increases, which lead to healthy results pleasing all stakeholders.

Activities we engaged in during 2025 are further spelt out in the chart below:

Year 2025 ESG Status/Performance Indicators

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Environment					
Service Responsibility	• We are the first Nigerian Insurance Company Signatory to the WEP(FI) (PSI). • We added value by acting in our clients' needs and maintained high quality service, minimizing negative environmental impacts • Our Head office and new offices have ramps installed for easy accessibility to people living with disabilities • Our Claims and complaints management processes are digitized and accessible.	On-going	Principles 1,2 & 3	Principle 1 Principles 6 & 7 Principle 3	Goals 8 & 9

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Environment					
Service Responsibility	• We have the whistleblower installed on our website for easy resolution of clients' complaints and issues • Our customer service query resolution increased by 60% and Total number of queries resolved across different touch points by 63% from 2024 to 2025. • We have several sustainable solutions in the form of Micro-Licenses products.	On-going Done		Principle 4	
Energy Efficiency	• Our Head Office, Lagos offices and newly built structures are mostly powered by Light Emitting Diode (LED), whilst there is a planned gradual replacement of traditional bulbs in all our offices situated outside Lagos • Mindful of the emissions, air and noise pollution and health hazards caused by generator usage, we continue to manage usage of generators around our offices. Strict rules apply to daily usage.	On-going		Principle 9 Principle 9	Goal 7 Goal 11

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Environment					
Water Reduction	• Water usage is managed efficiently. All our water closets in the head office have dual-flush mechanisms • We continue to encourage the use of hand sanitisers especially in the head office, thereby reducing water usage	On-going		Principle 5	Goals 6 & 12 Goal 6
Waste Management	• Waste generated in our head office is sorted into plastic and other waste products. The plastic waste is bagged and kept for recycling companies to manufacture useful products. • Wastewater generated at our Head office is processed in the sewage treatment plant in the basement, allowing water generated to drain into public gutters. The Lagos State Wastewater Management officials visit regularly to ensure enforcement.	On-going		Principle 9 Principle 9	Goal 6 Goal 6

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Environment					
Paper Reduction Strategies	• Paper recycling is embedded in our systems. Members across our subsidiaries communicate via technology like email and telephone • For internal usage, where paper must be used, recycled paper is encouraged. Stakeholders are engaged as much as possible electronically. • Our systems are digitized, so meetings are held via Microsoft Teams or Zoom and internal processes like applications for leave, appraisal, approvals for payment are done electronically.	On-going			Goal 9 Goals 8, 9 &13
Generator Usage	• Mindful of the emissions, air and noise pollution and health hazards caused by generator usage, we continue to manage usage of generators around our offices. Strict rules apply to daily usage.	On-going		Principle 9	Goals 9, 11 & 12

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Social					
Employee wellbeing	• We provide a safe and comfortable working environment for employees across our businesses. Our offices are well furnished with adequate ventilation. • We have an in-house canteen at the Head office, run by carefully selected food vendors to cater to Management and senior staff of the office free of charge. Other categories of staff are given allowances in lieu. • We continue to run our Fit Fam twice a week, to ensure fitness of employees, within the Head office. • We continue to operate staff buses plying different routes in Lagos for the comfort and safety of staff who are not entitled to official cars. This reduces hardship faced by many due to exorbitant transport costs in Lagos.	On-going		Principle 5 Principle 5 Principle 5 Principle 4 & 5	Goal 3 Goal 2 Goal 3 Goal 8

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Social					
Employee wellbeing	• For the convenience of male and female employees working around the Head office, we continue to run a creche free of charge, The creche managed by trained and dedicated handlers is for babies up to the age of a year and a half.	On-going		Principle 4 & 5	Goal 10
Diversity and Inclusion in the Workplace	• We engage employees of different genders, ethnicity, religion, age and social class. Our employees create a culture where diverse perspectives are entertained, valued and empowered. • We have a fair representation of women on our various Boards across the group and continue to work on this.	On-going		Principle 6 Principle 8	Goal 10 Goals 5 &10

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Social					
Labour Practices	• We focus on the safety, health and welfare of all employees engaged across our businesses. see HSE report for details).	On-going		Principles 5 & 7	Goal 3
Social Interaction	• To encourage social interaction across the group, we have the Custodian Olympics where teams from the subsidiaries compete with one another. We also have a quarterly newsletter so employees of other subsidiaries can learn about others.			Principle 5	Goal 3
Employee Engagement and Training	• The two-month Custodian Graduate Trainee Program (CGTP) aimed at attracting intelligent and young graduates still runs. This ensures fresh blood is injected into the system regularly, helping to develop a strong workforce base of home-grown talent. • We have an annual mentors conference with about 100 youths attend the conference and go through a yearly mentoring program.	On-going			Goal 4 Goal 4

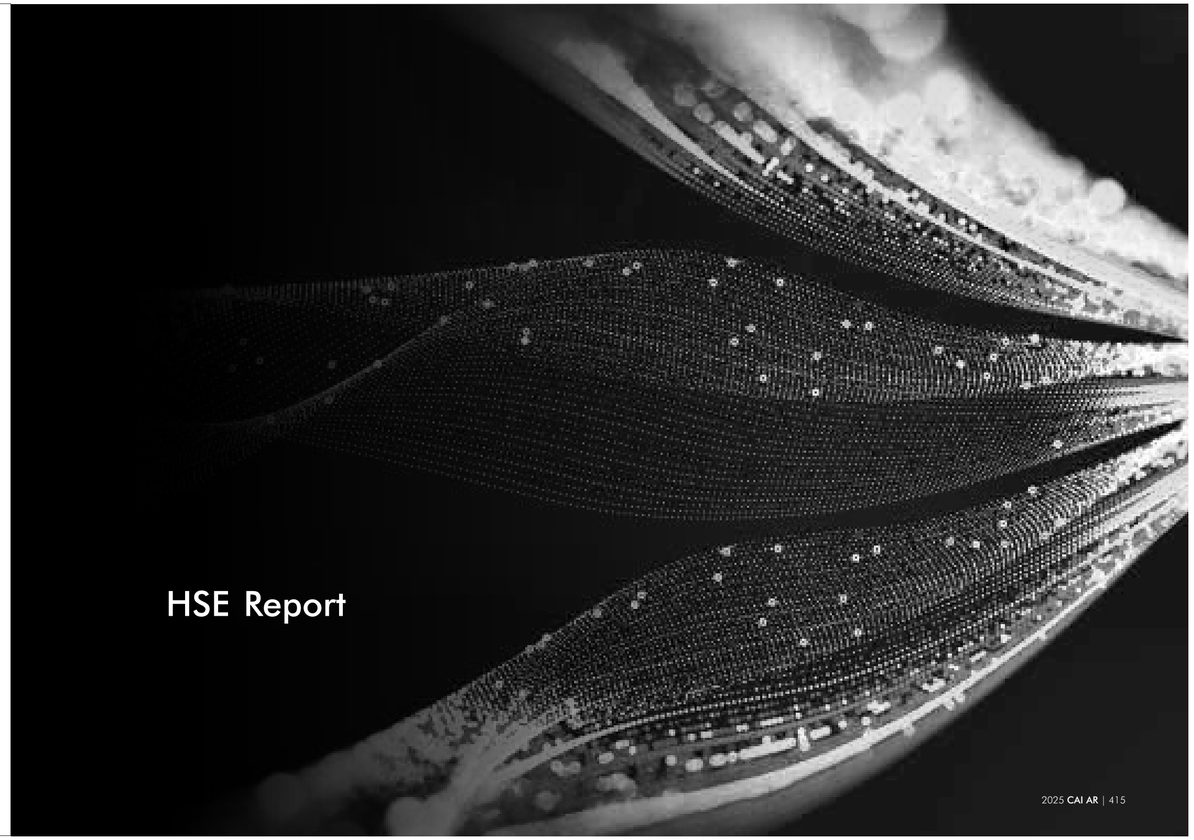
Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Social					
Human Rights	• The human rights of each employee are protected at Custodian.	On-going		Principle 7	
Society	• We impact the environment around us by improving infrastructure and making donations. This year we donated N5 Million to The Federal Nigeria Society for the Blind.	Done			Goal 2
Governance					
Anti-corruption	• We have zero tolerance for bribery and corrupt practices. Every employee across the group is assigned the staff handbook within which the Code of Conduct defines acceptable behaviour and ethical standards. The Code of conduct promotes a culture of integrity, professionalism, confidentiality, accountability and commitment to the highest ethical standards in internal and external relations.	Done		Principle 1	Goal 16

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Governance					
Anti-corruption	• All vendors, Agents and Consultants are vetted to confirm their reputations and backgrounds	Done		Principles 1 & 4	
	• Our Internal Audit team conduct regular and sometimes, on-the-spot audits of financial records and stores, looking out for unusual payments and confirm stock.	Done		Principle 2	
	• Duties are segregated so that more than a single person is involved in all aspects of financial transactions.	Done		Principle 1	
Training	• It is mandatory for all Management and employees to attend anti-corruption training at least twice in a year.t twice a year	Done			Goal 4

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Governance					
Risk Management	• The whistle-blower mechanism is operational on all our systems for all stakeholders to report suspicious activities. We maintained compliance with regulations specified by our Regulators in the businesses we engage in • All Documents and Application Assets are Secured via Cloud (Microsoft Azure) and Offsite Replication.	Done Done/ On-going		Principle 1	Goal 16
Economic					
Sustainable Investment	• Our in-house investment Committee meets often and regularly to make investment decisions, guided by relevant regulations. • In the coming year we are building an Actuarial Science and Insurance Studies Centre at UNILAG	On-going Yet to Start		Principle 4	Goal 9

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Economic					
Sustainable Investment	• For Sustenance of Life, we built and handed over a Level 4 Trauma Centre at the Federal Medical Centre Epe to cater to accident victims that might die without immediate help needed at such a centre. • We took over and completed a block of two classrooms at Awesome Hope Academy in Benue State, contributing to the engagement and prosperity of local human resources.	Done Done		Principle 6 Principles 3,6 & 8	Goal 9 Goal 4 & 9
Responsible Products and Services	• The Claims process of our Insurance subsidiaries have long been digitized to facilitate easy use by Claimants. We ensure claims are settled usually within three days • We operate ethical procurement practices to ensure fairness in the selection of vendors. We do not encourage/patronize	On-going On-going		Principle 3	

Theme/Description	Activity highlights	Indicators	Principles PSI	NGX	SDG
Economic					
Suppliers Management and Ethics	• We have various solutions to meet all our clients across the group, considering the different economic and demographic characteristics, so they can exercise their freedom of choice. • We have in place a reliable disaster-recovery apparatus, should there be an unexpected disaster that would ensure continuity of business in the event of unforeseen circumstances.	On-going On-going			



HSE Report

HSE Report

At Custodian, the health, safety and wellbeing of employees, contractors, clients and visitors remain a core priority. As a conglomerate (a financial services and investment company), our operations are predominantly office-based; hence, we acknowledge the fact that workplace health risks—both physical and psychosocial-can materially affect employee performance, business continuity and long-term value creation.

As a responsible corporate entity, our Health, Safety & Wellbeing structure is aligned with the relevant Nigerian occupational safety regulations, and principles.

The Executive Management is responsible for implementing approved health and safety policies and ensuring compliance.
The company reviews the policies periodically to ensure alignment with regulatory changes, current, perceived or emerging risks, and best practices.

The company's key Workplace Health & Safety focus areas include:

- Ergonomic workstations: we ensure the proper setup of workstations to prevent musculoskeletal strain and disorder. This is achieved by regular assessment of chairs, screens and lights. The office workstation arrangement/layout is also considered important, this is to prevent trips, slips and falls

- Fire prevention systems and emergency evacuation procedures: regular preventive maintenance of the fire detection systems is carried out on a periodic basis, fire extinguisher maintenance, clearly marked emergency exits, muster point and periodic fire drills are all in place to ensure a safe environment

- Electrical and building safety compliance: periodic audit of the building by officials of the Fire Service Department and the state safety agency

- Safe use of office equipment: as a part of the company safety policy, there is periodic maintenance of equipment to ensure the safety of users. Where applicable, fit for use certification by relevant agencies is obtained. We ensure routine inspections are conducted to identify hazards and implement corrective actions promptly to eliminate possible downtime or safety risk.

HSE Report Contd

With priority on Employee Health & Wellbeing, the company ensures that employee wellbeing extends beyond physical safety, hence the adoption of initiatives which include:

- Health insurance and access to medical care through Health Maintenance Organizations
- Mental health awareness and stress-management programs through the engagement of qualified professionals to give presentations and talks using the Custodian knowledge sharing platform known as CAI Idols
- Having in place policies supporting work-life balance
- Employee wellness campaigns focusing on diseases prevention. Example is the sharing of disease prevention tips via the use of posters in common areas such as the elevator, restrooms and so on

We recognize that these initiatives support productivity, engagement and long-term workforce sustainability.

In achieving our goal of preventing illness, injury, and long-term harm to workers, the company has continued to adopt structured and proactive ways of identifying, assessing, controlling, and monitoring health risks that arise from work activities.
We proactively identify and manage occupational health risks through:

- Periodic risk assessments for office environment
- Clear incident reporting and investigation procedures
- Preventive controls to reduce work-related health concerns

All reported incidents are documented and reviewed to prevent recurrence and improve controls.

We have continued to promote a strong safety culture over the years, through employee training and engagement. Our corporate strategy on improving Health and Safety of employee includes:

- Health and safety induction for new employees: mandatory health & safety induction for new joiners

HSE Report

- Periodic refresher training and awareness sessions: we have adopted continuous staff training on safety procedures for all categories of employees and outsourced staff.
- Emergency preparedness and first-aid awareness, including demonstrations and trainings by professionals including local fire service department and recently the Nigerian Red Cross Society
- Continuous communication to reinforce personal responsibility for safety
- Emergency Preparedness & Business Continuity
- Data security awareness to reduce cyber-related risks

Our policy caters for other stakeholders such as Contractors, Suppliers, Service Providers and Visitors to our premises are mandated to adhere to our safety standards through:

- Clear health and safety requirements for third parties
- Controlled access to office premises
- Vendor risk assessments (where applicable)
- Performance & Continuous Improvement
- Ensure that every contractor working at height is well kitted with relevant Personal Protective Equipment

As part of workplace safety, we adopt a deliberate and structured approach to emergency preparedness. We have continued to fine-tune the process over the years and our emergency preparedness plan includes:

- Fire and emergency response plans: this includes the regular maintenance of firefighting equipment and having them ready for use. The establishment of a safety team, trained in emergency evacuation and use of equipment such as the fire extinguishers, manual call points etc

- Taking proactive and preventive measures against diseases. An example is the installation of hand sanitizer dispensers at strategic locations within the office building

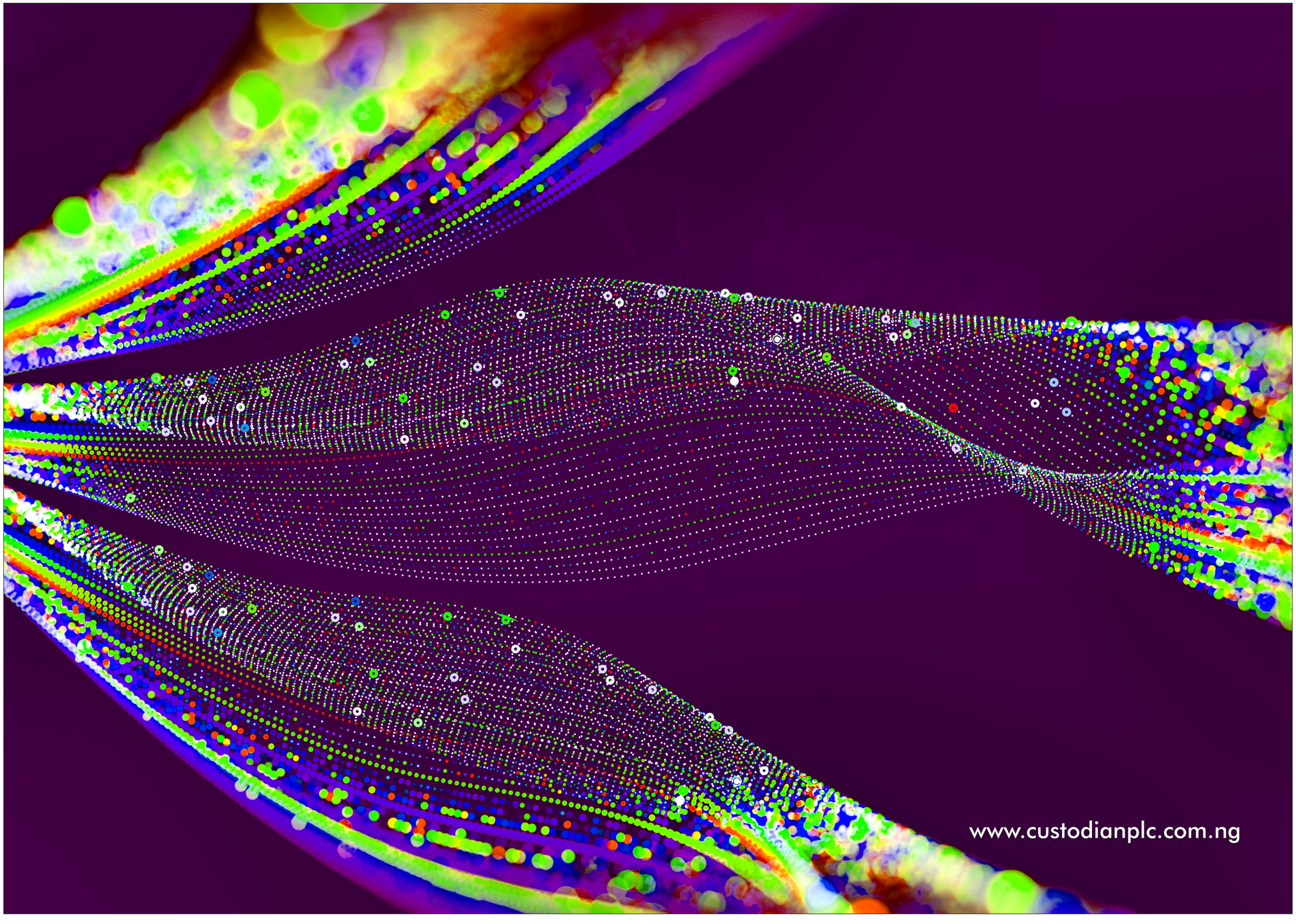
HSE Report

- Business continuity and disaster recovery planning. This is aimed at achieving zero down-time in our business operations in case of an emergency
- Regular testing and review of response procedures
- Contractor & Visitor Safety

We have adopted the following indicators for our appraisals with the aim of measuring our performance.

- Workplace incidents (our target is zero lost-time injuries)
- Health-related absenteeism trends
- Employee engagement and wellbeing feedback
- Continuous improvements to Health, Safety And Environment policies and controls

We remain committed to our objective of continuously improving in health, safety and wellbeing of our employees and other stakeholders to sustain long-term value.


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